BUYER'S INSPECTION ADDENDUM TO MANUFACTURED HOME PURCHASE AGREEMENT AND SALES CONTRACT

1. Buyer:
2. Seller:
3. Premises Address:
4. Date:
5. During the Due Diligence Period Buyer shall conduct all desired inspections and investigations within ten (10) 6. days, or days after Contract acceptance. During the Inspection Period Buyer, at Buyer's expense, 7. shall: (i) conduct all desired physical, environmental, and other types of inspections and investigations to 8. determine the value and condition of the Premises; (ii) make inquiries and consult government agencies, 9. lenders, insurance agents, architects, and other appropriate persons and entities concerning the suitability 10. of the Premises and the surrounding area; (iii) investigate applicable building, zoning, fire, health, and safety 11. codes to determine any potential hazards, violations or defects in the Premises; and (iv) verify any material 12. multiple listing service ("MLS") information. If the presence of sex offenders in the vicinity or the occurrence of 13. a disease, natural death, suicide, homicide or other crime on or in the vicinity is a material matter to Buyer, 14. it must be investigated by Buyer during the Inspection Period. Buyer shall keep the Premises free and clear 15. of liens, shall indemnify and hold Seller harmless from all liability, claims, demands, damages, and costs, and 16. shall repair all damages arising from the inspections. Buyer shall provide Seller and Broker(s) upon receipt, at 17. no cost, copies of all inspection reports concerning the Premises obtained by Buyer. Buyer is advised to consult 18. the Arizona Department of Real Estate <i>Buyer Advisory</i> to assist in Buyer's due diligence inspections and . 19. investigations <i>Buyer's Due Diligence Period shall not begin until all utilities are on at the Premises</i> .
20. <u>Wood-Destroying Organism or Insect Inspection</u> . Wood-Destroying Organism or Insect Inspection: IF 21. CURRENT OR PAST WOOD-DESTROYING ORGANISMS OR INSECTS (SUCH AS TERMITES)
22. ARE A MATERIAL MATTER TO BUYER, THESE ISSUES MUST BE INVESTIGATED DURING
23. THE INSPECTION PERIOD. Buyer shall order and pay for all wood-destroying organism or insect
24. inspections performed during the Inspection Period. If the lender requires an updated Wood-Destroying
25. Organism or Insect Inspection Report prior to COE, it will be performed at Buyer's expense

28. Sewer or Septic System. if a sewer connection is a material matter to buyer, it must be investigated during the

27. Due Diligence Period, and in place by COE.

26. **Insurance**. Buyer understands if insurance is required by Buyer's lender, it should be investigated during the

- 29. inspection period. If the Premises are on a conventional or alternative septic system, the Buyer should inspect
- 30. the utility line between the main line connection and the home to determine if the utility line is on the same lot 31, as the Premises.
- 32. **Due Diligence Period Notice**. Prior to expiration of the Due Diligence Period, Buyer shall deliver to Seller a 33. signed notice of any items disapproved. The Arizona Association of REALTORS ® Buyer's Inspection Notice
- 34. and Seller's Response form is available for this purpose. Buyer shall conduct all desired inspections and
- 35. investigations prior to delivering such notice to Seller and all Inspection Period items disapproved shall be
- 36. provided in a single notice.

37. **Buyer Disapproval:** If Buyer, in Buyer's sole discretion, disapproves of items as allowed herein, Buyer shall 38. deliver to Seller a signed notice of the items disapproved and state in the notice that Buyer elects to either: 39. (1) Immediately cancel this Contract, in which case: 40. (a) If Buyer's notice specifies disapproval of items as allowed herein, the Earnest Money shall be 41. released to Buyer. 42. (b) If Buyer's notice fails to specify items disapproved as allowed herein, the cancellation will remain 43. in effect but Buyer has failed to comply with a provision of this Contract and Seller may deliver to 44. Buyer a cure notice as required by Section 8a of the Mobile and Manufactured Home Contract. If Buyer 45. fails to cure their non-compliance within three (3) days after delivery of such notice. Buyer shall be in breach and Seller shall be entitled to the Earnest Money. If, prior to expiration of the Cure Period, Buyer 46. 47. delivers notice specifying items disapproved as allowed herein, Buyer shall be entitled to a return of the 48. Earnest Money. 49. **OR** 50. (2) Provide Seller an opportunity to correct the items disapproved, in which case: 51. (a) Seller shall respond in writing within five (5) days or days after delivery to Seller of Buyer's notice of 52. items disapproved. Seller's failure to respond to Buyer in writing within the specified time period shall 53. conclusively be deemed Seller's refusal to correct any of the items disapproved. 54. (b) If Seller agrees in writing to correct items disapproved, Seller shall correct the items complete any repairs in a workmanlike manner and deliver any paid receipts evidencing the corrections 55. 56. and repairs to Buyer three (3) days or days prior to COE Date. 57. (c) If Seller is unwilling or unable to correct any of the items disapproved, Buyer may cancel this Contract 58. within five (5) days after delivery of Seller's response or after expiration of the time for Seller's response, 59. whichever occurs first, and the Earnest Money shall be released to Buyer. If Buyer does not cancel this 60. Contract within the five (5) days as provided, Buyer shall close escrow without correction of those items 61. that Seller has not agreed in writing to correct. 62. VERBAL DISCUSSIONS WILL NOT EXTEND THESE TIME PERIODS. Only a written agreement signed 63. by both parties will extend response times or cancellation rights. 64. BUYER'S FAILURE TO GIVE NOTICE OF DISAPPROVAL OF ITEMS OR CANCELLATION OF THIS 65. CONTRACT WITHIN THE SPECIFIED TIME PERIOD SHALL CONCLUSIVELY BE DEEMED BUYER'S 66. ELECTION TO PROCEED WITH THE TRANSACTION WITHOUT CORRECTION OF ANY 67. DISAPPROVED ITEMS. 68. BUYER ACKNOWLEDGMENT: BUYER RECOGNIZES, ACKNOWLEDGES, AND AGREES THAT 69. BROKER(S) ARE NOT QUALIFIED, NOR LICENSED, TO CONDUCT DUE DILIGENCE WITH 70. RESPECT TO THE PREMISES OR THE SURROUNDING AREA. BUYER IS INSTRUCTED TO 71. CONSULT WITH QUALIFIED LICENSED PROFESSIONALS TO ASSIST IN BUYER'S DUE 72. DILIGENCE EFFORTS. BECAUSE CONDUCTING DUE DILIGENCE WITH RESPECT TO THE 73. PREMISES AND THE SURROUNDING AREA IS BEYOND THE SCOPE OF THE BROKER'S 74. EXPERTISE AND LICENSING, BUYER EXPRESSLY RELEASES AND HOLDS HARMLESS 75. BROKER(S) FROM LIABILITY FOR ANY DEFECTS OR CONDITIONS THAT COULD HAVE 76. BEEN DISCOVERED BY INSPECTION OR INVESTIGATION.

BUYER

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77. The undersigned agree to the additional terms and conditions and acknowledge receipt of a copy 78. thereof.				
79. BUYER'S SIGNATURE	MO/DA/YR	BUYER'S SIGNATURE	MO/DA/YR	
80SELLER'S SIGNATURE	MO/DA/YR	SELLER'S SIGNATURE	MO/DA/YR	
For Broker Use Only:				
Brokerage File/Log No	Manager's Initials	Broker's Initials MO/DA/YR	Date	

All pre-printed portions of this form have been drafted by the Manufactured Housing Communities of Arizona (MHCA). Changes to the pre-printed language must be made in a prominent manner.