

Fairbanks Capital Corp.
Addendum to Purchase Agreement- "Addendum A"

This addendum is attached to and made a part of the Offer to Purchase contract and Receipt for Deposit dated _____ (the Purchase Agreement), between Fairbanks Capital Corp. (Seller) and _____ (Buyer), for the sale and purchase of the property located at:

In the event of any conflict between the provisions of the Addendum and the Purchase Agreement, the provisions of this Addendum shall prevail.

1. CONDITIONS OF PREMISES

Buyer acknowledges and agrees that seller has not made and hereby specifically disclaims any warranty, guaranty, or representation, oral or written, past, present or future of, as to or concerning:

(i) The nature, square footage, condition, value, or quality of the property, including but not by way of limitation, the water, the soil, and geology, and the suitability thereof and the property for any and all activities and uses which buyer may elect to conduct thereon,

(ii) The manner, construction, condition, quality, the state of repair or lack of repair of any of the property,

(iii) Except for any warranties contained in the deed, the nature and extent of any right of way, lease, possession, lien, encumbrance, license, reservation, condition, or otherwise,

(iv) The compliance of the property or its operation with any laws, rules, ordinances, or regulations of any government or other body, and

(v) The income to be derived from the property. Buyer hereby expressly acknowledges and agrees that buyer has thoroughly inspected and examined the property to the extent deemed necessary by buyer in order to enable buyer to evaluate the purchase of the property.

Buyer hereby further acknowledges and agrees that buyer is relying solely upon inspection, examination, and evaluation of the property by buyer and that buyer is purchasing the property on an 'AS IS, WHERE IS, AND WITH ALL FAULTS' basis and not on any information provided or to be provided by the seller and buyer expressly acknowledges that, in consideration of the agreement of seller herein, seller makes no warranty of representation express or implied, or arising operation of law, including, but in no way limited to, any warranty of condition, habitability, merchantability, or fitness for a particular purpose, except as otherwise specified herein. It is further agreed that seller has not warranted, and does not hereby warrant that the property or any improvements located thereon now or in the future will meet or comply with the requirements of any safety code or regulation or the state of which the property is located, the city, where the property is located, the county where the property is located, or any other authority or jurisdiction.

It is further agreed that seller does not make any representation of warranties regarding environmental protection, pollution, or land use laws, regulations, orders of requirements, including but not limited to, solid waste, as defined in the Solid Waste Disposal Act and the regulations adopted thereunder or the U.S. Environmental Protection Agency regulations at 40 C.F.R., Part 261, of the disposal or existence in, on or emanating from the property, of any hazardous substance, as defined by the comprehensive regulations promulgated thereunder. Buyer hereby assumes all risks and liability and agrees that seller shall not be liable for any special, direct, indirect, consequential, or other damages resulting or arising from or relating to the ownership, use, condition, location, maintenance, repair or operation of the property.

Buyer further acknowledges and agrees that seller has owned the property only since the date of such transfer and is not in a position to make any representations or warranties, expressed or implied, as to the property. Seller is not liable for bound in any manner by any verbal or written statements, representations or information pertaining to the property, or the operation thereof, furnished by any real estate broker, agent, employee or other person. The provisions of the section shall survive the closing.

Buyer and seller further agree that any personalty, present in the property at the time of closing, conveys in "as is" condition at not cost to buyer.

2. RIGHT OF INSPECTION

In exercising this Addendum, the Buyer is assuming the responsibility to personally satisfy themselves as to the condition of the property. Buyer has the right to inspect the property or to obtain inspection reports from qualified experts. Any inspection must be paid for by Buyer, and must be completed with seven (7) calendar days after the date of the final acceptance of the contract Addendum. Should the property suffer any damage as a result of any inspections performed at Buyer's or Buyers' lender's request, Buyer shall be solely responsible for repair of any damage and/or restoration of the property.

3. LIMITATION OF REMEDIES

If Buyer or anyone representing Buyer discovers any defects in the property or contents which are unacceptable to Buyer, the Buyer may cancel the Agreement of Sale no later than seven (7) calendar days after the date of final acceptance of the contract Addendum. Buyer must notify the Seller's broker/agent or Seller in writing, describing such defects. In the event Buyer notifies the Broker or Seller of such defeats, the Purchase Agreement will be automatically null and void without further notice required and all deposits or earnest money paid by Buyer will be promptly refunded, and thereafter neither Seller nor Buyer will have any further liability to each other.

4. SETTLEMENT AS FINAL

If Buyer chooses not to inspect the property and contents, or if the Buyer does not have any other person inspect the property for Buyer, or if Buyer does not inform Seller or the Broker in writing of any defects in the property, its components or contents within the time specified, or Buyer accepts delivery of the deed at closing, Buyer will be deemed to have accepted the conditions of the property and its fixtures, components or contents within the time specified, or Buyer accepts delivery of the deed at closing, Buyer will be deemed to have accepted the condition of the property and its fixtures, components and contents as satisfactory, and neither Seller nor their agent will have any liability with respect thereto.

5. ADDITIONAL REQUIREMENTS

A. Any work required by FHA or VA, if applicable, is subject to Seller's approval. If Buyer's lender requires inspections and/or repairs, upon approval, Seller shall provide access and necessary utilities for such inspections and/or repairs. The cost of such inspections and/or lender required repairs shall be the sole responsibility of the Buyer. Before commencing such repair work, the contractor must furnish to Seller proof of licensure, insurance (liability, errors and omissions and workers' comp.) all repairs shall be performed by a licensed, bonded, insured contractor after final loan approval and removal of all contingencies of the sale.

B. Buyer is hereby informed that Seller will not grant access to the property for any repairs (except as approved for item A, above) prospective tenant viewing, or occupancy by Buyer, prior to the close of escrow.

C. Buyer is aware and further agrees, that the completion of this transaction and close of escrow is NOT CONTINGENT UPON any subsequent walk-through inspection by the Buyer.

D. Buyer is hereby informed and agrees that Fairbanks Capital Corp. reserves the right to unilaterally cancel this sale if the Buyer does not fully execute all instructions and loan documents by the agreed-upon Closing of Escrow Date designated in the Contract.

6. TIME TO OBTAIN FINANCING

Buyer agrees to make application of any financing necessary to complete this transaction no later than 3 days after the signing of this Purchase Agreement. No more than 15 days from the signing of this Purchase Agreement will be allowed for the buyer to obtain written commitment approval, from the buyer's lender(s). If a commitment or approval is not obtained within the time specified above, this agreement shall terminate unless an extension of time for this purpose is mutually agreed to in writing.

7. CLOSING

Seller designates the following location for the closing of this transaction:

Closing is to occur on or before _____ and Buyer shall make every effort to meet this deadline. Should closing extend beyond this date, a written extension must be pre-approved by Seller. When such extension is due to a delay on the part of Buyer or Lender, Seller shall be entitled to a per diem for each day of such extension from the buyer. The amount of the per diem charge is: \$100.00

Notwithstanding the foregoing, it is understood and agreed that Seller shall retain the right to cancel this agreement and pursue the remedies contained herein if Buyer fails to meet the stated deadline. Possession shall be granted to Buyer only after closing and funding of the sales transaction.

8. TITLE

A. Buyer understands that Seller has ordered a title commitment through First American Title Company. Excepting contract negotiations to the contrary, or where prohibited by law, Seller will pay 60% of the owners' title policy for the Buyer. If and only if the Buyer agrees to purchase title insurance from First American Title Company. This credit of 60% shall apply to all title search and premium costs associated with the owner's policy. Buyer further agrees that First American Title shall handle the closing. Buyer shall cooperate with First American Title to facilitate and complete the sale of the Property.

