

ADDENDUM ONE to Vacant Land Purchase Agreement dated August 28, 2010

Adam's Peak Ranch

640 +/- acres Lassen County, Doyle CA 96109

APN 143-100-01-11 & 143-070-17-11

- Absolute auction. Minimum opening bid shall be \$145,000.
- If successful bid is not high enough to cover all loans, taxes, real estate fees, then the final bid will be subject to short sale lender approval.
- If necessary, seller shall have 60 days for lender short sale approval or the purchase agreement is canceled. The lender will not be present at the auction.
- Close of Escrow shall be within 30 days from date of the auction or 30 days after lender approval whichever is applicable.
- Bidders must register prior to the start of the auction.
- Bidders must give listing agent a cashiers check in the amount of \$5,000 made payable to Chicago Title Company at the time of registration in order to bid.
- Upon completion of the auction, a purchase agreement shall be completed and executed by the seller and the successful bidder immediately following the auction. Successful bidder will be required to leave the \$5,000 initial deposit cashiers check the day of the auction with listing agent once the purchase agreement is executed. An increase deposit for a total of 10% of the purchase price will be required from the successful bidder upon execution of the purchase agreement. This increased deposit check shall be for 10% of the purchase price less the initial \$5,000 cashiers check. This check for the increased deposit can be cash, cashier's check or wire transfer. If 10% of the purchase price is less than \$5,000, then the \$5,000 shall be the initial and deposit.
- Escrow will be opened with Chicago Title Company
- The \$5,000 initial deposit along with the increased deposit for a total of 10% of the purchase price shall be deposited with Chicago Title Company on the Thursday following the auction. Escrow will be opened at this time and the checks will be deposited.
- The entire 10% (\$5,000 cashiers check and increased deposit) is NON-refundable if the successful bidder does not close the escrow for any reason within 30 days from date of the auction.
- The \$5,000 initial deposit and the increased deposit will be refunded only if the lender does not approve the short sale within 60 days after the auction. The \$5,000 and the increased deposit is NON-refundable if the successful bidder withdraws the offer prior to 60 days after the auction or does not close within 30 days once approval is granted in writing.
- Purchase agreement shall be executed immediately following the auction and will be on the California Association of Realtors (CAR) Forms
- Buyer may be represented by a real estate agent, however in order for the real estate agent to earn the commission, the following must be adhered to in its entirety: The real estate agent must be identified and sign the registration package 24 hours prior to the auction, agent must attend the auction and agent must remain throughout the purchase agreement documentation process.
- Commission for a buyer's agent shall be 3% of the purchase price and shall be paid out of the proceeds of the sale.
- Bidding by phone will be allowed during the auction if bidder is registered with listing agent.
- Written bids may be accepted prior to the auction and must be submitted to the listing agent. If a bid is accepted prior to the auction, then the auction shall be canceled.
- Seller to provide a grant deed giving marketable fee simple title subject to restrictions of record on title report. Property is sold subject to zoning, easements, restrictions and any other matters of record.
- The purchase agreement **is not** subject to any loan contingency.
- The purchase agreement **is not** subject to an appraisal contingency.
- There is NO buyer's premium added to the successful bid amount.

- Property is sold **“AS IS, WHEREIS, WITH ALL FAULTS.** There are no warranties made by the auctioneer, Broker or seller(s) as to the merchantability or fitness for any specific or particular use. There is **no** inspection period/contingency after the auction. The only way for the buyer to make an informed decision when it comes to bidding and buying is to not only visit, view and inspect the property prior to the auction, but also read and review and property information and disclosure documents pertaining to the property. Do your investigating. Make your inspections. By registering and bidding at the auction, you are representing that you have not only viewed the property prior to bidding, but have also inspected, reviewed and accepted all relevant property information you deem necessary to make an informed decision. The property will not be open for inspections after the auction so be diligent and do your inspections and investigations prior to the auction.
- Seller to pay for County transfer tax
- Seller shall pay for Natural Hazard Disclosure report
- Buyer shall pay the Title and Escrow fees.
- Buyer shall pay for their own lenders insurance policy if a loan is used for the purchase.
- Buyer and Seller agree to initial paragraph 16 of the Residential Purchase Agreement for LIQUIDATED DAMAGES
- Buyer and Seller agree to initial paragraph 17 of the Residential Purchase Agreement for DISPUTE RESOLUTION by MEDIATION AND ARBITRATION
- CAR FORMS THAT WILL BE UTILIZED FOR THE TRANSACTION
 1. Vacant Land Purchase Agreement
 2. Addendum No. ONE to the Residential Purchase Agreement
 3. Disclosure Regarding RE Relationship
 - a. Listing firm to Seller
 - b. Selling firm to Buyer
 - c. Selling firm to Seller
 4. Confirmation Real Estate Agency Relationships
 5. Receipt for Increased Deposit/Liquidated Damages
 6. Contingency Removal Form
- DISCLOSURE DOCUMENTS AVAILABLE PRIOR TO AUCTION AND SHALL BE EXECUTED BY THE SUCCESSFUL BIDDER AND SELLER
 1. Natural Hazard Disclosure Report
 2. Preliminary Title Report
 3. Market Conditions Advisory
 4. Buyers Inspection Advisory
 5. Real Estate Transfer Disclosure Statement
 6. Seller Property Questionnaire
 7. Statewide Buyer and Seller Advisory

Signatures:

Buyer: _____ Date: _____

Buyer: _____ Date: _____

Seller: _____ Date: _____

Seller: _____ Date: _____

Buyer's Agent: _____ Date: _____

Seller's Agent: _____ Date: _____