



Standard Addendum to the Purchase Contract

Reference Date: _____

TMK: Div. _____ /Zone _____ /Sec. _____ /Plat _____ /Parcel _____ /CPR _____ (if applicable).

Property Reference or Address: _____

Buyer _____

Seller _____

Buyer _____

Seller _____

1. Scope of Service:

Per Paragraph R-1 of the Purchase Contract, Buyer(s) and Seller(s) should not rely on "Brokers" (the real estate firm, its owners and agents) in areas not of their expertise. RE/MAX ALOHA HOMES STRONGLY RECOMMENDS THAT BUYER(S) & SELLERS) UTILIZE EXPERTS OF THEIR CHOICE IN OBTAINING PROFESSIONAL INSPECTIONS & REPORTS. Buyer(s) & Seller(s) understand the limitations of the Brokers' expertise and hereby release the Brokers from any and all claims and/or liability arising from or related to areas in which professional services have been recommended.

2. Termite Provision: Standard Purchase Contract Paragraphs L-1, L-2, L-3 and L-4 are amended as follows:

Buyer(s) acknowledge that there may be hidden termite damage, which Seller(s) and Seller's Agent may not be aware and for which Seller(s) and Seller's Agent will not be held liable. Seller(s), Seller's Agent and Buyer's Agent make no representations or warranty that the Property is free from hidden infestation or damage, about which they are now unaware; and Buyer(s) and Seller(s) release all said Agents from any and all liability with regard to termites. Once Buyer(s) has (a) exercised their inspection right and approved the current Termite Inspection Report ("TIR") or (b) waived their inspection right, Buyer agrees to take the Property "AS-IS" with respect to such damage, if any. Buyer's rights to terminate the Purchase Contract based on the results of the Termite Inspection Report are as follows:

- a. If the Termite Inspection Report contains no visible evidence of active termite infestation or damage caused by termites, Buyer(s) may not terminate the Purchase Contract due to this contingency.
- b. If the Termite Inspection Report indicates active termite infestation and/or damage caused by termites, Buyer(s) has five (5) days upon receipt of the Termite Inspection Report to accept the Property "AS-IS," or terminate the Purchase Contract pursuant to Paragraph O-2 of the Purchase Contract. In the event there is active termite infestation, Seller(s) is required under Paragraph L-2 to order and pay for the recommended treatment for that condition. Once Seller(s) conducts the recommended treatment and/or provides the disclosures of termite damage required under L-1, L-3 and L-2, and Buyer(s) accepts the Property, Buyer(s) may not terminate the Purchase Contract due to this contingency.

3. Building Permits Disclosure:

Buyer(s) is/are aware that many residential properties do not have all building permits as required by county ordinances and/or may not have been built according to the plans or building permits issued. Buyer understands that there are potential risks in purchasing a property that does not have all required permits and/or on which non-complying work has been done. These risks include, but are not limited to: (a) a city or other government agency may require removal or rebuilding of the improvements constructed without a valid permit and/or non-complying structure; (b) the Property may be in violation of zoning, use and/or occupancy limit ordinances, which might require removal or discontinued use of all or a portion of the Property; (c) a possible hazardous condition could be caused by nonconforming or un-permitted construction; and/or (d) the lender's appraisal of the Property and the decision to extend financing could be adversely affected.

During the inspection period under Paragraph J-1, Buyer(s) or Buyer's contractor, architect or other experts are advised to review, among other things, the Property's building permit file, which may indicate whether structural modifications, additions, and/or other items modified and/or changed were done with properly issued permits and if these building permits were inspected and signed by the appropriate county officials. Buyer(s) understand that the Brokers are not qualified to give opinions on these matters, including, but not limited to, proper examination and analysis of the permit file contents.

4. Professional Home/Property Inspection:

Buyer(s) and Seller(s) understand that the Inspections referred to in Paragraph J-1 encompass wide range of professional fields and expertise. Buyer(s) and Seller(s) understand that Brokers are not qualified to give opinions on these matters and acknowledge that neither party is relying on the Brokers for these services. RE/MAX ALOHA HOMES STRONGLY RECOMMENDS THAT BUYER(S) OBTAIN A PROFESSIONAL GENERAL HOME INSPECTION AS WELL AS SURVEYS AND INSPECTIONS IN SPECIALIZED AREAS BEYOND THE SCOPE OF GENERAL HOME INSPECTIONS.

Professional Home Inspection decision (Buyer to check one):

- a. Buyer elects to obtain a professional home inspection at Buyer's expense
- b. Buyer declines to obtain a professional home inspection

5. Real Property Taxes:

Methods of assessing real property in Hawaii are complex. Tax rates and assessments differ according to the zoning and use of property, exemptions that pertain to specific homeowners (i.e. age, dedications, agricultural use, and other criteria). Taxes that are currently set at a certain rate or amount for a specific piece of property are not fixed and do not guarantee that taxes will remain the same when a new owner purchases the Property. A mechanism known as "roll-back" taxes may make a purchaser liable for additional taxes if the use/dedications/zoning are changed after purchase. Buyer(s) is/are advised to contact their respective Real Property Tax Office as well as a tax professional (i.e., accountant, attorney, etc.) for information in this regard. Buyer(s) should also determine if there are any exemptions or deductions that affect the Property. If the Property is to be used as the Buyer's primary residence, it is the Buyer's responsibility to file a home exemption form with the appropriate Real Property Tax Office immediately after recordation.

BUYER'S INITIALS & DATE

SELLER'S INITIALS & DATE

6. Review of Condominium/Subdivision/PUD/Homeowners Documents:

Buyer(s) is advised that Brokerage Firm(s) is/are not in a position to interpret documents including financial statements, budgets, or reserve studies, etc., for the Buyer(s) as it relates to condominium, subdivision, PUD or homeowner's documents. Brokerage Firm(s) recommend the Buyer(s) consult with a licensed attorney and/or CPA with expertise in condominium, subdivision, PUD and/or homeowner's documents to review and explain such documents to the Buyer(s) involved in this transaction. Buyer(s) acknowledge and understand that the maintenance fees, homeowner's or community association fees, or any other fees and/or charges related to the Property and reflected in the documentation provided to the Buyer(s) for review and approval are not fixed and may change in the future..

7. Document Receipt:

Buyer(s) and Seller(s) agree that the time of receipt of information by Buyer or Seller shall be based upon when the Buyer or Seller, or their respective agents, have received the information. Furthermore, delivery may be made by courier, e-mail, facsimile, mail or personal delivery.

8. New Home Disclosure:

This disclosure is applicable only to the sale of new homes. Chapter 672E of the Hawaii Revised Statutes contains important requirements that the Buyer must follow before filing a lawsuit or other action for defective construction against the Contractor who designed, repaired or constructed the home or facility. Ninety (90) days before filing a lawsuit or other action, written notice of any alleged construction defects must be served upon the Contractor. Under the law, the Contractor has the opportunity to make an offer to repair and/or pay for the defects. There is no obligation to accept the offer, if any, made by a Contractor. There are strict guidelines and procedures under the law, and failure to follow them may negatively affect one's ability to file a lawsuit or other action.

9. Affiliated Business Disclosure:

Buyer(s) and Seller(s) understand that the Inspections referred to in Paragraph J-1 encompass a wide range of professional fields and expertise. Buyer(s) and Seller(s) understand that Brokers are not qualified to give opinions on these matters and acknowledge that neither party is relying on the Brokers for these services. RE/MAX ALOHA HOMES STRONGLY RECOMMENDS THAT BUYER(S) OBTAIN A PROFESSIONAL GENERAL HOME INSPECTION AS WELL AS SURVEYS AND INSPECTIONS IN SPECIALIZED AREAS BEYOND THE SCOPE OF GENERAL HOME INSPECTIONS.

Buyer Date

Seller Date

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Seller Date