

SOLAR ADDENDUM

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1. Seller: _____
2. Buyer: _____
3. Premises Address: _____
4. Date: _____

5. A solar photovoltaic ("PV") panel system ("Solar System") has been installed on the Premises. The Solar System shall convey with the
6. Premises pursuant to the terms set forth below and the following additional terms and conditions are hereby included as a part of the
7. Contract between Seller and Buyer for the above referenced Premises if marked by an "X" and initialed by Seller and Buyer. The terms
8. and conditions of the Contract are included herein by reference.

9. INSTRUCTIONS:

10. If the Solar System installed on the Premises is owned outright by Seller or utility owner and is not subject to a lease or unpaid loan,
11. mark the appropriate box on line 14 and complete only Sections 1 and 3.
12. If the Solar System installed on the Premises is subject to a lease or unpaid loan and Buyer's purchase of the Premises is contingent
13. on Buyer's assumption of the Solar System lease/loan, mark the box on line 23 and complete only Sections 2 and 3.

14. 1. ☐ Seller Owned or ☐ Utility Owned Solar System

15. **Seller Disclosure:** Within three (3) days after Contract acceptance, Seller shall deliver to Buyer all documents in Seller's possession
16. pertaining to the Solar System installed on the Premises. The Solar System documents in Seller's possession are collectively hereinafter
17. referred to as the "Solar System Documents."

18. **Buyer Disapproval:** Buyer shall provide notice of any Solar System related items disapproved within the Inspection Period or five
19. (5) days after receipt from Seller of the Solar System Documents, whichever is later. Buyer's failure to deliver a signed notice of
20. cancellation within the specified time period shall conclusively be deemed Buyer's election to proceed with the transaction, subject to
21. the contingencies set forth in the Contract.

22. If lines 14 - 21 apply: BUYER'S AND SELLER'S INITIALS REQUIRED _____ / _____ / _____ / _____
BUYER BUYER SELLER SELLER

23. 2. ☐ Solar System Lease/Loan

24. **Lessor/Lien Holder:** The term "Lessor," as used herein, shall refer to the company that leases the Solar System to Seller, or the
25. servicer on the unpaid loan used by Seller to purchase the Solar System.

26. **Seller Disclosure:** Within three (3) days after Contract acceptance, Seller shall: (i) deliver to Buyer the most recent version of the
27. Solar System lease/loan; (ii) deliver to Buyer all other Solar System documents in Seller's possession; (iii) provide to Buyer the name
28. and phone number of Lessor; and (iv) notify Lessor of the sale, the name of Buyer, and the name of the Escrow Company as set forth
29. in Section 3a of the Contract. The Solar System lease/loan and other documents in Seller's possession are collectively hereinafter
30. referred to as the "Solar System Documents."

31. **Lease/Loan Assumption Contingency:** Buyer's obligation to complete this sale is contingent upon Buyer obtaining from Lessor
32. approval to assume the Solar System lease/loan under the existing terms and conditions no later than three (3) days prior to the
33. Close of Escrow date ("Assumption Approval").

34. **Buyer Disapproval:** Buyer shall provide notice of any Solar System related items disapproved within the Inspection Period or five (5) days
35. after receipt from Seller of the Solar System Documents, whichever is later. Buyer's failure to deliver a signed notice of cancellation

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36. within the specified time period shall conclusively be deemed Buyer's election to proceed with the transaction, subject to the other
37. contingencies set forth herein and in the Contract. Should Buyer elect to proceed with the transaction, Buyer shall immediately
38. apply for lease/loan Assumption Approval in the manner required by Lessor, and Seller and Buyer agree to cooperate fully with
39. Lessor and supply the necessary documentation to complete the assumption.
40. **Unfulfilled Lease/Loan Assumption Contingency:** This Contract shall be cancelled, and Buyer shall be entitled to a return of the
41. Earnest Money if, after diligent and good faith effort, Buyer is: (i) unable to obtain Assumption Approval from Lessor; and (ii) delivers
42. to Seller a signed notice of inability to obtain Assumption Approval no later than three (3) days prior to the Close of Escrow date.
43. If Buyer is unable to obtain Assumption Approval within the specified time period, but fails to deliver such notice, Seller may issue
44. a cure notice to Buyer as required by Section 7a of the Contract and, in the event of Buyer's breach, Seller shall be entitled to the
45. Earnest Money pursuant to Section 7b of the Contract. If, prior to expiration of the Cure Period, Buyer delivers notice of inability to
46. obtain Assumption Approval, Buyer shall be entitled to a return of the Earnest Money.
47. **Transfer Fees:** Unless required by Lessor, any mandatory Lessor fees associated with Buyer's assumption of the Solar System
48. lease/loan and/or the transfer of the Solar System to Buyer, including, but not limited to, document processing fees, shall be paid by:
49. ☐ Buyer ☐ Seller ☐ Other _____ at the time payment is required and is non-refundable.
50. **Credit Score Fee:** In the event Buyer does not meet the required credit score mandated by Lessor to assume the Solar System
51. lease/loan and a credit score fee is imposed by Lessor in exchange for issuing Assumption Approval, Buyer shall have the right
52. to provide notice of cancellation within the Inspection Period or five (5) days after receipt of notice from Lessor of the credit score
53. fee, whichever is later. Buyer's failure to deliver a signed notice of cancellation within the specified time period shall conclusively be
54. deemed Buyer's election to proceed with the transaction subject to the other contingencies set forth herein and in the Contract. Should
55. Buyer elect to proceed with the transaction and pay the credit score fee to Lessor in exchange for Assumption Approval, the fee shall
56. be paid by Buyer at the time payment is required and shall be non-refundable.
57. **Solar Tax Credit Loan Balance Reduction:** Seller shall be responsible for paying any required reduction in loan balance as it relates
58. to eligible solar tax credits that may be necessary for Buyer to assume the Solar System loan.
59. **If lines 23 - 58 apply: BUYER'S AND SELLER'S INITIALS REQUIRED** _____ / _____ / _____
BUYER SELLER SELLER

60. **3. Additional Terms and Conditions**

61. **THE FOLLOWING TERMS APPLY TO EITHER SECTION 2 OR 3 ABOVE:**

62. **BUYER:** Any change in the current rate plan or by Buyer shall result in increased rates or a plan that is less favorable to Buyer,
63. including, but not limited to, the loss of net metering billing status. If electric utilities are not on at the time of Contract Acceptance
64. or anytime thereafter, Buyer should investigate why the current Solar System rate plan will change as a result. Buyer should
65. ensure that electric utilities are transferred into their name on the day of Close of Escrow. Failure to do so may result in increased
66. rates or a plan that is less favorable to Buyer, including, but not limited to, the loss of net metering billing status.

67. **BUYER'S INITIALS REQUIRED** _____ / _____
BUYER BUYER

68. **SELLER:** If electric utilities are on at the time of Contract Acceptance, Seller shall ensure they remain on through Close of Escrow.
69. Should Seller turn off electric utilities or change the existing rate plan at any time between the date of Contract Acceptance and
70. Close of Escrow and doing so results in increased rates or a plan that is less favorable to Buyer, including, but not limited to, the
71. loss of net metering billing status, it shall be deemed a change in the Premises under Section 4f of the Contract.

72. **SELLER'S INITIALS REQUIRED** _____ / _____
SELLER SELLER

73. **Buyer Due Diligence:** Buyer is advised that if the cost, insurability, operation, or value of the Solar System is a material matter to Buyer,
74. it must be investigated within the allotted timeframe set forth in this Addendum. This may include, but is not limited to:

- | | | |
|--|--|---|
| 75. • Age | • Maintenance | • Utility bills (<i>note - past performance is not a guarantee of future results</i>) |
| 76. • Battery Storage | • Output and production guarantees | • Warranties (<i>i.e. - panels, inverter, battery, installation, and other equipment</i>) |
| 77. • End of lease/loan terms (<i>if applicable</i>) | • Payment increases | |
| 78. • Grandfathered utility plan assumption | • Roof integrity | |
| 79. • Grid tie-in | • Taxes | |
| 80. • Homeowner's insurance coverage | • Utility and lessor fees (<i>if applicable</i>) | |

Solar Addendum

81. **Acknowledgement:** Seller and Buyer recognize, acknowledge, and agree that Brokers are not qualified to advise on Solar Systems,
82. including, but not limited to, cost, insurability, operation, value, or transferability. Seller and Buyer are instructed to consult with
83. independent legal counsel and other qualified licensed professionals to assist in their due diligence efforts. **Because conducting due**
84. **diligence with respect to the Solar System is beyond the scope of Broker's expertise, Seller and Buyer expressly release and**
85. **hold harmless Broker(s) from liability for any defects, conditions or transferability problems pertaining to the Solar System.**

86. **BUYER'S INITIALS REQUIRED** _____ / _____ **SELLER'S INITIALS REQUIRED** _____ / _____
BUYER BUYER SELLER SELLER

87. **Additional Terms:** _____

88. _____

89. _____

90. _____

91. _____

92. **The undersigned agrees to the modified or additional terms and conditions set forth above and acknowledges receipt of a**
93. **copy hereof.**

94. _____ MO/DA/YR _____ MO/DA/YR
^ BUYER'S SIGNATURE ^ BUYER'S SIGNATURE

95. _____ MO/DA/YR _____ MO/DA/YR
^ SELLER'S SIGNATURE ^ SELLER'S SIGNATURE

For Broker Use Only:

Brokerage File/Log No. _____ Manager's Initials _____ Broker's Initials _____ Date _____
MO/DA/YR