



ADDENDUM FOR SELLER'S DISCLOSURE OF INFORMATION ON LEAD-BASED PAINT AND LEAD-BASED PAINT HAZARDS AS REQUIRED BY FEDERAL LAW

CONCERNING THE PROPERTY AT _____ (Street Address and City)

A. LEAD WARNING STATEMENT: "Every purchaser of any interest in residential real property on which a residential dwelling was built prior to 1978 is notified that such property may present exposure to lead from lead-based paint that may place young children at risk of developing lead poisoning. Lead poisoning in young children may produce permanent neurological damage, including learning disabilities, reduced intelligence quotient, behavioral problems, and impaired memory. Lead poisoning also poses a particular risk to pregnant women. The seller of any interest in residential real property is required to provide the buyer with any information on lead-based paint hazards from risk assessments or inspections in the seller's possession and notify the buyer of any known lead-based paint hazards. A risk assessment or inspection for possible lead-paint hazards is recommended prior to purchase."

NOTICE: Inspector must be properly certified as required by federal law.

B. SELLER'S DISCLOSURE:

1. PRESENCE OF LEAD-BASED PAINT AND/OR LEAD-BASED PAINT HAZARDS (check one box only):

(a) Known lead-based paint and/or lead-based paint hazards are present in the Property (explain): _____

(b) Seller has no actual knowledge of lead-based paint and/or lead-based paint hazards in the Property.

2. RECORDS AND REPORTS AVAILABLE TO SELLER (check one box only):

(a) Seller has provided the purchaser with all available records and reports pertaining to lead-based paint and/or lead-based paint hazards in the Property (list documents): _____

(b) Seller has no reports or records pertaining to lead-based paint and/or lead-based paint hazards in the Property.

C. BUYER'S RIGHTS (check one box only):

1. Buyer waives the opportunity to conduct a risk assessment or inspection of the Property for the presence of lead-based paint or lead-based paint hazards.

2. Within ten days after the effective date of this contract, Buyer may have the Property inspected by inspectors selected by Buyer. If lead-based paint or lead-based paint hazards are present, Buyer may terminate this contract by giving Seller written notice within 14 days after the effective date of this contract, and the earnest money will be refunded to Buyer.

D. BUYER'S ACKNOWLEDGMENT (check applicable boxes):

1. Buyer has received copies of all information listed above.

2. Buyer has received the pamphlet *Protect Your Family from Lead in Your Home*.

E. BROKERS' ACKNOWLEDGMENT: Brokers have informed Seller of Seller's obligations under 42 U.S.C. 4852d to:

(a) provide Buyer with the federally approved pamphlet on lead poisoning prevention; (b) complete this addendum; (c) disclose any known lead-based paint and/or lead-based paint hazards in the Property; (d) deliver all records and reports to Buyer pertaining to lead-based paint and/or lead-based paint hazards in the Property; (e) provide Buyer a period of up to 10 days to have the Property inspected; and (f) retain a completed copy of this addendum for at least 3 years following the sale. Brokers are aware of their responsibility to ensure compliance.

F. CERTIFICATION OF ACCURACY: The following persons have reviewed the information above and certify, to the best of their knowledge, that the information they have provided is true and accurate.

_____ Buyer	_____ Date	_____ Seller Kaplan's Mortgage Company, LLC	_____ Date
_____ Buyer	_____ Date	_____ Seller	_____ Date
_____ Other Broker	_____ Date	_____ Listing Broker	_____ Date

The form of this addendum has been approved by the Texas Real Estate Commission for use only with similarly approved or promulgated forms of contracts. Such approval relates to this contract form only. TREC forms are intended for use only by trained real estate licensees. No representation is made as to the legal validity or adequacy of any provision in any specific transactions. It is not suitable for complex transactions. Texas Real Estate Commission, P.O. Box 12188, Austin, TX 78711-2188, 1-800-250-8732 or (512) 459-6544 (<http://www.trec.state.tx.us>)



SELLER FINANCING ADDENDUM

TO CONTRACT CONCERNING THE PROPERTY AT

(Address of Property)

A. CREDIT DOCUMENTATION. To establish Buyer's creditworthiness, Buyer shall deliver to Seller within 3 days after the effective date of this contract, credit report verification of employment, including salary verification of funds on deposit in financial institutions current financial statement and apply with Seller for loan, fill out & sign 1003 Mortgage Application, sign GFE, TIL + other disclosures. Buyer hereby authorizes any credit reporting agency to furnish copies of Buyer's credit reports to Seller at Buyer's sole expense.

B. CREDIT APPROVAL. If the credit documentation described in Paragraph A is not delivered within the specified time, Seller may terminate this contract by notice to Buyer within 7 days after expiration of the time for delivery, and the earnest money will be paid to Seller. If the credit documentation is timely delivered, and Seller determines in Seller's sole discretion that Buyer's credit is unacceptable, Seller may terminate this contract by notice to Buyer within 7 days after expiration of the time for delivery and the earnest money will be refunded to Buyer. If Seller does not terminate this contract, Seller will be deemed to have approved Buyer's creditworthiness.

C. PROMISSORY NOTE. The promissory note (Note) described in Paragraph 4 of this contract payable by Buyer to the order of Seller will bear interest at the rate of _____ % per annum and be payable at the place designated by Seller. Buyer may prepay the Note in whole or in part at any time without penalty. Any prepayments are to be applied to the payment of the installments of principal last maturing and interest will immediately cease on the prepaid principal. The Note will contain a provision for payment of a late fee of ~~5%~~ of any installment not paid within ~~15~~ 5 days of the due date. Matured unpaid amounts will bear interest at the rate of ~~1 1/2%~~ 10% per month or at the highest lawful rate, whichever is less. The Note will be payable as follows:

- (1) In one payment due _____ after the date of the Note with interest payable at maturity monthly quarterly. (check one box only)
- (2) In monthly installments of \$ _____ including interest plus interest (check one box only) beginning 30 after the date of the Note and continuing monthly thereafter for 360 months when the balance of the Note will be due and payable.
- (3) Interest only in monthly installments for the first _____ month(s) and thereafter in installments of \$ _____ including interest plus interest (check one box only) beginning _____ after the date of the Note and continuing monthly thereafter for _____ months when the balance of the Note will be due and payable.

D. DEED OF TRUST. The deed of trust securing the Note will provide for the following:

(1) PROPERTY TRANSFERS: (check one box only)

- (a) Consent Not Required: The Property may be sold, conveyed or leased without the consent of Seller, provided any subsequent buyer assumes the Note.
- (b) Consent Required: If all or any part of the Property is sold, conveyed, leased for a period longer than 3 years, leased with an option to purchase, or otherwise sold (including any contract for deed), without Seller's prior written consent, which consent may be withheld in Seller's sole discretion, Seller may declare the balance of the Note

Initialed for identification by Buyer _____ and Seller _____

TREC NO. 26-5

(Address of Property)

to be immediately due and payable. The creation of a subordinate lien, any conveyance under threat or order of condemnation, any deed solely between buyers, or the passage of title by reason of the death of a buyer or by operation of law will not entitle Seller to exercise the remedies provided in this paragraph.

NOTE: Under (a) or (b), Buyer's liability to pay the Note will continue unless Buyer obtains a release of liability from Seller.

(2) TAX AND INSURANCE ESCROW: (check one box only)

- (a) Escrow Not Required: Buyer shall furnish Seller, before each year's ad valorem taxes become delinquent, evidence that all ad valorem taxes on the Property have been paid. Buyer shall annually furnish Seller evidence of paid-up casualty insurance naming Seller as a mortgagee loss payee.
- (b) Escrow Required: With each installment Buyer shall deposit in escrow with Seller a pro rata part of the estimated annual ad valorem taxes and casualty insurance premiums for the Property. Buyer shall pay any deficiency within 30 days after notice from Seller. Buyer's failure to pay the deficiency will be a default under the deed of trust. Buyer is not required to deposit any escrow payments for taxes and insurance that are deposited with a superior lienholder. The casualty insurance must name Seller as a mortgagee loss payee.

(3) PRIOR LIENS: Any default under any lien superior to the lien securing the Note will be a default under the deed of trust securing the Note.

Buyer

Seller
Kaplan's Mortgage Company, LLC

Buyer

Seller

The form of this contract has been approved by the Texas Real Estate Commission for use with similarly approved or promulgated contract forms. TREC forms are intended for use only by trained real estate licensees. No representation is made as to the legal validity or adequacy of any provision in any specific transactions. It is not intended for complex transactions. Texas Real Estate Commission, P.O. Box 12188, Austin, TX 78711-2188, 1-800-250-8732 or (512) 459-6544 (<http://www.trec.state.tx.us>) TREC No. 26-5. This form replaces TREC No. 26-4.

KAPLAN ADDENDUM

This Addendum to One to Four Family Residential Contract is entered into by and between KAPLAN'S MORTGAGE COMPANY, LLC (Seller) and _____ (Buyer), and modifies that Certain One to Four Family Residential Contract (Contract) for the Real Property located at _____, El Paso, Texas.

1. SELLER ACQUIRED THE PROPERTY IN A FORECLOSURE SALE. Without limiting the limited warranty of title herein contained, Grantor and Grantee agree that by the conveyance of the Property, Grantor makes no warranties or representations, oral or written, express or implied, concerning the condition or value of the Property herein described, or any improvements related thereto, including, but not limited to, any warranty of safety, habitability, merchantability or fitness for any purpose. Grantee has carefully inspected the Property (or has been afforded a reasonable opportunity to do so) and, by the acceptance of this deed, accepts the Property "AS IS" and "WHERE IS", with all faults and in its present condition, including, but not limited to, any latent faults or defects, whether above, on, or below ground, and further including all risk or danger (if any) related to electromagnetic or high voltage fields, exposure to radon, and all other environmental conditions whatsoever. In no event shall Grantor be liable to Grantee, its successors or assigns in title, for any damages to property or persons, whether direct, indirect or consequential, or any loss of value or economic benefit whatsoever, related to any present or future condition of or affecting the Property or improvements, except solely to those matters relating to Grantor's special warranty to title.

2. Buyer and Seller do hereby agree to submit to binding arbitration all claims, disputes and controversies between or among them, whether in tort, contract or otherwise, arising out of or relating in any way to the sale and purchase of the property herein. Any arbitration proceeding will (i) proceed in El Paso, Texas; be governed by the Texas Arbitration Act (iii) be conducted by a single arbitrator in accordance with the Commercial Arbitration rules of the American Arbitration Association ("AAA"); (iv) the prevailing party shall be entitled to its attorneys fees and costs from the non-prevailing party. This Provision shall survive the closing.

3. If this transaction shall fail to close as set forth in this Contract due to the sole fault of Buyer and no fault of Seller and Seller provides a written statement of same to Escrow Agent, Buyer does hereby authorize Escrow agent to release all the Earnest Money to Seller without any further written or oral authorization or approval from Buyer. This paragraph shall prevail and supersede any conflict of provisions in the Residential Real Estate Earnest Money Contract, of which this Addendum is attached and a part of. If Escrow agent complies with the provisions of this paragraph, each party hereby releases escrow agent from all adverse claims related to the disbursement of the earnest money.

4. If Seller financing is involved in this transaction, a prepayment penalty shall apply to the loan of 3% of the balance if paid the first year & 2% the second year.

5. The terms, conditions, and agreements contained herein shall survive the closing and shall be part of the deed conveying such property.

Dated the _____ day of _____, 20_____.

Buyer(s) : _____ Seller(s) : _____

Buyer(s) : _____ Seller(s) : _____