October 16, 2015

Addendum/ Letter of Understanding between Seller 1and Seller 2 and The Buyer regarding the following property:

Municipal Address: 1234, ABC Road, Westbank, British Columbia V1T 1R4

Legal Description:

 Lot1 Block 4 Plan 20154

Description of this Real Estate Deal:

The Buyer and Seller 1and Seller 2, Inc. (All Parties) have entered an agreement for the Property described above. This property is owned by Seller 1and Seller 2. The final Sale of this property to The Buyer is due to complete November 15, 2020. Paperwork regarding this transaction is in the Real Estate Purchase Contract ID: 123, ABC Road The purpose of this transaction is to enable The Buyer Lease this property out to another person and OR move in his or herself.

1. The Buyer agrees to commit to the full down payment of $3,000.00 plus costs to close (approximately) $600 in Legal Fees for the Property which The Buyer will purchase for $137,500.00 on November 15, 2020 in 60 months (the Term). The $3,000.00 Down Payment will be paid as follows: $500 non refundable Reservation Fee (to be applied to the Purchase upon completion of paperwork) due October 16, 2015, $1000 Deposit due Tuesday, October 20, 2015, $1500 plus legal fees due before physical possession of the property on or before November 15, 2015. Total: $3,000.00 plus approximate legal fees of $600 (paid directly to solicitor).
2. All Parties agree that The Buyer will pay Expenses for the Property including:
	1. $1121.19 per month for Monthly Financing Expenses
	2. $486 per month to cover Condo fees
	3. $86.60 for Insurance.
	4. $42.21 for Taxes. This amount is subject to change and is the financial responsibility of The Buyer
	5. Total Amount for2. a.through 2.d. is $1736.00 and is payable in ONE Cheque dated for the First of the Month and Made Payable to Seller 1starting November 15, 2015. 7 months of Post-dated cheques will be provided from The Buyer from November 15, 2015 until May 15, 2016. Payments will be adjusted according to tax costs and evidence of such tax costs will be provided to The Buyer
3. All parties agree that The Buyer is responsible for the following:
	1. Mowing the grass.
	2. All other yard maintenance including trimming trees and bushes
	3. Keeping the Property clean and tidy on the inside and outside
	4. Administer all maintenance and repairs required for the Property
	5. Pay for the cost of all maintenance and repairs required for the property
	6. Live peacefully and in compliance with the rules and regulations of the Community.
4. All parties understand that the objective of this transaction is to allow The Buyer an opportunity to rent out the property and purchase it for $137,500.00 on November 15, 2020.
5. It is understood between the The Buyer and the Seller 1and Seller 2 that if The Buyer does not complete the contract and decide not to purchase the property, that he will forfeit all down payment money that has been paid unless otherwise agreed in writing by all parties.
6. The Buyer and Seller 1and Seller 2 agree that if The Buyer does not complete the contract or is in breach of Paragraph 2. a. through f. or Paragraph 3.a. through f. and decides not to purchase the property , that he will agree to remove the Option to Purchase from Title of the property and provide whatever signatures are required to do this within 30 days of deciding not to purchase the property.
7. The Buyer agrees to give Seller 1and Seller 2 at least 60 days written notice if he decides not to purchase the property and will cover all agreed upon expenses (Paragraph 2.a. through f.) within said 60 days.
8. It is understood between the The Buyer and the Seller 1and Seller 2 that the Seller shall be provided with all relevant information regarding any tenant that is placed in this property; including full names, occupation, Social Insurance Number, contact information, and lease information.
9. The Sellers Agree to allow the Buyer to Rent out the Property.
10. All parties understand that The Buyer will be registered on Title within 60 days (approximately December 15, 2015) of The Buyer taking possession of the property. It is understood by all parties that registration of title may take more than 60 days and consideration to that fact will be taken.
11. All parties understand in the highest and best interest of the Seller 1and Seller 2 and The Buyer that a 2 year Extension will be implemented IF the Property does not Appraise for $137,500.00 on September 1, 2020. This extension will include the following terms:
	1. Sale Price: $137,500.00
	2. Payments to remain the same and adjusted according to cost of Taxes, Insurance.
	3. Term 24 Months beginning November 15, 2020 to complete November 15, 2022.
12. This agreement shall remain in both parties’ files for their records.
13. All parties agree to work together in open, honest communication for the very highest benefit for all involved including The Buyer , Seller 1and Seller 2.
14. All parties understand there are risks involved with this and any type of real estate transaction.

Signed,

The Buyer Seller 1

 Seller 2