

CONTINGENCIES/CLAUSES ADDENDUM

This Addendum is made on _____, to a sales contract ("Contract") offered on _____, between _____ ("Buyer") and Seung Kang, Hyun Kang ("Seller") for the purchase and sale of Property: 525 N Armistead St 302 Alexandria VA 22312

The following provisions if initialed by the parties are incorporated into and made a part of this Contract:

1. CONTINGENCIES

A. SALE OF BUYER'S PROPERTY AND KICK-OUT This Contract is contingent until 9 p.m. _____ days after Date of Ratification ("Deadline") upon the sale of Buyer's property located at _____ ("Buyer's Property"). If Buyer does not satisfy, amend or remove this contingency by the Deadline pursuant to sub-paragraph 3 below, this Contract will become void.

- 1) Seller may continue to offer Property for sale and accept bona fide back-up offers to this Contract until this contingency is satisfied or removed. If a back-up offer is accepted, Seller will Deliver Notice to Buyer requiring that this contingency be removed or satisfied pursuant to sub-paragraph 3 below not later than 9 p.m. _____ days after Delivery of Notice or this Contract will become void. If Buyer fails to satisfy or remove the contingency by Deadline, this Contract will become void.
- 2) Buyer's Property will be listed exclusively and actively marketed by a licensed real estate broker and entered into a multiple listing service within _____ days after the Date of Ratification at a price not to exceed \$ _____.
- 3) Buyer may:
 - a. Satisfy this contingency by Delivering to Seller a copy of the ratified contract for the sale of Buyer's Property with evidence that all contingencies, other than financing and appraisal, have been removed or waived by Deadline **OR**
 - b. Remove this contingency by Delivering to Seller (1) a letter from the lender stating that the financing is not contingent in any manner upon the sale and settlement of any real estate or obtaining a lease of any real estate and that Buyer has sufficient funds available for the down payment and closing costs necessary to complete Settlement; **OR** (2) evidence of sufficient funds available to complete Settlement without obtaining financing.
- 4) If Buyer satisfies the requirements of sub-paragraph 3.a. above, this Contract will remain contingent upon the settlement of the sale of Buyer's Property. This paragraph will survive the satisfaction of the contingency for the sale of Buyer's Property.

Settlement (under this Contract) may not be delayed more than _____ Days after the Settlement Date (specified in this Contract) without the parties' written consent. Seller ☐ will **OR** ☐ will not accept an assignment of funds. If a further delay is required to obtain coinciding settlements, Buyer may at Buyer's option declare the Contract void in writing. Nothing herein shall prohibit the parties from mutually agreeing to extend Settlement Date under terms acceptable by both parties. If at any time after Date of Ratification the contract for the sale of Buyer's Property becomes void, Buyer will immediately Deliver Notice to Seller together with evidence of such voiding, at which time either Seller or Buyer may declare this Contract void by Delivering Notice to the other party.

B. SETTLEMENT OF BUYER'S PROPERTY Settlement of this Contract is contingent upon the settlement of the contract for the sale of Buyer's property located at _____

_____ ("Buyer's Property"). Settlement (under this Contract) may not be delayed more than _____ days after Settlement Date (specified in this Contract) without the parties' written consent. Seller ☐ will **OR** ☐ will not accept an assignment of funds. If a further delay is required to obtain coinciding settlements Buyer may at Buyer's option declare the Contract void in writing. Nothing herein shall prohibit the parties from mutually agreeing to extend Settlement Date under terms acceptable by both parties. If at any time after the Date of Ratification the contract for the sale of Buyer's Property becomes void, Buyer will immediately Deliver Notice to Seller together with evidence of such voiding, at which time either Seller or Buyer may declare this Contract void by Delivering Notice to the other party.

C. CONTINGENT ON THE SELLER PURCHASING ANOTHER HOME This Contract is contingent until 9 p.m. _____ days after Date of Ratification ("Deadline") to allow Seller to ratify a contract for purchase of another home and conduct whatever due diligence Seller deems necessary under the terms of Seller's contract to purchase another home. This contingency will terminate at Deadline and this Contract will remain in full force and effect unless Seller delivers Notice to Buyer, prior to Deadline, that this Contract is void.

D. GENERAL This Contract is contingent until 9 p.m. _____ days after Date of Ratification ("Deadline") upon: _____

2. CLAUSES

A. BACK-UP CONTRACT This Contract is first back-up to another contract dated _____ between Seller and _____ as Buyer.

This Contract becomes the primary contract immediately upon Notice from Seller that the other contract is void. All deadlines contained in this Contract shall be measured from ☐ Date of Ratification **OR** ☐ date this Contract becomes primary. Additionally, Settlement Date will be _____ days after the date this Contract becomes primary. Buyer may void this back-up Contract at any time by Delivering Notice to Seller prior to Delivery of Notice from Seller that this Contract has become the primary contract. If the other contract settles, this Contract will become void. The rights and obligations of the parties under the primary contract are superior to the rights and obligations of the parties to this back-up Contract.

B. "AS IS" PROPERTY CONDITION The following terms in this Contract are hereby amended (check all that apply):

- ☒ All clauses pertaining to delivery of Property free and clear of trash and debris and broom clean are deleted
- ☒ Buyer assumes responsibility for compliance with all laws and regulations regarding smoke detectors
- ☒ All clauses pertaining to termites and wood-destroying insects are deleted
- ☒ All clauses pertaining to Seller's compliance with all orders or notices of violation of any county or local authority are deleted
- ☒ All requirements for Seller to comply with Property Owners' or Condominium Owners' Associations notices of violations related to the physical condition of Property are deleted.

C. 1031 EXCHANGE (BUYER) Property is being acquired to complete an IRC Section 1031 tax-deferred exchange pursuant to an exchange agreement. This Settlement will be coordinated with _____

_____, ("Intermediary"), who shall instruct Seller as to the manner Property shall be conveyed to Buyer. There shall be no additional expense to Seller as a result of the exchange and Seller shall cooperate with Buyer and Intermediary in the completion of the exchange.

D. 1031 EXCHANGE (SELLER) Seller and Buyer agree to transfer Property by utilizing an IRC Section 1031 tax-deferred exchange. Buyer agrees to cooperate with Seller, at no expense or liability to Buyer, in the completion of the exchange, including execution of all necessary documents, the intention of the parties being that Seller utilizes Section 1031 to defer taxes by acquiring like-kind real estate through an exchange agreement established at Settlement. The parties will execute all necessary documents as

determined by Intermediary at Settlement, which documents are prepared at Seller's expense.

E. REAL ESTATE COOPERATIVE (Virginia Real Estate Cooperative Act § 55.1-2160)

Seller ☐ has delivered **OR** ☐ will deliver to the Buyer the required public offering statement. If the statement was delivered prior to the Date of Ratification then Buyer has 10 days from the Date of Ratification to void this Contract by Delivering a Notice to Seller. If the statement was delivered after the Date of Ratification, then Buyer will have five days from receipt of the statement or Date of Settlement, whichever occurs first, to void the contract by Delivering a Notice to Seller.

Except as modified by this Addendum, all of the terms and provisions of this Contract are hereby expressly ratified and confirmed and will remain in full force and effect.

SELLER:

_____/_____
Date Signature

_____/_____
Date Signature

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Date Signature

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Date Signature

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BUYER:

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