

# 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. **The process of transferring the Solar System to Buyer will likely take significant time, even if the Solar System**
10. **is owned outright. Seller should initiate the transfer process immediately upon contract acceptance. Similarly,**
11. **Buyer should promptly apply for, provide documents, and otherwise facilitate the transfer without delay. Both**
12. **parties are advised to set a realistic Close of Escrow date that provides sufficient time to facilitate the transfer.**

## 13. INSTRUCTIONS:

14. Mark the appropriate box on line 19 and complete only Sections 1 and 3 if the Solar System installed on the Premises is owned outright
15. by Seller or will be paid in full at, and as a condition of, Close of Escrow or utility owned and is not subject to a lease or unpaid loan.
16. **OR**
17. Mark the box on line 28 and complete only Sections 2 and 3 if the Solar System installed on the Premises is subject to a lease or
18. unpaid loan and Buyer's purchase of the Premises is contingent on Buyer's assumption of the Solar System lease/loan.

## 19. 1. ☐ Seller Owned or ☐ Utility Owned Solar System

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

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

27. **If lines 19 - 26 apply: BUYER'S AND SELLER'S INITIALS REQUIRED** \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_  
BUYER BUYER SELLER SELLER

## 28. 2. ☐ Solar System Lease/Loan

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

31. **Seller Disclosure:** Within three (3) days after Contract acceptance, Seller shall: (i) deliver to Buyer the most recent version of the
32. Solar System lease/loan; (ii) deliver to Buyer all other Solar System documents in Seller's possession; (iii) provide to Buyer the name
33. and phone number of Lessor; (iv) notify Lessor of the sale, the name of Buyer, and the name of the Escrow Company as set forth in

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34. Section 3a of the Contract; and (v) disclose whether or not Seller is current on their lease/loan. The Solar System lease/loan and  
35. other documents in Seller's possession are collectively hereinafter referred to as the "Solar System Documents."

36. **Buyer Disapproval:** Buyer shall provide notice of any Solar System related items disapproved within the Inspection Period or five  
37. (5) days after receipt from Seller of the Solar System Documents, whichever is later. Buyer's failure to deliver a signed notice of  
38. cancellation within the specified time period shall conclusively be deemed Buyer's election to proceed with the transaction, subject  
39. to the other contingencies set forth herein and in the Contract. Buyer shall immediately apply for lease/loan assumption in the  
40. manner required by Lessor, and Seller and Buyer agree to cooperate fully with Lessor and supply the necessary documentation to  
41. complete the assumption.

42. **Lease/Loan Assumption Contingency:** Buyer's obligation to complete this sale is contingent upon Buyer obtaining from Lessor  
43. approval to assume the Solar System lease/loan under the Seller's existing terms and conditions no later than three (3) days prior  
44. to the Close of Escrow date ("Assumption Approval"). Buyer is advised to carefully review the Assumption Approval documents to  
45. verify the terms and conditions have remained the same.

46. **Unfulfilled Lease/Loan Assumption Contingency:** This Contract shall be cancelled, and Buyer shall be entitled to a return of the  
47. Earnest Money if, after diligent and good faith effort, Buyer is: (i) unable to obtain Assumption Approval from Lessor; and (ii) delivers  
48. to Seller a signed notice of inability to obtain Assumption Approval no later than three (3) days prior to the Close of Escrow date.  
49. If Buyer is unable to obtain Assumption Approval within the specified time period, but fails to deliver such notice, Seller may issue  
50. 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  
51. Earnest Money pursuant to Section 7b of the Contract. If, prior to expiration of the Cure Period, Buyer delivers notice of inability to  
52. obtain Assumption Approval, Buyer shall be entitled to a return of the Earnest Money.

53. **Credit Score Fee:** In the event Buyer does not meet the required credit score mandated by Lessor to assume the Solar System  
54. lease/loan and a credit score fee is imposed by Lessor in exchange for issuing Assumption Approval, Buyer shall have the right  
55. to provide notice of cancellation within the Inspection Period or five (5) days after receipt of notice from Lessor of the credit score  
56. fee, whichever is later. Buyer's failure to deliver a signed notice of cancellation within the specified time period shall conclusively be  
57. deemed Buyer's election to proceed with the transaction subject to the other contingencies set forth herein and in the Contract. Should  
58. Buyer elect to proceed with the transaction and pay the credit score fee to Lessor in exchange for Assumption Approval, the fee shall  
59. be paid by Buyer at the time payment is required and shall be non-refundable.

60. **Solar Tax Credit Loan Balance Reduction:** Seller shall be responsible for paying any required reduction in loan balance as it relates  
61. to eligible solar tax credits that may be necessary for Buyer to assume the Solar System loan.

62. **If lines 28 - 61 apply: BUYER'S AND SELLER'S INITIALS REQUIRED** \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_  
BUYER BUYER SELLER SELLER

### 63. **3. Additional Terms and Conditions**

64. **THE FOLLOWING TERMS APPLY TO EITHER SECTION AGREED TO ABOVE:**

65. **Transfer Fees:** Any mandatory fees or warranty transfer fees charged by Lessor, utility, or other third party associated with Buyer's  
66. assumption of the Solar System lease/loan and/or the transfer of the Solar System to Buyer, including, but not limited to, document  
67. processing fees, shall be paid by: ☐ Buyer ☐ Seller ☐ Other \_\_\_\_\_ at the time payment is required  
68. and is non-refundable.

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

74. **BUYER'S INITIALS REQUIRED** \_\_\_\_\_ / \_\_\_\_\_  
BUYER BUYER

75. **SELLER:** If electric utilities are on at the time of Contract Acceptance, Seller shall ensure they remain on through Close of Escrow.  
76. Should Seller turn off electric utilities or change the existing rate plan at any time between the date of Contract Acceptance and  
77. 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  
78. loss of net metering billing status, it shall be deemed a change in the Premises under Section 4f of the Contract.

79. **SELLER'S INITIALS REQUIRED** \_\_\_\_\_ / \_\_\_\_\_  
SELLER SELLER

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## Solar Addendum >>

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

- |  |  |   |
|--|--|---|
| 82. • Age  | • Maintenance                                      | • Utility bills ( <i>note - past performance is not a guarantee of future results</i> )     |
| 83. • Battery Storage                                  | • Output and production guarantees                 | • Warranties ( <i>i.e. - panels, inverter, battery, installation, and other equipment</i> ) |
| 84. • End of lease/loan terms ( <i>if applicable</i> ) | • Payment increases                                |   |
| 85. • Grandfathered utility plan assumption            | • Roof integrity                                   |   |
| 86. • Grid tie-in                                      | • Taxes  |   |
| 87. • Homeowner's insurance coverage                   | • Utility and lessor fees ( <i>if applicable</i> ) |   |

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

93. **BUYER'S INITIALS REQUIRED** \_\_\_\_\_ / \_\_\_\_\_ **SELLER'S INITIALS REQUIRED** \_\_\_\_\_ / \_\_\_\_\_  
BUYER BUYER SELLER SELLER

94. **Additional Terms:** \_\_\_\_\_

95. \_\_\_\_\_

96. \_\_\_\_\_

97. \_\_\_\_\_

98. \_\_\_\_\_

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

101. ^ BUYER'S SIGNATURE \_\_\_\_\_ MO/DA/YR ^ BUYER'S SIGNATURE \_\_\_\_\_ MO/DA/YR

102. ^ SELLER'S SIGNATURE \_\_\_\_\_ MO/DA/YR ^ SELLER'S SIGNATURE \_\_\_\_\_ MO/DA/YR

### For Broker Use Only:

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