

SOLAR LEASE / SOLAR LOAN ASSUMPTION ADDENDUM

Document updated:
October 2017



The pre-printed portion of this form has been drafted by the Arizona Association of REALTORS®. Any change in the pre-printed language of this form must be made in a prominent manner. No representations are made as to the legal validity, adequacy and/or effects of any provision, including tax consequences thereof. If you desire legal, tax or other professional advice, please consult your attorney, tax advisor or professional consultant.



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

5. The following additional terms and conditions are hereby included as a part of the Contract between Seller and Buyer for the above referenced Premises.

7. A solar photovoltaic ("PV") panel system ("Solar System") has been installed on the Premises that is subject to a lease or unpaid loan.
8. The Solar System shall convey with the Premises and, pursuant to the terms set forth below, Buyer's purchase of the Premises is
9. contingent on Buyer's assumption of the Solar System lease/loan.
10. **Lessor/Lien Holder:** The term "Lessor," as used herein, shall refer to the company that leases the Solar System to Seller, or the servicer of
11. the unpaid loan used by Seller to purchase the Solar System.
12. **Seller Disclosure:** Within three (3) days after Contract acceptance, Seller shall: (i) deliver to Buyer the most recent version of the Solar
13. System lease/loan; (ii) deliver to Buyer all other Solar System documents in Seller's possession; (iii) provide to Buyer the name and phone
14. number of Lessor; and (iv) notify Lessor of the sale, the name of Buyer, and the name of the Escrow Company as set forth in Section 3a of
15. the Contract. The Solar System lease/loan and other documents in Seller's possession are collectively hereinafter referred to as the "Solar
16. System Documents."
17. **Buyer Due Diligence:** Buyer is advised that if the cost, insurability, operation, or value of the Solar System is a material matter to Buyer, it
18. must be investigated within the allotted timeframe set forth below. This may include, but is not limited to:
 19. • Age
 20. • End of lease terms
 21. • Grid tie-in
 22. • Homeowner's insurance coverage
 - Maintenance
 - Output and production guarantees
 - Payment increases
 - Taxes
 - Utility and lessor fees
 - Utility bills
 - Warranties
23. **Buyer Disapproval:** Buyer shall provide notice of any items disapproved within the Inspection Period or five (5) days after receipt from
24. Seller of the Solar System Documents, whichever is later. Buyer's failure to deliver a signed notice of cancellation within the specified time
25. period shall conclusively be deemed Buyer's election to proceed with the transaction, subject to the contingencies set forth below and
26. in the Contract. Should Buyer elect to proceed with the transaction, Buyer shall immediately apply for lease/loan assumption approval in
27. the manner required by Lessor, and Seller and Buyer agree to cooperate fully with Lessor and supply the necessary documentation to
28. complete the assumption.
29. **Lease/Loan Assumption Contingency:** Buyer's obligation to complete this sale is contingent upon Buyer obtaining from Lessor approval
30. to assume the Solar System lease/loan under the existing terms and conditions no later than three (3) days prior to the COE date
31. ("Assumption Approval").
32. **Unfulfilled Lease/Loan Assumption Contingency:** This Contract shall be cancelled and Buyer shall be entitled to a return of the Earnest
33. Money if, after diligent and good faith effort, Buyer is: (i) unable to obtain Assumption Approval from Lessor; and (ii) delivers to Seller a
34. signed notice of inability to obtain Assumption Approval no later than three (3) days prior to the COE date. If Buyer is unable to obtain
35. Assumption Approval within the specified time period, but fails to deliver such notice, Seller may issue a cure notice to Buyer as required by
36. Section 7a of the Contract and, in the event of Buyer's breach, Seller shall be entitled to the Earnest Money pursuant to Section 7b of the
37. Contract. If, prior to expiration of the Cure Period, Buyer delivers notice of inability to obtain Assumption Approval, Buyer shall be entitled to
38. a return of the Earnest Money.

>>

Solar Lease/Loan Assumption Addendum >>

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

44. **(BUYER'S INITIALS REQUIRED)** _____ / _____ / **(SELLER'S INITIALS REQUIRED)** _____ / _____
BUYER BUYER SELLER SELLER

45. **Additional Terms:** _____
46. _____
47. _____
48. _____
49. _____
50. _____

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

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

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

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