

Tennessee REALTORS®
2020 Forms Committee – Motions to move forward presented
at the 2020 Virtual Fall Convention

COMMERCIAL FORMS

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To approve the following new form [RF634 INVESTMENT PROPERTY ADDENDUM](#)

INVESTMENT PROPERTY ADDENDUM

Buyer: _____
Seller: _____
Property: _____

This INVESTMENT PROPERTY ADDENDUM (hereinafter "Addendum"), between the undersigned Buyer and Seller is entered into and is effective as of the Binding Agreement Date provided in the Purchase and Sale Agreement for the purpose of changing, deleting, supplementing or adding terms to said Purchase and Sale Agreement ("Agreement"). In consideration of the mutual covenants herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows: **(the items not checked are not a part of this Agreement).**

- ☐ Buyer has not yet personally viewed the Property. This Agreement is contingent upon Buyer viewing and approving the Property. If Property is unacceptable to Buyer, Buyer shall notify Seller on or before _____.
- ☐ This agreement is contingent upon Buyer's receipt, review, inspection, and satisfactory approval of accounting statements for Property for the past _____ months and all existing leases, with personal tenant information redacted. Seller shall have _____ days from the Binding Agreement Date to provide information. Following receipt, Buyer will have _____ days to review all submitted information.

If the above checked contingencies are not acceptable to Buyer, Buyer shall terminate this Agreement via the Notification Form or other equivalent written notice within the agreed upon timeframe and all Earnest Money/ Trust Money shall be refunded to Buyer.

- ☐ In the event access to the Property is delayed or withheld during the agreed upon Inspection Period timeframe by Seller, Seller's authorized representative, or Seller's tenants, and after notifying Seller of such delay, Seller does not provide access within forty-eight (48) hours, the Inspection Period shall be extended by one (1) day for each day Buyer is denied access to the Property.
- ☐ All prepaid rents on said Property shall be prorated at the closing of the sale. The Seller represents that the monthly rentals on said Property of \$_____ will be current at the time of the closing, and that there will be no expenses chargeable to the Seller except the taxes on said Property. Seller holds \$_____ in security deposits and damage deposits collected from tenants, which Seller shall make payable to _____ (Buyer or Buyer's Property Manager) at closing. Buyer shall enter into an agreement to hold the Seller harmless against such transfer of security or damage deposits. At the closing of the sale, the Seller shall execute an affidavit which will verify the number of leases and tenancies then outstanding on the Property, the prepaid rent as to each, and the amount of security deposits as to each.
- ☐ Buyer agrees to purchase the Property "as-is" after the Inspection Period with the exception of any necessary wood destroying insect infestation treatment, which Seller agrees to treat at Seller's expense.

The party(ies) below have signed and acknowledge receipt of a copy.

BUYER

BUYER

Date _____ at _____ o'clock ☐ am/ ☐ pm **Date** _____ at _____ o'clock ☐ am/ ☐ pm

The party(ies) below have signed and acknowledge receipt of a copy.

SELLER

SELLER

Date _____ at _____ o'clock ☐ am/ ☐ pm **Date** _____ at _____ o'clock ☐ am/ ☐ pm

NOTE: This form is provided by Tennessee REALTORS® to its members for their use in real estate transactions and is to be used as is. By downloading and/or using this form, you agree and covenant not to alter, amend, or edit said form or its contents except as where provided in the blank fields, and agree and acknowledge that any such alteration, amendment or edit of said form is done at your own risk. Use of the Tennessee REALTORS® logo in conjunction with any form other than standardized forms created by Tennessee REALTORS® is strictly prohibited. This form is subject to periodic revision and it is the responsibility of the member to use the most recent available form.