

# SOLAR ADDENDUM

Document updated:  
February 2022

*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: SP AZ LLC, SP AZ LLC
2. Buyer: \_\_\_\_\_
3. Premises Address: 5714 E Claire Dr, Scottsdale, AZ 85254
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. **INSTRUCTIONS:**
10. If the Solar System installed on the Premises is owned outright by Seller or utility owned and is not subject to a lease or unpaid loan,
11. mark the appropriate box on line 14 and complete only Sections 1 and 3.
12. If the Solar System installed on the Premises is subject to a lease or unpaid loan and Buyer's purchase of the Premises is contingent
13. on Buyer's assumption of the Solar System lease/loan, mark the box on line 23 and complete only Sections 2 and 3.

~~STRIKE~~  
14. **1.  Seller Owned or  Utility Owned Solar System**

15. **Seller Disclosure:** Within three (3) days after Contract acceptance, Seller shall deliver to Buyer all documents in Seller's possession
16. pertaining to the Solar System installed on the Premises. The Solar System documents in Seller's possession are collectively hereinafter
17. referred to as the "Solar System Documents."
18. **Buyer Disapproval:** Buyer shall provide notice of any Solar System related items disapproved within the Inspection Period or five
19. (5) days after receipt from Seller of the Solar System Documents, whichever is later. Buyer's failure to deliver a signed notice of
20. cancellation within the specified time period shall conclusively be deemed Buyer's election to proceed with the transaction, subject to
21. the contingencies set forth in the Contract.
22. **If lines 14 - 21 apply: BUYER'S AND SELLER'S INITIALS REQUIRED** \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_  
BUYER BUYER SELLER SELLER

23. **2.  Solar System Lease/Loan**

24. **Lessor/Lien Holder:** The term "Lessor," as used herein, shall refer to the company that leases the Solar System to Seller, or the
25. servicer on the unpaid loan used by Seller to purchase the Solar System.
26. **Seller Disclosure:** Within three (3) days after Contract acceptance, Seller shall: (i) deliver to Buyer the most recent version of the
27. Solar System lease/loan; (ii) deliver to Buyer all other Solar System documents in Seller's possession; (iii) provide to Buyer the name
28. and phone number of Lessor; and (iv) notify Lessor of the sale, the name of Buyer, and the name of the Escrow Company as set forth
29. in Section 3a of the Contract. The Solar System lease/loan and other documents in Seller's possession are collectively hereinafter
30. referred to as the "Solar System Documents."
31. **Lease/Loan Assumption Contingency:** Buyer's obligation to complete this sale is contingent upon Buyer obtaining from Lessor
32. approval to assume the Solar System lease/loan under the existing terms and conditions no later than three (3) days prior to the
33. Close of Escrow date ("Assumption Approval").
34. **Buyer Disapproval:** Buyer shall provide notice of any Solar System related items disapproved within the Inspection Period or five (5) days
35. after receipt from Seller of the Solar System Documents, whichever is later. Buyer's failure to deliver a signed notice of cancellation

Solar Addendum • February 2022 • Copyright © 2022 Arizona Association of REALTORS®. All rights reserved.

Page 1 of 3

&gt;&gt;



**Solar Addendum >>**

- 36. within the specified time period shall conclusively be deemed Buyer's election to proceed with the transaction, subject to the other
- 37. contingencies set forth herein and in the Contract. Should Buyer elect to proceed with the transaction, Buyer shall immediately
- 38. apply for lease/loan Assumption Approval in the manner required by Lessor, and Seller and Buyer agree to cooperate fully with
- 39. Lessor and supply the necessary documentation to complete the assumption.
- 40. **Unfulfilled Lease/Loan Assumption Contingency:** This Contract shall be cancelled, and Buyer shall be entitled to a return of the
- 41. Earnest Money if, after diligent and good faith effort, Buyer is: (i) unable to obtain Assumption Approval from Lessor; and (ii) delivers
- 42. to Seller a signed notice of inability to obtain Assumption Approval no later than three (3) days prior to the Close of Escrow date.
- 43. If Buyer is unable to obtain Assumption Approval within the specified time period, but fails to deliver such notice, Seller may issue
- 44. 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
- 45. Earnest Money pursuant to Section 7b of the Contract. If, prior to expiration of the Cure Period, Buyer delivers notice of inability to
- 46. obtain Assumption Approval, Buyer shall be entitled to a return of the Earnest Money.
- 47. **Transfer Fees:** Unless required by Lessor, any mandatory Lessor fees associated with Buyer's assumption of the Solar System
- 48. lease/loan and/or the transfer of the Solar System to Buyer, including, but not limited to, document processing fees, shall be paid by:
- 49.  Buyer  Seller  Other \_\_\_\_\_ at the time payment is required and is non-refundable.
- 50. **Credit Score Fee:** In the event Buyer does not meet the required credit score mandated by Lessor to assume the Solar System
- 51. lease/loan and a credit score fee is imposed by Lessor in exchange for issuing Assumption Approval, Buyer shall have the right
- 52. to provide notice of cancellation within the Inspection Period or five (5) days after receipt of notice from Lessor of the credit score
- 53. fee, whichever is later. Buyer's failure to deliver a signed notice of cancellation within the specified time period shall conclusively be
- 54. deemed Buyer's election to proceed with the transaction subject to the other contingencies set forth herein and in the Contract. Should
- 55. Buyer elect to proceed with the transaction and pay the credit score fee to Lessor in exchange for Assumption Approval, the fee shall
- 56. be paid by Buyer at the time payment is required and shall be non-refundable.
- 57. **Solar Tax Credit Loan Balance Reduction:** Seller shall be responsible for paying any required reduction in loan balance as it relates
- 58. to eligible solar tax credits that may be necessary for Buyer to assume the Solar System loan.
- 59. **If lines 23 - 58 apply: BUYER'S AND SELLER'S INITIALS REQUIRED** \_\_\_\_\_ / \_\_\_\_\_ /     *JW*     /     *TG*      
BUYER BUYER SELLER SELLER

**3. Additional Terms and Conditions**

- 60. **THE FOLLOWING TERMS APPLY TO EITHER SECTION AGREED TO ABOVE:**
- 61. **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, including, but not limited to, the loss of net metering billing status. If electric utilities are not on at the time of Contract Acceptance or anytime thereafter, Buyer should investigate whether the current Solar System rate plan will change as a result. Buyer should ensure that electric utilities are transferred into their name on the day of Close of Escrow. Failure to do so may result in increased rates or a plan that is less favorable to Buyer, including, but not limited to, the loss of net metering billing status.**
- 62. **BUYER'S INITIALS REQUIRED** \_\_\_\_\_ / \_\_\_\_\_  
BUYER BUYER
- 63. **SELLER: If electric utilities are on at the time of Contract Acceptance, Seller shall ensure they remain on through Close of Escrow. Should Seller turn off electric utilities or change the existing rate plan at any time between the date of Contract Acceptance and 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 loss of net metering billing status, it shall be deemed a change in the Premises under Section 4f of the Contract.**
- 64. **SELLER'S INITIALS REQUIRED**     *TG*     /     *JW*      
SELLER SELLER
- 65. **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 must be investigated within the allotted timeframe set forth in this Addendum. This may include, but is not limited to:
- 66. • Age
- 67. • Battery Storage
- 68. • End of lease/loan terms (if applicable)
- 69. • Grandfathered utility plan assumption
- 70. • Grid tie-in
- 71. • Homeowner's insurance coverage
- 72. • Maintenance
- 73. • Output and production guarantees
- 74. • Payment increases
- 75. • Roof integrity
- 76. • Taxes
- 77. • Utility and lessor fees (if applicable)
- 78. • Utility bills (note - past performance is not a guarantee of future results)
- 79. • Warranties (i.e. - panels, inverter, battery, installation, and other equipment)



**Solar Addendum**

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

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

**SELLER'S INITIALS REQUIRED** <sup>DS</sup> TG / <sup>DS</sup> JW  
SELLER SELLER

87. **Additional Terms:** \_\_\_\_\_  
88. \_\_\_\_\_  
89. \_\_\_\_\_  
90. \_\_\_\_\_  
91. \_\_\_\_\_

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

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

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

95. <sup>DocuSigned by:</sup> \_\_\_\_\_ 4/3/2024  
<sup>C:5C5CEB88994285</sup> ^ SELLER'S SIGNATURE MO/DA/YR  
**SP AZ LLC**

<sup>DocuSigned by:</sup> \_\_\_\_\_ 4/3/2024  
<sup>9581C243C000479</sup> ^ SELLER'S SIGNATURE MO/DA/YR  
**SP AZ LLC**

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

