

# **FARM AND RANCH PURCHASE AGREEMENT ADDENDUM**

## Seller's Environmental Conditions Statement

**NOTE:** This form is used by a buyer broker when preparing an offer for their buyer-client to purchase an interest in a farm or ranch property, to prepare an addendum to the purchase agreement making the offer contingent on the buyer's approval of seller disclosures of environmental conditions existing on the property.

**DATE:** \_\_\_\_\_, 20\_\_\_\_, at \_\_\_\_\_, California.  
*Items left blank or unchecked are not applicable.*

**FACTS:**

1. This disclosure statement concerns real estate situated in the City of \_\_\_\_\_,  
County of \_\_\_\_\_, California, referred to as \_\_\_\_\_  
\_\_\_\_\_ ("Property").  
Assessor's parcel number: \_\_\_\_\_.

**STATEMENT OF SELLER: Answer these questions to the best of your knowledge.**

This disclosure applies to  all of the Property  only the following portions of the Property: \_\_\_\_\_

*When this disclosure applies to only a portion of the Property, a separate Seller's Environmental Conditions Statement is to be completed for each other portion of the Property.*

**2. USE PERMITS AND GOVERNMENT NOTICES:**

- 2.1 Do you have a use permit for pesticides and/or herbicides?  Yes  No. Permit #. \_\_\_\_\_.
- 2.2 Have you received a notice from any governmental authority concerning the removal of any hazardous or toxic waste material from the Property?  Yes  No.  
When yes, indicate which authority, date notice was received and the nature of the notice: \_\_\_\_\_
- 2.3 Is the Property on a natural or state hazardous waste site priority list?  Yes  No.  
When yes, indicate which list(s) and the rating score assigned: \_\_\_\_\_.

**3. STORAGE TANKS:**

- 3.1 Are there, or were there ever, any underground or aboveground storage tanks on the Property?  Yes  No.  
When yes, describe in 3.2 and 3.3 below.
- 3.2 **Tank #1:**  Aboveground  Underground.
- a. When underground, has the tank been removed?  Yes  No. Date removed: \_\_\_\_\_.
  - b. Is tank in use?  Yes  No.
  - c. Location: \_\_\_\_\_.
  - d. Use of the tank \_\_\_\_\_.
  - e. Size of the tank \_\_\_\_\_.
  - f. Age of the tank \_\_\_\_\_.
  - g. Has the tank leaked?  Yes  No.  
When yes, describe \_\_\_\_\_.
  - h. Did you obtain permit (when applicable)?  Yes  No  Unknown.
  - i. Has the tank ever been tested?  Yes  No.  
When yes, indicate the name of testing company and date tested: \_\_\_\_\_.
- 3.3 **Tank #2:**  Aboveground  Underground.
- a. When underground, has the tank been removed?  Yes  No. Date removed: \_\_\_\_\_.
  - b. Is tank in use?  Yes  No.
  - c. Location: \_\_\_\_\_.
  - d. Use of the tank \_\_\_\_\_.
  - e. Size of the tank \_\_\_\_\_.
  - f. Age of the tank \_\_\_\_\_.

- g. Has the tank leaked?  Yes  No.  
When yes, describe: \_\_\_\_\_
- h. Did you obtain permit (if applicable)?  Yes  No  Unkown.
- i. Has the tank ever been tested?  Yes  No.  
When yes, indicate the name of testing company and date tested: \_\_\_\_\_

**4. COLLECTION SITES:**

- 4.1 Are there any open pits or dumps?  Yes  No.
- 4.2 Are there holding ponds with waste or effluents?  Yes  No.
- 4.3 Are there drain water evaporation ponds?  Yes  No.
- 4.4 When you answered "Yes" to any of the above questions, provide the following information for each pit/pond:

**PIT/POND #1:** Size: \_\_\_\_\_ Age: \_\_\_\_\_  
Is the pit/pond permitted?  Yes  No.

- a. When Yes:
  - i. Specify type of permit and attach copy:  Department of Health Services  SWQCB  Other  
\_\_\_\_\_
  - ii. Is permit current?  Yes  No. When no, state why and answer questions below:  
\_\_\_\_\_  
\_\_\_\_\_
- b. When No:
  - i. Substance pit/pond: \_\_\_\_\_
  - ii. Soil type: \_\_\_\_\_
  - iii. Location of nearest well, drainage ditch, or stream that may be contaminated by percolation or overflow: \_\_\_\_\_  
\_\_\_\_\_
  - iv. Has pit/pond been tested for hazardous materials?  Yes  No.
  - v. When yes, has it been tested for concentration levels?  Yes  No. When hazardous materials have been identified, attach a list and provide information on concentrations above acceptable levels.

**PIT/POND #2:** Size: \_\_\_\_\_ Age: \_\_\_\_\_  
Is the pit/pond permitted?  Yes  No.

- a. When Yes:
  - i. Specify type of permit and attach copy:  Department of Health Services  SWQCB  Other  
\_\_\_\_\_
  - ii. Is permit current?  Yes  No. When no, state why and answer questions below: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
- b. When No:
  - i. Substance pit/pond: \_\_\_\_\_
  - ii. Soil type: \_\_\_\_\_
  - iii. Location of nearest well, drainage ditch, or stream that may be contaminated by percolation or overflow: \_\_\_\_\_  
\_\_\_\_\_
  - iv. Has pit/pond been tested for hazardous materials?  Yes  No.
  - v. When yes, has it been tested for concentration levels?  Yes  No. When hazardous materials have been identified, attach a list and provide information on concentrations above acceptable levels.

**5. DRUMS/CONTAINERS:**

- 5.1 Are pesticides, herbicides or other hazardous materials stored on the Property?  Yes  No.
- 5.2 When Yes:
  - a. Where are the drums/containers located: \_\_\_\_\_  
\_\_\_\_\_
  - b. Do you have an inventory of the drum/container contents?  Yes  No.

When Yes, attach a copy. When No, briefly describe types of pesticides, herbicides or other hazardous materials stored: \_\_\_\_\_

- c. Do you dispose of hazardous materials on your Property?  Yes  No.  
When yes, describe how and where you dispose of the materials on the Property: \_\_\_\_\_

**6. IRRIGATION:**

6.1 Is the property located in an irrigation district?  Yes  No.  
When yes, indicate which district(s), whether the Property receives water from that district, and what Class: \_\_\_\_\_

6.2 Are there pumps and wells on the Property?  Yes  No.  
When yes, describe the number of pumps and wells, age and the horsepower and gallons per minute: \_\_\_\_\_

- a. Is the well in use?  Yes  No.
- b. Is the water used for human consumption?  Yes  No.
- c. Are there any abandoned wells on the Property?  Yes  No.

6.3 Total water available meets \_\_\_\_\_% of the Property's needs.

6.4 Water source breakdown:

a. Total water needed for this crop year _____	AC/FT
b. Amount of ground water pumped _____	AC/FT
c. Amount of district water _____	AC/FT
d. Amount of water from other sources (List sources below) _____	AC/FT

**7. MISCELLANEOUS:**

7.1 Are you aware of contamination or threat of contamination from adjacent or nearby properties?  
 Yes  No. When yes, describe: \_\_\_\_\_

7.2 Are you aware of any other hazardous waste or environmental problems existing on the Property that have not been described above?  Yes  No.  
When yes, describe: \_\_\_\_\_

7.3 Has an environmental audit, assessment or survey been conducted on the property?  Yes  No. When yes, attach a copy.

7.4 Is there, or was there ever, a septic system or other type of waste treatment system on the Property?  
 Yes  No.

7.5 \_\_\_\_\_

**I/we hereby certify the foregoing is true and correct.**

See Signature Page Addendum. [RPI Form 251]

Date: \_\_\_\_\_, 20\_\_\_\_  
Seller: \_\_\_\_\_

Signature: \_\_\_\_\_  
Seller: \_\_\_\_\_

Signature: \_\_\_\_\_

**I/we acknowledge receipt of a copy of this statement.**

See Signature Page Addendum. [RPI Form 251]

Date: \_\_\_\_\_, 20\_\_\_\_  
Buyer: \_\_\_\_\_

Signature: \_\_\_\_\_  
Buyer: \_\_\_\_\_

Signature: \_\_\_\_\_



# DUE DILIGENCE CONTINGENCIES ADDENDUM

Prepared by: Agent \_\_\_\_\_  
Broker \_\_\_\_\_

Phone \_\_\_\_\_  
Email \_\_\_\_\_

**NOTE:** This form is used by a buyer agent when negotiating a purchase agreement offer for real estate which references attached further-approval contingency provisions permitting the buyer to terminate the agreement on discovery of unacceptable property conditions.

**DATE:** \_\_\_\_\_, 20\_\_\_\_\_, at \_\_\_\_\_, California.  
*Items left blank or unchecked are not applicable.*

**FACTS:**

1. This is an addendum to the following agreement:
  - Purchase Agreement                       Counteroffer
  - Escrow Instructions                       \_\_\_\_\_
- 1.1 dated \_\_\_\_\_, 20\_\_\_\_\_, at \_\_\_\_\_, California,
- 1.2 entered into by \_\_\_\_\_, as the Buyer,
- 1.3 and \_\_\_\_\_, as the Seller,
- 1.4 regarding real estate referred to as \_\_\_\_\_

**DUE DILIGENCE CONTINGENCIES:**

2. Buyer and Buyer's representatives and consultants will not disclose to any third party the contents of any documentation or information provided by Seller or Seller's representatives to fulfill Seller's duties under this agreement.
3. In the event Buyer does not acquire ownership of the property, Buyer to return to Seller all items received from Seller or Seller's representatives.
4. Seller to hand Buyer copies, or make available for Buyer's review, each of the following checked items as soon as reasonably practicable after entry into this agreement.
  - 4.1  Conditions of property disclosures prepared and signed by Owner, unless a Transfer Disclosure Statement (TDS) is provided for in the agreement. [See **RPI** Form 304 and 304-1]
  - 4.2  An inspection of the property by prospective Buyer or consultants within \_\_\_\_ days after acceptance of the agreement unless a property inspection provision is otherwise provided for in the agreement. [See **RPI** Form 130]
  - 4.3  Natural Hazard Disclosure (NHD) Statement and any geological reports relating to the property and possessed or known to Owner. [See **RPI** Form 314]
  - 4.4  Unique Factors or Conditions affecting the property. [See **RPI** Form 308]
  - 4.5  Solar equipment lease or bond lien disclosure and documentation concerning the solar equipment lease agreement.
  - 4.6  Seller's Solar Collector notice disclosure(s). [See **RPI** Form 322]
  - 4.7  Transfer Fee Disclosure Statement. [See **RPI** Form 304-2]
  - 4.8  Operating income and expense records, the current year-to date and two preceding years' profit and loss statements (or schedule E) and capital expenditures for the property, and operating and capital budgets for this and the following year. [See **RPI** Form 306]
  - 4.9  A Rental Income Rent Roll statement itemizing, by unit or space, the tenant's name, monthly rent amount including CAMs and other additional rent fees, rent due date, delinquencies and the amount in arrears, rental period and expiration date, any incentive rent-free arrangements and bonuses or discounts, utilities paid by landlord, security deposits and prepaid rent, furnishings supplied, broker fees due or to become due under the leases. [See **RPI** Form 352-1]
  - 4.10  Tenant rental or lease agreements, including any riders, modifications or amendments and side agreements; any option rights to renew or extend, lease additional space or purchase the property; and any pre-expiration cancellation rights and penalty amounts. A tenant turn over report and an eviction report, by unit or space, for the current and two preceding years. [See **RPI** Forms 550, 551, 552 and 565]
  - 4.11  Property management agreements and a list of employees including their compensation schedules, and leasing agent representation agreements to locate tenants. [See **RPI** Forms 590, 105.1 and 105.2]
  - 4.12  Interview of individuals involved in the management and operations of the property and administration of the property's financial books and records.

- 4.13  Insurance policies in effect relating to the property and liability of Owner for its operations, premium statements, and any claims made under any insurance policy covering the property during the past \_\_\_\_\_ years, including claims made against building contractors.
- 4.14  Maintenance agreements, outstanding work orders and other service or supply agreements related to the operation of the property. [See **RPI** Form 324]
- 4.15  Utility, cable/TV, internet and phone bills, property and business tax bills, assessment statements for any rent control and special district improvement bonds.
- 4.16  Invoices and copies of advertising and marketing for units or spaces during the past two years, along with any marketing budget and plans for this year and next.
- 4.17  Warranties or guaranties on fixtures or components of the property improvements.
- 4.18  Existing appraisal reports, feasibility studies, and market studies relating to the value and rentability of the property.
- 4.19  Existing ALTA survey, topographical studies, plans and specification of improvements and engineering of the site.
- 4.20  Soil reports, pest control reports, Americans with Disabilities Act (ADA) compliance reports, structural or component reports by architects or contractors and other similar reports or studies.
- 4.21  Seller's Neighborhood Security Disclosure prepared by Owner setting forth criminal activity on or about the property during the past two years relevant to the security of persons and their belongings on the property, and any security arrangements undertaken or needed in response. [See **RPI** Form 321]
- 4.22  All government-related licenses, permits, mapping of the parcel, certificates of occupancy, building inspections, health and safety reports, environmental impact and conditions reports or studies known to Owner, and copies of relevant local zoning ordinances affecting the use or operation of the property.
- 4.23  Preliminary title report for the policy of title insurance, which Seller will cause escrow to hand Buyer as soon as reasonably possible after acceptance. [See **RPI** Form 277]
- 4.24  The note, trust deed or related documents for each monetary lien on the property to include any restrictions, limitations or conditions on occupancy, rents, use, encumbrance, conveyance or reconveyance.
- 4.25  Itemized inventory of the personal property, including any trade fixtures, owned or leased by Owner and used in the operation or maintenance of the property. [See **RPI** Form 256]
- 4.26  An estoppel certificate executed by each tenant affirming the terms of their occupancy, which Seller will hand Buyer prior to seven days before closing. [See **RPI** Form 598]
- 4.27  Disclosure by Owner of any other conditions not here itemized and known to Owner which might adversely affect the value, use and operations of the property.

\_\_\_\_\_

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\_\_\_\_\_

<p><b>Buyer: I agree to the terms stated above.</b></p> <p>Date: _____, 20____</p> <p>Buyer's Signature: _____</p> <p>Buyer's Signature: _____</p> <p>Buyer's Signature: _____</p>	<p><b>Seller: I agree to the terms stated above.</b></p> <p>Date: _____, 20____</p> <p>Seller's Signature: _____</p> <p>Seller's Signature: _____</p> <p>Seller's Signature: _____</p>
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