

**ADDENDUM TO
PURCHASE AGREEMENT**

AND

ESCROW INSTRUCTIONS

PROPERTY: LOT AT 70 ROYAL ST. GEORGES, RANCHO MIRAGE, CA

This is an addendum (the "*Addendum*") to the Purchase Agreement and Escrow Instructions (the "*Agreement*") dated September 13, 2008, between **70 Royal St. Georges, LLC**, as "*Seller*," and the undersigned, as "*Buyer*," concerning the property described above (the "*Property*"). This Addendum modifies the Agreement as set forth below. All terms used as defined terms below shall have the same meaning as when used in the Agreement unless expressly stated otherwise in this Addendum.

The following paragraphs are added to the Purchase Agreement:

34. Subject Property is being sold via auction. Buyer understands that the Property is sold "AS IS" with NO CONTINGENCIES, and Buyer has conducted all investigations prior to the auction.
35. C.A.R. form CR -"Removal of Contingencies" is part of this Purchase Agreement. Buyer has removed all contingencies
36. Paragraph 18.C.(1) and 18.C.(2) are deleted in their entirety.
37. The last sentence in Paragraph 18.C.(4) is deleted.
38. Notwithstanding anything else in this Purchase Agreement, the following applies:
 - A. If an all cash offer, Buyer shall submit to Seller **UPON ACCEPTANCE** written verification of sufficient funds to purchase the Property.
 - B. If a loan will be used to purchase the Property, then Buyer shall submit to Seller **UPON ACCEPTANCE** both of the following:
 - i.) a letter from a lender or mortgage loan broker stating that, based on a review of Buyers written application and credit report, Buyer is prequalified or preapproved for the NEW loan specified in 2C in the Purchase Agreement, and

Seller:_____ Seller:_____ Buyer:_____ Buyer:_____

- ii.) written verification of sufficient funds for the downpayment required by lender or mortgage loan broker to purchase the Property.

C) Failure of Buyer to submit either the items in 38A or 38B above within the times specified will be a breach by Buyer of this Purchase Agreement, and Seller, at its sole and absolute discretion, may cancel this Purchase Agreement, return deposit to Buyer, and have no further obligation to Buyer.

39. If Buyer is not purchasing the Property using a loan, then Paragraph 2D "All Cash Offer" is automatically considered checked and applicable.

The Agreement, as modified by this Addendum, is hereby ratified and shall continue in effect. Accepted and agreed to by:

"SELLER"

"BUYER"

70 Royal St. Georges, LLC

By: Newport Coast Capital Management, LLC,
its Manager

Signature

By: _____
Frank Eder, its Manager

Print Name

Date

Signature

Print name

Date

Seller: _____ Seller: _____ Buyer: _____ Buyer: _____