

ADDENDUM TO PURCHASE AND SALE CONTRACT

PROPERTY _____

A. _____ MORTGAGE ASSUMPTION CONTINGENCY. This offer is contingent upon BUYER assuming SELLER's existing mortgage, referred to in item 2 (c) of purchase contract, held by _____. Existing mortgage has an unpaid balance of approximately \$ _____, and a CURRENT interest rate of _____ % per annum with approximately _____ years remaining on loan. The CURRENT monthly payment is \$ _____ which covers: Principal and Interest and (if applicable) Taxes and Interest/PMI escrows. This offer is further contingent upon BUYER obtaining the Lender's written approval to assume said mortgage. If mortgage holder requires interest rate to be increased for approval to be given, BUYER agrees to such as long as it does not exceed _____ % per annum at time of commitment. BUYER agrees to pay the balance of the purchase price over the amount of the mortgage assumed in cash, bank check, or certified check at closing. BUYER agrees to pay all costs incurred in the assumption of this mortgage.

B. _____ NOTE AND MORTGAGE TO SELLER. (Referred to in item 2(d) of purchase contract.) By BUYER delivering a purchase money bond and mortgage to SELLER at closing. This purchase money bond and mortgage shall be in the amount of \$ _____, shall be amortized over a period of _____ years, shall bear interest at the rate of _____ % per year, and shall be paid equal monthly installments of \$ _____, including principal and interest. The entire principal shall be all due and payable _____ years from date of closing. The balance of the purchase price will be paid at closing in cash, bank check, or certified check.

The mortgage shall contain the statutory clauses as to payment, insurance, acceleration on default or thirty days, taxes, assessments, and water rates and also shall provide for late charges of 2% of any monthly payment which is not paid within 15 days after it is due and/or recovery of reasonable attorney's fees if the mortgage is foreclosed.

The mortgage shall allow BUYER to prepay all or part of the mortgage without penalty at any time but shall also provide that the mortgage be paid in full if BUYER sells the property, unless SELLER consents in writing to assumption of the mortgage debt.

C. _____ FHA AND VA FINANCING. If the loan is to be insured by the Federal Housing Administration or guaranteed by the Veteran's Administration, and the FHA or VA commitment requires repairs, replacements, or improvements to be made, or painting to be done, before closing, then SELLER shall do the work and install the materials and improvements needed to have same done, at his expense not to exceed \$ _____. If the cost of compliance exceeds that amount, BUYER may either (1) receive credit for the amount above stated on closing and personally assume the balance of such cost, or (2) void this contract by written notice to SELLER. Upon cancellation, BUYER shall be entitled to a return of any deposit made. See attached FHA Purchase Agreement Addendum (Amendatory Clause/Real Estate Certification/Condition of Property).

D. _____ PROPERTY IS A MULTI-FAMILY DWELLING. Seller shall furnish copies of all leases to BUYER prior to closing. Seller shall not enter into any lease agreement prior to closing without the written approval of BUYER. All security deposits will be turned over to BUYER at closing, and notice of same shall be delivered by SELLER to the tenant within five days after closing. SELLER represents there are no known defenses available to tenants as to the enforcement of SELLER rights as landlord. The premises are subject to the following tenancies:

Tenant _____ Apt# _____ Rents \$ _____ Deposit \$ _____

Property is ☐ not leased ☐ leased. Lease expires on ____/____/____ Day of month rent is due _____

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Property is ☐ not leased ☐ leased. Lease expires on ____/____/____ Day of month rent is due _____

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Property is ☐ not leased ☐ leased. Lease expires on ____/____/____ Day of month rent is due _____

SELLER: _____ Date: _____ BUYER: _____ Date: _____

SELLER: _____ Date: _____ BUYER: _____ Date: _____