

**FINANCING ADDENDUM
PURCHASE & SALE AGREEMENT**

The following is part of the Purchase and Sale Agreement dated March 25, 2010 1
between Example Buyer ("Buyer") 2
and Example Seller ("Seller") 3
concerning A property address ("the Property"). 4

1. DOWN PAYMENT/LOAN APPLICATION. 5

a. Loan Application. This Agreement is contingent on Buyer obtaining the following loan or loans to purchase the 6
Property (the "Loan(s)"): Conventional First; Conventional Second; Bridge; VA; FHA; Rural 7
Development ("RD"); Home Equity Line of Credit; Other _____ (the 8
"Financing Contingency"). Buyer agrees to pay _____ down, 9
in addition to the Loans and to make written application for the Loans to pay the balance of the Purchase Price 10
and pay the application fee, if required, for the subject Property within _____ days (5 days if not filled 11
in) after mutual acceptance of this Agreement. If not waived, the Financing Contingency shall survive the Closing 12
Date. 13

b. Waiver of Financing Contingency. If Buyer fails to make application for financing for the Property within the 14
agreed time or changes the type of loan or lender without Seller's prior written consent after the agreed upon 15
time to apply for financing expires, then the Financing Contingency shall be deemed waived. For purposes of 16
this Addendum, "lender" means the party funding the loan. 17

2. SELLER'S RIGHT TO TERMINATE. 18

a. Right to Terminate Notice. _____ days (30 days if not filled in) after mutual acceptance, Seller 19
may give notice that Seller may terminate the Agreement any time 3 days after delivery of that notice (the "Right 20
to Terminate Notice"). NWMLS Form 22AR may be used for this notice. 21

b. Termination Notice. If Buyer has not previously waived the Financing Contingency, Seller may give notice 22
of termination of this Agreement (the "Termination Notice") any time following 3 days after delivery of the Right to 23
Terminate Notice. If Seller gives the Termination Notice before Buyer has waived the Financing Contingency, this 24
Agreement is terminated and the Earnest Money shall be refunded to Buyer. NWMLS Form 22AR shall be used 25
for this notice. 26

3. LOAN COST PROVISIONS. Seller agrees to pay up to _____ (\$0.00 if not filled in), 27
which shall be applied to Buyer's Loan and settlement costs. If this sale is contingent on Buyer obtaining an 28
FHA, RD, or VA loan, Seller shall also pay up to \$300.00 for that portion of Buyer's Loan and settlement costs 29
that the lender is prohibited from collecting from Buyer under FHA/RD/VA regulations. If this sale is contingent 30
on Buyer obtaining a VA loan, Seller shall also pay the full escrow fee for the closing of this Agreement. 31

4. EARNEST MONEY. If Buyer has not waived the Financing Contingency, and is unable to obtain financing after 32
a good faith effort then, on Buyer's notice, this Agreement shall terminate. The Earnest Money shall be 33
refunded to Buyer after Buyer delivers to Seller written confirmation from Buyer's lender confirming (a) the date 34
Buyer's loan application for the subject property was made; (b) that Buyer possessed sufficient funds to close; 35
and (c) the reasons Buyer's application was denied. If Seller terminates this Agreement, the Earnest Money 36
shall be refunded without need for such confirmation from Buyer's lender. 37

5. INSPECTION. Seller agrees to permit inspections required by Buyer's lender, including but not limited to 38
structural, pest, heating, plumbing, roof, electrical, septic, and well inspections. Seller is not obligated to pay for 39
such inspections unless otherwise agreed. 40

6. APPRAISAL LESS THAN SALE PRICE. If Buyer's lender's appraised value of the Property is less than the 41
Purchase Price, Buyer may, within 3 days after receipt of a copy of lender's appraisal, give notice, which 42
includes copy of lender's appraisal, of Buyer's election to terminate this Agreement unless Seller, within 10 days 43
after receipt of such notice, delivers to Buyer either: 44

Initials: BUYER: _____ DATE: _____ SELLER: _____ DATE: _____ 45
BUYER: _____ DATE: _____ SELLER: _____ DATE: _____ 46

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(continued)

(a)	A reappraisal or reconsideration of value, at the Seller's expense, by the same appraiser or another appraiser, acceptable to the lender, in an amount not less than the Purchase Price; or	47 48
(b)	Seller's written consent to reduce the Purchase Price to an amount not more than the amount specified in the appraisal or reappraisal by the same appraiser, or an appraisal by another appraiser acceptable to lender, whichever is higher. (This provision is not applicable if this Agreement is conditioned on FHA, VA, or RD financing. FHA, VA, and RD financing does not permit the Buyer to be obligated to buy if the Seller reduces the Purchase Price to the appraised value. Buyer, however, has the option to buy at the reduced price.)	49 50 51 52 53 54
	If such appraisal, reappraisal or consent to reduction of the Purchase Price is not so delivered, this Agreement shall terminate and the Earnest Money shall be refunded to Buyer. The Closing Date shall be extended as necessary to accommodate the foregoing times for notices. Buyer's waiver of the Financing Contingency constitutes waiver of this Paragraph 6.	55 56 57 58
7.	FHA/VA/RD — Appraisal Certificate. If this Agreement is contingent on Buyer obtaining FHA, VA, or RD financing, notwithstanding any other provisions of this Agreement, Buyer is not obligated to complete the purchase of the Property unless Buyer has been given in accordance with HUD/FHA, VA, or RD requirements a written statement by FHA, VA, RD or a Direct Endorsement lender, setting forth the appraised value of the Property (excluding closing costs). Buyer shall pay the costs of any appraisal. If the appraised value of the Property is less than the Purchase Price, Paragraph 6 above shall apply. If Seller does not reduce the Purchase Price to the appraised or reappraised value, or deliver a reappraisal at or exceeding the Purchase Price, Buyer may close this Agreement without regard to the appraised value, provided the difference in excess of the appraised value is paid in cash. Purpose of Appraisal. The appraised valuation is arrived at only to determine the maximum mortgage FHA, VA, or RD will insure. FHA, VA, or RD do not warrant the value or the condition of the Property. Buyer agrees to satisfy himself/herself that the price and condition of the Property are acceptable.	59 60 61 62 63 64 65 66 67 68 69 70
8.	EXTENSION OF CLOSING TO ACCOMMODATE REQUIREMENTS OF REGULATION Z OF THE TRUTH IN LENDING ACT. In the event the Annual Percentage Rate ("APR") of Buyer's Loan(s) varies from the APR initially disclosed to Buyer in the Good Faith Estimate provided by Buyer's lender(s) by .125% or more in the case of a fixed rate loan or .250% in an adjustable rate loan, the Closing Date shall be extended for up to four (4) days to accommodate the requirements of Regulation Z of the Truth in Lending Act. This paragraph shall survive Buyer's waiver of the Financing Contingency.	71 72 73 74 75 76

Initials: BUYER: _____ DATE: _____ SELLER: _____ DATE: _____ 77
BUYER: _____ DATE: _____ SELLER: _____ DATE: _____ 78