

 **REAL ESTATE SALES CONTRACT**
(For Sale By Owner)

THIS CONTRACT is made between: (PRINT LEGAL NAMES as they are to appear on the deed)

Seller:

Married Single Person

Seller:

Married Single Person

Buyer:

Married Single Person

Buyer:

Married Single Person

Buyer(s) to take title as: Joint Tenants Tenants in Common Trust Partnership/LLC/INC

The **EFFECTIVE DATE** shall be the date of final acceptance by the last party to sign this agreement.

1. **PROPERTY:** Buyer agrees to purchase and Seller agrees to sell the real property and the improvements thereon (**the "Property"**) commonly known as:

Street Address:

City-State-Zip-County:

LEGAL DESCRIPTION:

The Property shall include the following, if any, unless otherwise excluded:

- | | | |
|---|--|--|
| <input type="checkbox"/> Attic and ceiling fans | <input type="checkbox"/> Garage door openers & remote transmitting units | <input type="checkbox"/> Outside cooking units (if attached) |
| <input type="checkbox"/> Bathroom mirrors | <input type="checkbox"/> Gas heaters | <input type="checkbox"/> Propane tanks including propane (if owned) |
| <input type="checkbox"/> Central air conditioning | <input type="checkbox"/> Gas logs & fireplace grates | <input type="checkbox"/> Shelving (if attached) |
| <input type="checkbox"/> Central vacuum & attachments | <input type="checkbox"/> Heating & plumbing equipment and fixtures | <input type="checkbox"/> Soft water conditioner (if owned) |
| <input type="checkbox"/> Fences (incl. invisible & controls) | <input type="checkbox"/> Humidifiers (if attached) | <input type="checkbox"/> Storm windows, doors & screens |
| <input type="checkbox"/> Fire, smoke & burglary detection units (if owned) | <input type="checkbox"/> Keys to all doors | <input type="checkbox"/> TV antennas (if attached; excluding satellite dishes) |
| <input type="checkbox"/> Fireplace screens and/or glass doors (if attached) | <input type="checkbox"/> Kitchen appliances (built in) | <input type="checkbox"/> Sprinkler systems & controls |
| <input type="checkbox"/> Floor Coverings | <input type="checkbox"/> Lighting and light fixtures | <input type="checkbox"/> Window coverings (interior & exterior) |
| | <input type="checkbox"/> Mirrors (if attached) | |

a. **ADDITIONAL INCLUSIONS:** The following items are also included in the sale:

b. **EXCLUSIONS:** The following items shall **NOT** be considered a part of the transferred Property:

2. **PURCHASE PRICE:** The **Purchase Price** for the **Property** is: \$_____

which Buyer agrees to pay as follows:

a. EARNEST MONEY in the form of: (check one)

Cashier's check; Personal check; Money order in the amount of (a) \$_____

To be deposited with: (check one)

Kansas Secured Title, as Escrow Agent; or

Seller (Buyer acknowledges that funds held from seller WILL NOT be held subject to the terms of Paragraph 8)

b. ADDITIONAL EARNEST MONEY on or before _____, 20____ (b) \$_____

To be deposited with: (check one)

Kansas Secured Title, as Escrow Agent; or

Seller (Buyer acknowledges that funds held from seller WILL NOT be held subject to the terms of Paragraph 8)

c. Amount financed by Buyer (**SEE ATTACHED FINANCING ADDENDUM**) (not including financed mortgage insurance premiums, VA Funding Fee or other closing costs, if any) (c) \$_____

d. **Additional SELLER paid costs.** In addition to any other costs SELLER agreed to pay herein, SELLER agrees to pay other allowable closing costs permitted by Lender(s) and /or prepaid items for BUYER, not to exceed: (d) \$_____

e. Balance of purchase price to be paid in **CERTIFIED FUNDS** on or before the Closing Date (purchase price less A, B, C & D) (e) \$_____

3. **CLOSING AND POSSESSION:**

a) CLOSING shall be completed no later than _____20____. Closing is the final exchange in the sale and purchase of real estate in which the deed of title is delivered to the buyer, the title is transferred, and the agreed-on costs are paid by CASHIER'S CHECK, WIRE, or OTHER CERTIFIED FUNDS.

b) POSSESSION shall be delivered by the Seller of the Property to the Buyer on _____, 20____ at _____ AM PM (Possession Date/Time), but not prior to Closing.

4. **CONDITION OF PROPERTY: THIS CONTRACT SHALL NOT BE EFFECTIVE UNTIL SELLER COMPLETES, AND BUYER AND SELLER HAVE SIGNED A SELLER'S DISCLOSURE AND CONDITION OF PROPERTY ADDENDUM AND, IF APPLICABLE, LEAD BASED PAINT ADDENDUM FOR THE PROPERTY.** Seller confirms that the information contained in the Seller's Disclosure and Condition of Property Addendum is current as of the Effective Date of this Contract. Seller shall advise Buyer of any substantial change in the condition of the Property prior to Closing. Unless otherwise agreed in writing, Seller shall remove all possessions, trash and debris from the Property upon vacating or prior to delivery of possession.

a. **LEAD BASED PAINT DISCLOSURE. IF THE PROPERTY WAS BUILT PRIOR TO 1978, BUYER ACKNOWLEDGES RECEIVING, READING, AND SIGNING THE FEDERALLY REQUIRED DISCLOSURE REGARDING LEAD BASED PAINT.**

b. RADON GAS. Every buyer of residential real property is notified that the property may present exposure to dangerous concentrations of indoor radon gas that may place occupants at risk of developing radon-induced lung cancer. Radon, a class-A human carcinogen, is the leading cause of cancer in non-smokers and the second leading cause overall. Kansas law requires seller to disclose any information known to the buyer that shows elevated concentrations of radon gas in residential property. The Kansas Department of Health and Environment recommends all home-buyers have an indoor radon test performed prior to purchasing or taking occupancy of residential property. All testing for radon should be conducted by a radon measurement technician. Elevated radon concentrations can be easily reduced by a radon mitigation technician. For additional information go to www.kansasradonprogram.org.

5. **BUYER'S WARRANTY PLAN (OPTIONAL):** (Check If applicable): Seller or Buyer, at a cost not to exceed \$_____, agrees to obtain and purchase a homebuyer's warranty plan from _____ to be paid at closing. This plan is a limited service contract covering repair or replacement of the working components of the Property for one (1) year from the Closing Date subject to a per claim deductible of \$_____.

6. **INSPECTIONS:** Buyer may, at Buyer's expense, have property inspections which may include, but are not limited to: appliances, plumbing (including septic system), electrical, heating system, central air conditioning, fireplace, chimney, foundation, roof, siding, windows or doors, ceilings, floors, insulation, drainage, interior and exterior components, any well, decks, driveway, patios, sidewalks, fences, slabs, health and/or environmental concerns (including but not limited to; radon, lead-based paint, mold & asbestos) and wood-destroying insects or other pest infestation and/or damage, as provided below:

- a. **WHEN DO BUYER'S INSPECTIONS NEED TO BE COMPLETED?** Buyer must complete **ALL** inspections within ___ calendar days (10 days if left blank) (the "Inspection Period") after the Effective Date of this Contract.
- b. **WHAT IF BUYER DOES NOT CONDUCT INSPECTIONS?** If Buyer does not conduct inspections, Buyer shall have waived any right to cancel or renegotiate this Contract pursuant to the inspection provisions.
- c. **WHAT IF BUYER DOES NOT GIVE TIMELY NOTICE OF UNACCEPTABLE CONDITIONS?** If Buyer conducts inspections but fails to notify Seller of Unacceptable Conditions prior to the expiration of the Inspection Period, Buyer shall have waived any right to cancel or renegotiate this Contract pursuant to these inspection provisions.
- d. **WHAT IS AN UNACCEPTABLE CONDITION?** An Unacceptable Condition is **any condition identified in an inspection report conducted by an independent qualified inspector** of Buyer's choice, which condition is unacceptable to Buyer and not otherwise excluded in this Contract.
- e. **WHAT IS NOT AN UNACCEPTABLE CONDITION?** The following items shall not be considered Unacceptable Conditions and **cannot be used by Buyer as a reason to cancel or renegotiate** this Contract:

- f. **WHAT IF BUYER'S INSPECTIONS REVEAL UNACCEPTABLE CONDITIONS?** If Buyer's inspections reveal Unacceptable Condition(s), Buyer may do any one (1) of the following **WITHIN THE INSPECTION PERIOD**:
- i. **ACCEPT THE PROPERTY "AS IS"**, in which case Buyer will have waived any right to cancel or renegotiate due to the Unacceptable Conditions.
 - ii. **CANCEL THIS CONTRACT** by notifying the Seller in writing within the Inspection Period.
 - iii. **OFFER TO RENEGOTIATE** the price and/or terms with Seller by notifying Seller in writing within the Inspection Period, identifying the Unacceptable Conditions. Seller is not obligated to renegotiate.

BUYER'S NOTIFICATION OF CANCELLATION OR OFFER TO RENEGOTIATE MUST BE ACCOMPANIED BY THE WRITTEN REPORT(S) OF THE INDEPENDENT QUALIFIED INSPECTOR(S) WHO CONDUCTED THE INSPECTION(S).

- g. **WHAT IF RENEGOTIATIONS ARE NOT SUCCESSFUL?** If within ___ days (5 if left blank) after Seller's receipt of Buyer's Offer to Renegotiate, Buyer and Seller have not executed a written agreement satisfactorily resolving the Unacceptable Conditions, **OR** Buyer has not elected to accept the property "as is" by written notice to Seller, then **either party may cancel this Contract by written notice to the other.**
- h. **WOOD-DESTROYING INSECTS. SELLER AGREES TO PAY TO HAVE THE PROPERTY TREATED** for control of infestation by wood-destroying insects if a written inspection report of a licensed pest control firm reveals evidence of **active infestation, or evidence of past untreated infestation in the Property.** If treatment is required, Seller shall provide Buyer with a certificate verifying treatment by a licensed pest control firm of Seller's choice, which certificate Buyer agrees to accept. Treatment shall be completed no earlier than ninety (90) days prior to the Closing Date. If the Closing Date of this transaction occurs more than ninety (90) days after the effective date of the pest inspection and the Buyer's lender required a more current inspection and/or certification, Buyer agrees to pay for an update. Any damage or repair issues related to wood destroying insect infestation must be identified as Unacceptable Conditions and addressed as set forth above.
- i. **ACCESS TO PROPERTY, RE-INSPECTIONS, DAMAGES AND REPAIRS.** Seller shall afford Buyer reasonable access to the Property to conduct the inspections, re-inspections, inspection of any corrective measures completed by Seller and/or final walk-through prior to closing. Buyer shall be responsible and pay for any damage to the Property resulting from the inspection(s). Seller agrees that any corrective measures which Seller performs pursuant to the foregoing provisions shall be completed in a workmanlike manner with good quality materials.

7. UTILITIES/MAINTENANCE/CASUALTY LOSS: SELLER AGREES TO LEAVE ALL UTILITIES ON UNTIL THE DATE OF POSSESSION UNLESS OTHERWISE AGREED. Seller agrees to perform ordinary and necessary maintenance, upkeep, and repair to the Property and to keep the improvements on the Property fully insured until delivery of Seller's deed to Buyer. If before delivery of the deed to Buyer, improvements on the Property are damaged or destroyed by fire or other causes including those that could be covered by what is known as fire and extended coverage insurance, the parties agree that the risk of that damage or destruction shall be borne as follows: if the damage is minor, Seller may repair or replace the Property if the work can be completed before the Closing

Date. If Seller elects not to repair or replace the Property, or if the damage is substantial, Seller shall notify Buyer in writing and Buyer may enforce or cancel this Contract by written notice to Seller within ten (10) days after receiving notice of the damage or destruction of the Property. If Buyer elects to enforce this Contract, the Purchase Price shall not be reduced and the Property shall be conveyed in its existing condition at the time, provided Seller shall credit Buyer the insurance deductible and assign Seller's fire and extended coverage proceeds to Buyer at closing.

8. EARNEST MONIES AND ADDITIONAL DEPOSITS: Upon acceptance of this Contract, unless otherwise agreed, any Earnest Money or additional deposits referenced in Paragraph 2(a) or additional funds deposited by Seller, Buyer or Buyer's Lender shall be deposited in an insured escrow account maintained by Escrow Agent. Buyer and Seller agree the Escrow Agent may retain any interest earned on any funds deposited in such account. If this Contract is canceled by the parties or if the Earnest Money is to be forfeited or refunded, the parties agree that the amount to be distributed shall first be reduced by any unpaid charges for credit reports, appraisals, surveys, termite, mechanical or other inspections, and title investigation fees, if any, incurred by the Escrow Agent on behalf of the party receiving the funds.

If this Contract is terminated by the express provisions of this Contract or by either party pursuant to a right expressly given in this Contract, the Earnest Money deposit shall be returned to the Buyer and neither party shall have any further rights or obligation under this Contract, except as otherwise stated in this Contract. **Provided, notwithstanding any other terms of the Contract providing for the forfeiture or refund of Earnest Money, the parties understand that the Escrow Agent may not distribute the Earnest Money without the written consent of all parties to this Contract unless permitted to do so by applicable state laws.** If Buyer and Seller are unable to agree in writing upon the disposition of the Earnest Money or any other funds, Escrow Agent may, but shall not be obligated to, commence an interpleader or similar proceeding and Buyer and Seller agree that Escrow Agent shall be entitled to reimbursement of its costs incurred in connection with any interpleader or similar proceeding including without limitation, reasonable attorney's fees and expenses.

9. SURVEY (OPTIONAL): *(Check If applicable):* Seller or Buyer, at their own expense, may obtain a "staked" survey of the Property before the Closing Date to assure that there are no defects, encroachments, overlap, boundary line or acreage disputes or other such matters, that would be disclosed by a survey. **Buyer acknowledges that a Mortgage Inspection Report or "Loan Survey" normally required by a lending institution is not a "staked" survey.** A title insurance company typically requires a "staked" survey in order to provide survey coverage to the buyer. Prior to the Closing Date, Buyer shall notify Seller of any encroachments of any improvements upon, from, or onto the Property or any building setback line, property line, or easements which encroachment shall be deemed to be a title defect. Seller shall remedy such defects as are susceptible of being remedied prior to the Closing Date. If Seller does not so remedy the defects in title, Buyer shall have the option of (a) completing this purchase and accepting the title Seller is able to convey without adjustment in the Purchase Price, or (b) cancelling the Contract.

10. EVIDENCE OF TITLE: Within a reasonable time after the Effective Date, but not later than fourteen (14) days prior to the Closing Date (the "Commitment Delivery Date") Seller agrees to deliver to Buyer a title insurance commitment from a company authorized to insure titles in the state where the **Property** is located. Unless there is a defect in title to the Property that is not corrected prior to the Closing Date, Buyer may not object to untimely delivery of the title commitment.

The title commitment shall commit to insure a marketable fee simple title in the Buyer upon recording of the deed or other document of conveyance. However, title to the Property shall be subject to the conditions in this

Contract and to customary covenants, declarations, restrictions, zoning laws, easements, party wall agreements, special assessments, and community contracts of record as of the effective date of the title commitment (the "Permitted Exceptions").

Buyer shall have ten (10) days after receipt of the title commitment (the "Objection Period") to notify Seller in writing of any valid objections to title the Property. Seller shall then make a good faith effort to remedy the defects in title. If Seller does not remedy the title defects before the Closing Date, Buyer may elect to waive the objections, extend the Closing Date a reasonable time for the Seller to remedy the defects, or cancel this Contract. Provided, if the time between the Effective Date and the Closing Date is too short to permit compliance with the time frames described in this paragraph, both the Commitment Delivery Date and the Objection Period shall be as soon as reasonably possible, but no later than the Closing Date.

Seller agrees to provide and pay for an owner's title insurance policy in the amount of the purchase price insuring marketable fee simple title in Buyer, subject to the Permitted Exceptions and with the exception of any liens, encumbrances, or other matters affecting title to the Property created by Buyer or arising by virtue of Buyer's activities or ownership. The policy shall also insure Buyer as of the date of recording of the deed or other document of conveyance, against any lien, or right to a lien, for services, labor or material imposed by law and not shown by the public records. Seller agrees to comply with the requirements of the title company for issuance of this coverage. **UNLESS OTHERWISE PROVIDED IN THIS CONTRACT, THE OWNER'S TITLE POLICY WILL INCLUDE MECHANIC'S LIEN COVERAGE.**

11. TAXES AND PRORATIONS: All general/state/county/school and municipal real estate taxes, home association dues and fees, special assessments, interest on existing loans to be assumed by BUYER, and any other contractual obligations of SELLER to be assumed by BUYER for years prior to the current calendar year shall be paid by SELLER. Any of the preceding items which become due and accrue during the calendar year in which SELLER's warranty deed is delivered (including rents, if applicable) shall be prorated between the parties as of the Closing Date and, for all years thereafter, to the extent permitted by applicable law, shall be assumed and paid by the BUYER.

If the actual amount of any item other than taxes to be prorated for the current year cannot be ascertained from the public record, the amount of the item for the preceding year will be used for the current year's amount. However, if the preceding year's taxes were based on a **less improved property**, taxes will be computed and prorated based on the **preceding year's mill levy at the current assessed value**, if ascertainable. Buyer and Seller agree to accept such proration as final and release each other and closing agent(s) from any liability for any increase or decrease in actual taxes due.

12. DELIVERY OF DEED/DISTRIBUTION OF PROCEEDS: On or before the Closing Date, Seller shall execute and deliver to the Title Company or other Closing Agent, a general warranty deed (special warranty deed or fiduciary deed, if Seller is a corporation, financial institution or fiduciary) and all other documents and funds reasonably necessary to complete the closing. **On or before the Closing Date, Seller and Buyer agree to deliver to the Closing Agent a CASHIER'S CHECK, WIRE OR OTHER CERTIFIED FUNDS sufficient to satisfy their respective obligations under this Contract. Seller acknowledges that disbursement of proceeds may not be made until after the deed or instrument of conveyance and, if applicable, mortgage or deed of trust has been recorded.**

13. PARTIES: This is a Contract between Seller and Buyer. If Seller or Buyer constitutes two or more persons, the terms "Seller" or "Buyer" shall be construed to read "Sellers" or "Buyers" whenever the sense of Contract requires. Unless identified as Seller or Buyer, Escrow Agent and any other closing agent or Title Company and

their employees (collectively referred to as "Closing Agents") are acting as agents only and are not parties to this Contract.

- a. **Kansas Secured Title and its employees are title and escrow agents and are not holding themselves out as licensed real estate agents and are not acting as such in this transaction.**
- b. **Each party, Seller and Buyer, represents themselves in the transaction and has not retained Kansas Secured Title or any of its employees to represent either party on an individual basis.**
- c. **Kansas Secured Title or its employees act only as an independent third-party escrow agent, facilitating the real estate transaction.**

14. NOTICES: Any notice or other communication required or permitted hereunder may be delivered in person or by facsimile to the address set forth in this Contract or such other address or number as shall be furnished in writing by any such party. Such notice or communication shall be deemed to have been given as of the date and time so delivered in person, or received by facsimile.

15. AGENCY: Buyer and Seller confirm that neither is represented by an agent or other real estate licensee to whom a real estate commission might be owed and in such event the party through whom the commission is claimed agrees to hold the other harmless from liability therefore.

16. DEFAULTS AND REMEDIES: Seller or Buyer shall be in default under this Contract if either fails to comply with any material covenant, agreement or obligation within any time limits required by this Contract. Following a default by either Seller or Buyer under this Contract, the other party may pursue any remedies or damages available to them, including but not limited to the forfeiture of the Earnest Money in accordance with Paragraph 8 above.

If as a result of a default under this Contract, either Seller or Buyer employs an attorney to enforce its rights, the defaulting party shall, unless prohibited by law, reimburse the non-defaulting party for all reasonable attorneys' fees, court costs and other legal expenses incurred by the non-defaulting party in connection with the default.
TIME IS OF THE ESSENCE OF THIS CONTRACT.

17. ADDENDA/CONTINGENCIES: The following Addenda (riders, supplements, etc.) are attached hereto and are a part of this Contract (*Check Applicable Paragraphs*):

- Financing Addendum**
- Lead-Based Paint Disclosure**
- Seller's Statement of Condition**
- Other** _____
- Other** _____

18. ADDITIONAL TERMS AND CONDITIONS / SPECIAL PROVISIONS:

19. In Kansas, the law requires that persons who are convicted of certain crimes, including certain sexually violent crimes, to register with the sheriff of the county in which they reside. If you, as a Buyer, desire information regarding those registrants, you may find information on the homepage of the Kansas Bureau of Investigation (KBI) at <http://www.Kansas.gov/kbi> or by contacting the sheriff's office in Kansas.

20. **ENTIRE AGREEMENT AND MANNER OF MODIFICATIONS:** This Contract and all attachments hereto, including, if applicable, Financing Addendum, Counter-Offer Addendum, Legal Description/Franchise Disclosure Addendum, Statement of Condition Addendum and Amendments constitute the complete agreement of the parties concerning the Property, supersede all previous agreements, and may be modified only by a written agreement signed by all parties.

21. **ACKNOWLEDGEMENT BY PARTIES:** It is hereby acknowledged that this contract is being completed by one or both of the parties, by the specific agreement of and at the express understanding of each of the parties hereto.

**WHEN SIGNED BY ALL PARTIES, THIS IS A LEGALLY BINDING CONTRACT.
IF NOT UNDERSTOOD, CONSULT AN ATTORNEY BEFORE SIGNING.**

Seller

Buyer

Seller

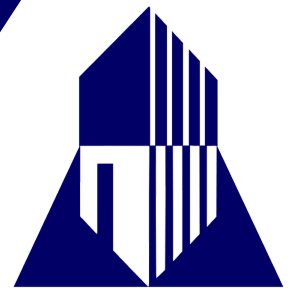
Buyer

Date

Date

A COPY OF THIS CONTRACT and EARNEST MONEY DEPOSIT in the amount of \$ _____ was received on _____, by Kansas Secured Title, Escrow Agent.

Received by: _____



KANSAS SECURED TITLE
SERVICE BEYOND EXPECTATION

FOR SALE BY OWNER

ADDITIONAL DOCUMENTS

LEAD-BASED PAINT AND LEAD-BASED PAINT HAZARDS DISCLOSURE

This form is required to be issued to all potential buyers for residential properties built before 1978.

The remaining documents in the packet are not required but may assist you during this transaction. Please find enclosed:

CONTRACT AMENDMENT

This blank document will be used if any changes occur to the base Contract. Please fill out the amendment and return to Kansas Secured Title after all parties have signed and dated. Example: change in purchase price or closing date.

FINANCING ADDENDUM

This Addendum is used when any type of financing for all or part of the purchase price will be provided by a third-party.

SELLER'S DISCLOSURE - STATEMENT OF CONDITION

A list of known defects, conditions and facts that may affect the value of the property. This does not serve as a substitute for any inspections or warranties the Buyer may wish to obtain.

Disclosure of Information on Lead-Based Paint and/or Lead-Based Paint Hazards

Lead Warning Statement

Every purchaser of any interest in residential real property on which a residential dwelling was built prior to 1978 is notified that such property may present exposure to lead from lead-based paint that may place young children at risk of developing lead poisoning. Lead poisoning in young children may produce permanent neurological damage, including learning disabilities, reduced intelligence quotient, behavioral problems, and impaired memory. Lead poisoning also poses a particular risk to pregnant women. The seller of any interest in residential real property is required to provide the buyer with any information on lead-based paint hazards from risk assessments or inspections in the seller's possession and notify the buyer of any known lead-based paint hazards. A risk assessment or inspection for possible lead-based paint hazards is recommended prior to purchase.

Seller's Disclosure

(a) Presence of lead-based paint and/or lead-based paint hazards (check (i) or (ii) below):

(i) _____ Known lead-based paint and/or lead-based paint hazards are present in the housing (explain).

(ii) _____ Seller has no knowledge of lead-based paint and/or lead-based paint hazards in the housing.

(b) Records and reports available to the seller (check (i) or (ii) below):

(i) _____ Seller has provided the purchaser with all available records and reports pertaining to lead-based paint and/or lead-based paint hazards in the housing (list documents below).

(ii) _____ Seller has no reports or records pertaining to lead-based paint and/or lead-based paint hazards in the housing.

Purchaser's Acknowledgment (initial)

(c) _____ Purchaser has received copies of all information listed above.

(d) _____ Purchaser has received the pamphlet *Protect Your Family from Lead in Your Home*.

(e) Purchaser has (check (i) or (ii) below):

(i) _____ received a 10-day opportunity (or mutually agreed upon period) to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead-based paint hazards; or

(ii) _____ waived the opportunity to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead-based paint hazards.

Agent's Acknowledgment (initial)

(f) _____ Agent has informed the seller of the seller's obligations under 42 U.S.C. 4852d and is aware of his/her responsibility to ensure compliance.

Certification of Accuracy

The following parties have reviewed the information above and certify, to the best of their knowledge, that the information they have provided is true and accurate.

_____	_____	_____	_____
Seller	Date	Seller	Date
_____	_____	_____	_____
Purchaser	Date	Purchaser	Date
_____	_____	_____	_____
Agent	Date	Agent	Date

 **FINANCING ADDENDUM**
(For Sale By Owner)

SELLER:

BUYER:

PROPERTY:

This Contract is contingent upon Buyer obtaining the financing described in this Financing Addendum as follows:

1. TYPE OF LOAN: Buyer will obtain a loan of the type described below in the principal amount of \$_____ plus: (*select type of loan*)

- A. Conventional Fixed Rate (Interest rate if fixed throughout the term of the loan.)
- B. Conventional Adjustable Rate (Interest rate changes periodically based on a published index.)
- C. FHA (A loan insured by the Federal Housing Administration.)
- D. VA (A loan available only to qualified U.S. Military Veterans.)
- E. Other _____

2. PAYMENT TERMS: The principal balance of the Loan will be amortized over _____ years, be repayable in monthly installments and bear interest at: (*check one*)

- A. An initial rate not exceeding _____% per annum, or
- B. The prevailing rate at closing

Buyer has the option to “lock in” the foregoing interest rate or to “float” the interest rate. If Buyer locks in a rate Buyer agrees to accept the “locked” rate and terms even if different than those stated in this Addendum. If Buyer floats the rate, Buyer agrees to accept the rate and terms available from Buyer’s lender for which Buyer qualifies at closing. Buyer may obtain a loan on different terms than those described above, provided that the terms of the loan do not result in additional cost to Seller.

3. LOAN APPLICATION: (*check applicable paragraph*)

A. BUYER IS PRE-APPROVED. (Attach Pre-Approval Letter) Buyer made written application for the Loan at _____, on _____, per **ATTACHED PRE-APPROVAL LETTER.**

B. BUYER TO MAKE APPLICATION. Buyer shall complete a written application for the Loan and PAY THE FEES ERQUIRED BY LENDER, (credit report, appraisal, etc.) within _____ calendar days (SEVEN DAYS IF LEFT BLANK) after the effective date of the Contract. Buyer agrees to promptly provide lender with all information requested.

4. LOAN APPROVAL: Buyer agrees to make a good faith effort to obtain a commitment for the Loan within _____ days (THIRTY IF LEFT BLANK) from the Effective Date of this Contract (the “Loan Approval Period”) or by the Closing Date, whichever is earlier. A loan commitment which is conditioned on the sale of Buyer’s property will not satisfy this condition without Seller’s written approval. If Buyer is unable to obtain a commitment for the Loan within the Loan Approval Period, **Buyer or Seller MAY CANCEL THIS CONTRACT.**

Any time after expiration of the Loan Approval Period and, if Buyer has not provided Seller with satisfactory evidence of a commitment for the Loan, Seller may give Buyer written notice of Seller's intent to cancel this Contract. If, within three (3) days after Buyer's receipt of Seller's written notice to cancel, but in no event after the Closing Date, Buyer is unable to provide Seller with a written loan commitment containing terms satisfactory to Buyer and sufficient to permit Buyer to close on this Contract, this Contract shall be canceled and Buyer's earnest money shall be returned.

If Buyer is unable to obtain a commitment for Loan and desires to cancel this Contract, Buyer shall notify Seller in writing, providing satisfactory evidence of rejection, if requested by Seller. Upon Buyer's providing written notice to cancel and evidence of rejection, if requested, this Contract shall be canceled, and Buyer's earnest money shall be returned.

5. LOAN COSTS: Buyer agrees to pay all customary costs necessary to obtain the Loan (excluding origination fees, discounts, or buy-downs) unless otherwise agreed as follows:

- Private Mortgage Insurance (PMI):** Buyer will pay any upfront PMI premium and annual renewal premiums or shall finance the PMI as a part of Buyer's loan, if required by lender.
- Flood Insurance:** If the property is in a flood zone, Buyer agrees to pay for flood insurance as required by lender.
- Origination fee:** Not to exceed ____% of the loan amount shall be paid by _____.
- Discount fee:** Not to exceed ____% of the loan amount shall be paid by _____.
- Additional Seller paid costs:** In addition to any other costs Seller agreed to pay herein, Seller agrees to pay other allowable Buyer's closing costs not to exceed \$_____ (zero if left blank).

6. APPRAISED VALUE CONTIGENCY: Notwithstanding any other terms of this Contract, if the final appraised value of the Property as determined by Buyer's lender's appraiser (after reconsideration, if requested by Seller) is not equal to or greater than the purchase price, Buyer may cancel this Contract by written notice to Seller, which notice shall contain a copy of the appraisal. Provided, if Seller, within five (5) days of receipt of Buyer's notice of cancellation, agrees to reduce the purchase price to an amount equal to the final appraised value of the Property as determined by Buyer's lender's appraiser, this Contract shall remain in full force and effect.

7. APPRAISAL REQUIREMENTS: In addition to any other costs or sums to be paid by Seller pursuant to this Contract, Seller agrees to pay an amount not to exceed \$_____ (zero if left blank) for requirements contained in the Lender's appraisal. Appraisal requirements shall include inspections and/or repairs, but not any for which Buyer has agreed to be responsible elsewhere in this Contract. If appraisal requirements exceed the amount in this blank and if Seller and Buyer have not agreed in writing to a resolution of the excess appraisal requirements prior to closing, or within the time period (no less than 5 days) specified in a written demand by either party, this Contract shall be canceled and Buyer's earnest money deposit shall be refunded.

8. GOVERNMENT LOAN PROVISIONS: The following provisions are applicable only if the loan type selected by Buyer in Paragraph #1 above is FHA or VA.

- **FHA Mortgage Insurance Premium (MIP):** Buyer will pay any upfront MIP and annual renewal premiums, or shall finance the MIP as a part of Buyer’s loan
- **VA Funding Fee:** as required by Lender shall be paid at the time of closing by the Buyer or financed as part of the BUYER’s loan.
- **Costs Not Payable to Buyer:** FHA/VA rules may prohibit a Buyer from paying certain closing-related costs. SELLER agrees to pay all costs associated with obtaining the BUYER’s loan which the FHA/VA _____ rules will not permit the BUYER to pay, provided said costs do not exceed \$_____ (\$350 if left blank).
- **Appraised value Contingency:** It is expressly agreed that, notwithstanding any other provisions contained in this contract, the purchaser (Buyer) shall not be obligated to complete the purchase of the Property described herein, nor to incur any penalty by forfeiture of earnest money deposits or otherwise, unless the purchaser has been given in accordance with HUD/FHA or VA requirements a written statement by the Federal Housing Commissioner, Veterans Administration, or a Direct Endorsement Lender, setting forth the appraised value of the Property of not less than \$ _____ arrived at to determine the maximum mortgage the Department of Housing and Urban Development will insure. HUD does not warrant the value or the condition of the Property. The purchaser should satisfy himself/herself that the price and condition of the Property are acceptable.
- **The Importance of a Home Inspection:** NOTICE TO PURCHASERS – U.S. Department of Housing and Urban Development – HUD DOES NOT WARRANT THE CONDITION OF A PROPERTY. It is important for you to have a home inspection performed on the property you wish to purchase in order to identify any possible defects. Up to \$200 of the cost to perform the inspection may be financed into your mortgage. Names of home inspection companies can be found in the yellow pages of your telephone directory under the heading “Home Inspection Services.”
- **FHA Certification:** SELLER and BUYER hereby certify, to the best of their knowledge, that the terms of this Contract are true, and that any other agreement entered into by any of the parties to this transaction is attached to this Contract.

LEAD BASED PAINT DISCLOSURE: If the property was built prior to 1978, BUYER acknowledges receiving, reading and signing the federally required notice regarding lead-based paint.

CAREFULLY READ THE TERMS HEREOF BEFORE SIGNING. WHEN SIGNED BY ALL PARTIES, THIS FINANCING ADDENDUM BECOMES PART OF A LEGALLY BINDING CONTRACT. IF NOT UNDERSTOOD, CONSULT AN ATTORNEY BEFORE SIGNING.

Seller **Date**

Buyer **Date**

Seller **Date**

Buyer **Date**

SELLER'S DISCLOSURE – STATEMENT OF CONDITION

1. **SELLER(S):** _____
Property Address: _____

2. **SELLER'S INSTRUCTION**

SELLER agrees to disclose to BUYER all material defects, conditions and facts known to SELLER which may materially affect the value of the property. This disclosure statement is designed to assist SELLER in making these disclosures. The listing broker, the selling broker and their respective agents will rely on this information when they evaluate, market and present the Seller's property to prospective Buyers.

3. **NOTICE TO BUYER**

This is a disclosure of SELLER's knowledge of the condition of the property as of the date signed by SELLER and is not a substitute for any inspections or warranties that BUYER may wish to obtain. It is not a warranty of any kind by SELLER or a warranty or representation by the BROKER(S) or their agents.

4. **OCCUPANCY**

Approximate age of property? _____ How long have you owned? _____

Does SELLER currently occupy the property? Yes No

If not, how long has it been since SELLER occupied the property? _____

5. **LAND (SOILS, DRAINAGE AND BOUNDARIES) – ARE YOU AWARE OF:**

- a) Any fill or expansive soil on the property? Yes No
- b) Any sliding, settling, earth movement, upheaval or earth stability problems on the property? Yes No
- c) The property being located in a flood zone or wetlands area? Yes No
- d) Any drainage or flood problems on the property or adjacent properties? Yes No
- e) Any encroachments, boundary line disputes, or easements affecting the property? Yes No
- f) Are the boundaries of property marked in any way? Yes No
- g) Has property had stake survey? If yes attach copy. Yes No
- h) Any fencing on property? Yes No
- i) If yes, does fencing belong to property? Yes No
- j) Are any trees or shrubs on property diseased or dead or damaged? Yes No
- k) Are you aware of any gas/oil wells on property or adjacent property? Yes No

If any of the answers in this section are "Yes", explain in detail: _____

6. **TERMITES, WOOD DESTROYING INSECTS OR PESTS – ARE YOU AWARE OF:**

- a) Any termites, wood destroying insects or pests on or affecting the property? Yes No
- b) Property damage by termites, wood destroying insects or pests? Yes No
- c) Any termite/pest control treatments on the property in the last 5 years? Yes No
(List company and where treated) _____
- d) Current warranty or other coverage by a licensed pest control company on the property? Yes No

If any of the answers in this section are "Yes", explain in detail (attach any receipts): _____

7. STRUCTURAL, BASEMENT AND CRAWL SPACE ITEMS – ARE YOU AWARE OF:

- a) Any movement, shifting, deterioration, or other problems with walls, foundations, crawl space or slab? Yes No
- b) Any cracks or flaws in the walls, ceilings, foundations, concrete slab, crawl space, basement floor or garage? Yes No
- c) Any water leakage or dampness in the house crawl space or basement? Yes No
- d) Any past or present problems with driveways, patios, decks, fences, or retaining walls on the property? Yes No
- e) Any problems with fireplace and/or chimney? Date of last cleaning? _____ Yes No
- f) Any dry rot on the property? Yes No
- g) Does the property have a sump pump? Yes No
- h) Any repairs or other attempts to control the cause or effect of any problem described above? Yes No

If any of the answers in this section are "Yes", explain in detail. When describing repairs or control efforts, describe the location, extent, date, and name of the person who did the repair or control effort and attach any inspection reports, or receipts: _____

8. ADDITIONS / REMODELS

- a) Are you aware of any additions, structural changes, or other alterations to the property? Yes No
- If "Yes", were all necessary permits and approvals obtained, and was all work in compliance with building codes? Yes No
- If "No", explain: _____

9. PLUMBING-RELATED ITEMS

- a) What is the drinking water source? Public Private Well Cistern
If well water, state type: _____ depth: _____ diameter: _____ age: _____
- b) If the drinking water source is a well, when was the water last checked for safety and what was the result of the test?

- c) Is there a water softener on the property? Leased Owned Yes No
- d) Is there a water purifier system? Leased Owned Yes No
- e) What type of sewage system serves the property?
Public Sewer Private Sewer Septic Tank Cesspool Lagoon Other _____
- f) Is there a sewage pump on the septic system? Yes No
- g) When was the septic tank, cesspool, or sewage system last serviced? _____ By whom? _____
- h) Are you aware of any leaks, backups, or other problems relating to any of the plumbing, water, and sewage-related items? Yes No
- i) Is there a Backflow Prevention Device on the lawn sprinkling system? Yes No

If any of the answers in this section are "Yes", explain in detail: _____

10. HEATING AND AIR CONDITIONING

- a) AIR CONDITIONING: Central Electric Central Gas Heat Pump Window Unit(s) (# included in sale _____)
Age of cooling system: _____ Leased Owned Zoned Cooling? Yes No
- b) HEATING: Electric Fuel Oil Natural Gas Heat Pump Propane Other _____
Age of heating system: _____ Leased Owned Zoned Heating? Yes No
- c) Last date of servicing: Cooling _____ Heating _____ By whom? _____
- d) Are there rooms without furnace/air conditioning venting? Yes No
If "Yes", which rooms? _____
- e) WATER HEATER: Electric Gas Solar Approximate age: _____
- f) Are you aware of any problems regarding these items? Yes No

If any of the answers in this section are "Yes", explain in detail: _____

11. ELECTRICAL SYSTEM

- a) Type of system: Copper _____ Aluminum _____ Unknown _____
Are you aware of any electrical problems? Yes No
If "Yes", explain in detail: _____

12. HAZARDOUS CONDITIONS

- a) Are you aware of any underground tanks, landfill or toxic substances present on the property (structure or soil) such as asbestos, PCBs, radon, lead-based paint, or other? Yes No
If "Yes", explain in detail: _____

- b) Has the property been tested for any of the above listed items? Yes No
If "Yes", explain in detail and attach copies of reports: _____

13. HOMEOWNERS ASSOCIATIONS AND NEIGHBORHOOD INFORMATION

- a) Are you aware of any pending bonds or assessments, special taxes for improvement that apply to property? Yes No
- b) Are you aware of any condition or proposed change in your neighborhood or surrounding area? Yes No
- c) Is property subject to covenants, conditions, and restrictions of a homeowners association or subdivision restrictions? Yes No
- d) Does property conform to such rules or regulations? Yes No
- e) Are you aware of any defect, damage, proposed change or problem with any common elements or common areas? Yes No
- f) Are you aware of any condition or claim which may result in any change to assessments or fees? Yes No
- g) Are streets privately owned? Yes No

If any of the answers in this section are "Yes", except "d)" - explain in detail: _____

We pay Home Association Dues which are paid in full until _____ in the amount of \$ _____ per year,
Payable: yearly monthly quarterly , sent to _____ and includes: _____

14. OTHER MATTERS

- a) Are you aware of any of the following:
- | | | | |
|------------------------------|--|--|--|
| Party walls/Common areas | Yes <input type="checkbox"/> No <input type="checkbox"/> | Landfill/Underground Problems | Yes <input type="checkbox"/> No <input type="checkbox"/> |
| Fire Damage at any time | Yes <input type="checkbox"/> No <input type="checkbox"/> | Existing or Threatened Legal Action | Yes <input type="checkbox"/> No <input type="checkbox"/> |
| Appraiser or Mechanic's Lien | Yes <input type="checkbox"/> No <input type="checkbox"/> | Violations of any local, state, or federal laws or regulations | Yes <input type="checkbox"/> No <input type="checkbox"/> |
- b) Are you aware of any other conditions that may materially and adversely affect the value or desirability of the property? Yes No
- c) Are you aware of any general stains or pet stains to the carpet or flooring? Yes No
- d) Do you have keys for all exterior doors, including garage doors in the home? Yes No
List locks without keys: _____
- e) Are you aware of any violation of zoning, setbacks or restrictions, or nonconforming uses? Yes No
- f) Are you aware of any unrecorded interests affecting the property? Yes No
- g) Is there anything that would interfere with giving clear title to the Buyer? Yes No
- h) Have you replaced any appliances in the past 5 years? Yes No
- i) Have you added any insulation since you have owned the property? Yes No
- j) Are there any transferable warranties on the property or any of its components? If yes, attach copies. Yes No

If any of the answers in this section are "Yes", except "d)" - explain in detail: _____

15. FIXTURES, EQUIPMENT AND APPLIANCES (FILL IN ALL BLANKS)

NS = Not Staying

NA = Not Applicable

EX = Exclude from Mechanical

O = Operating (The item is performing its intended function)

- | | | |
|---|----------------------------------|---|
| ___ Attic fan | ___ Gas grill | ___ Sauna |
| ___ Ceiling fans - # of ___ | ___ Gas logs | ___ Security system - Own <input type="checkbox"/> Lease <input type="checkbox"/> |
| ___ Central vac & attachments | ___ Gas starter for fireplace(s) | ___ Smoke detector(s) - # of ___ |
| ___ Convection oven | ___ Gas yard light | ___ Sprinklers (lawn) |
| ___ Dishwasher | ___ Heat FP recirculator | ___ Sprinkler backflow valve |
| ___ Disposal | ___ Hot tub | ___ Sprinkler auto timer |
| ___ Door bell | ___ Humidifier | ___ Stove vent hood |
| ___ Downdraft cooktop (i.e. Jennaire) | ___ Intercom | ___ Sump pump |
| ___ Electric air cleaner or purifier | ___ Microwave oven | ___ Swimming pool |
| ___ Electric garage door opener(s) | ___ Oven clock timer | ___ Trash compactor |
| ___ Exhaust fan(s) (baths) | ___ Pool heater | ___ TV antenna/receiver/satellite dish |
| ___ Fireplace insert | ___ Pool/Spa equipment | Own <input type="checkbox"/> Lease <input type="checkbox"/> |
| ___ Garage door transmitters - # of ___ | ___ Range oven | ___ Whirlpool tub |
| ___ Other _____ | ___ Other _____ | ___ Woodburning stove |

Disclose any material information and describe any significant repairs, improvements or alterations to the property not fully revealed above. If applicable, state who did the work. Attach to this disclosure any repair estimates, reports, invoices, notices or other documents describing or referring to the matters revealed herein.

The undersigned Seller represents that the information set forth in the foregoing Disclosure Statement is accurate and complete. Seller does not intend this Disclosure Statement to be a warranty or guarantee of any kind. Seller agrees to notify Buyer if any information set forth in this disclosure changes prior to closing.

SELLER DATE

SELLER DATE

SELLER DATE

SELLER DATE

BUYER ACKNOWLEDGEMENT AND AGREEMENT

1. I understand and agree that the information in this form is limited to information of which SELLER has actual knowledge and that SELLER need only make an honest effort at fully revealing the information requested.
2. This property is being sold to me without warranties or guarantees of any kind by SELLER concerning the condition or value of the Property.
3. I agree to verify any of the above information, and any other important information provided by SELLER and conduct an independent investigation of my own.

BUYER DATE

BUYER DATE