

FINANCING ADDENDUM CONVENTIONAL OR PRIVATELY INSURED CONVENTIONAL MORTGAGE

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1. Date _____

2. Page _____

3. Addendum to Purchase Agreement between parties, dated _____, 20_____, pertaining to the
4. purchase and sale of the property at _____

5. _____

6. There ☐ **IS** ☐ **IS NOT** a *Buyer's Financial Disclosure Statement* submitted with this Purchase Agreement.
----- (Check one.) -----

7. Financing will be a ☐ **FIRST MORTGAGE only** ☐ **FIRST MORTGAGE AND SUBORDINATE FINANCING.**
----- (Check one.) -----

8. Buyer shall apply for and secure, at Buyer's expense, a

9. ☐ **CONVENTIONAL** ☐ **PRIVATELY INSURED CONVENTIONAL** _____ First Mortgage
----- (Check one.) ----- (e.g., fixed, ARM)

10. amortized monthly over a period of not more than _____ years, with an initial mortgage interest rate at

11. no more than _____ percent (%) per annum.

12. The mortgage application **ISTO BE MADE WITHIN FIVE (5) BUSINESS DAYS** after the Final Acceptance of this Purchase
13. Agreement. Buyer agrees to use best efforts to secure a commitment for such financing and to execute all documents
14. required to consummate said financing.

15. **FINANCING CONTINGENCY:** This Purchase Agreement is contingent upon the following and applies to the first
16. mortgage and any subordinate financing.

17. (Check one.)

18. ☐ If Buyer cannot secure the financing specified in this Purchase Agreement, and this Purchase Agreement does not
19. close on the closing date specified, this Purchase Agreement is canceled. Buyer and Seller shall immediately
20. sign a *Cancellation of Purchase Agreement* confirming said cancellation and directing all earnest money to be
21. ☐ **REFUNDED TO BUYER** ☐ **FORFEITED TO SELLER.**
----- (Check one.) -----

22. ☐ Buyer shall provide Seller, or licensee representing or assisting Seller, with the Written Statement, on
23. or before _____, 20_____.

24. For purposes of this Contingency, "**Written Statement**" means a Written Statement prepared by Buyer's mortgage
25. originator(s) or lender(s) after the Final Acceptance Date that Buyer is approved for the loan(s) specified in this
26. Purchase Agreement, including both the first mortgage and any subordinate financing, if any, and stating that an
27. appraisal, satisfactory to the lender(s), has been completed and stating conditions required by lender(s) to close
28. the loan.

29. Upon delivery of the Written Statement to Seller, or licensee representing or assisting Seller, the responsibility
30. for satisfying all conditions, except work orders, required by mortgage originator(s) or lender(s) are deemed
31. accepted by Buyer. Upon delivery of the Written Statement, if this Purchase Agreement does not close on the
32. stated closing date for ANY REASON relating to financing, other than Seller's failure to complete work orders to
33. the extent required by this Purchase Agreement, including but not limited to interest rate and discount points, if
34. any, Seller may, at Seller's option, declare this Purchase Agreement canceled, in which case this Purchase Agreement
35. is canceled. If Seller declares this Purchase Agreement canceled, Buyer and Seller shall immediately sign a
36. *Cancellation of Purchase Agreement* confirming said cancellation and directing all earnest money paid hereunder
37. to be forfeited to Seller as liquidated damages. In the alternative, Seller may seek all other remedies allowed by
38. law.

39. If the Written Statement is not provided by the date specified on line 23, this Purchase Agreement is canceled.
40. Buyer and Seller shall immediately sign a *Cancellation of Purchase Agreement* confirming said cancellation and
41. directing all earnest money paid hereunder to be refunded to Buyer.

42. **THIS IS A LEGALLY BINDING CONTRACT BETWEEN BUYER(S) AND SELLER(S).**
43. **IF YOU DESIRE LEGAL OR TAX ADVICE, CONSULT AN APPROPRIATE PROFESSIONAL.**

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44. Page _____

45. Property located at _____.

46. **PRIVATE MORTGAGE INSURANCE (PMI):** PMI may be required by the lending institution(s). Buyer agrees to pay
47. all subsequent years' mortgage insurance premiums as required by the lending institution(s). The said mortgage
48. insurance premiums will increase the mortgage amount unless paid in cash at closing.

49. **DISCOUNT POINTS:** If Seller has agreed to pay discount points pursuant to this Purchase Agreement, a *Seller's*
50. *Contributions to Buyer's Costs Addendum* must be attached. Nothing in this Purchase Agreement shall prohibit Buyer
51. from paying any mortgage discount points.

52. **LOCKING OF MORTGAGE INTEREST RATE (RATE):** The Rate shall be locked with the lender(s) by Buyer
53. *(check one):*

54. ☐ **WITHIN FIVE (5) BUSINESS DAYS OF FINAL ACCEPTANCE OF THIS PURCHASE AGREEMENT; OR**

55. ☐ **AT ANY TIME PRIOR TO CLOSING OR AS REQUIRED BY LENDER(S).**

56. **LENDER COMMITMENT WORK ORDERS:** Nothing in this Purchase Agreement shall be construed as a
57. warranty that Seller shall make repairs required by the lender commitment. However, Seller agrees to pay up to

58. \$ _____ to make repairs as required by the lender commitment. If the lender commitment
59. is subject to any work orders for which the cost of making said repairs shall exceed this amount, Seller shall have the
60. following options:

61. (a) making the necessary repairs; or
62. (b) negotiating the cost of making said repairs with Buyer; or
63. (c) declaring this Purchase Agreement canceled, in which case this Purchase Agreement is canceled. Buyer and Seller
64. shall immediately sign a *Cancellation of Purchase Agreement* confirming said cancellation and directing all earnest
65. money paid hereunder to be refunded to Buyer, unless Buyer provides for payment of the cost of said repairs or
66. escrow amounts related thereto above the amount specified on line 58 of this Addendum.

67. **OTHER:** _____

68. _____

69. _____

70. _____

71. _____

72. _____

73. _____

74. _____

75. _____

76. _____
(Seller) (Date) (Buyer) (Date)

77. _____
(Seller) (Date) (Buyer) (Date)

78. **THIS IS A LEGALLY BINDING CONTRACT BETWEEN BUYER(S) AND SELLER(S).**
79. **IF YOU DESIRE LEGAL OR TAX ADVICE, CONSULT AN APPROPRIATE PROFESSIONAL.**