

**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 purchase

4. and sale of the property at _____

5. _____

6. Buyer will apply for and secure at Buyer's expense a **CONVENTIONAL / PRIVATELY INSURED CONVENTIONAL**

(circle one)

7. _____ mortgage in the amount stated in the Purchase Agreement, amortized monthly over a period of

(Fixed, ARM, etc.)

8. not more than _____ years, with an initial mortgage interest rate at no more than _____ percent per annum.

9. The mortgage application **ISTO BE MADE WITHIN FIVE (5) BUSINESS DAYS** after the acceptance of this Purchase Agreement.

10. Buyer agrees to use best efforts to secure a commitment for such financing and to execute all documents required to

11. consummate said financing.

12. **FINANCING CONTINGENCY:** This Purchase Agreement is contingent upon the following: (*check one*)

13. If Buyer cannot secure a commitment for such mortgage, this Purchase Agreement shall become null and void. Buyer and
14. Seller shall immediately sign a Cancellation of Purchase Agreement directing all earnest money paid hereunder to be
15. refunded to Buyer.

16. Buyer shall provide Seller, or Licensee representing or assisting Seller, with a final underwriting approval commitment for the
17. loan specified in this Purchase Agreement, including completed appraisal, and stating all conditions required by the lender to
18. close the loan, on or before _____, 20_____. If said commitment is not provided by said date, Seller may, at Seller's
19. option, declare this Purchase Agreement null and void up to the date of closing unless Buyer provides the underwriting
20. approval commitment prior to such cancellation. If Seller cancels the Purchase Agreement, Buyer and Seller shall
21. immediately sign a Cancellation of Purchase Agreement directing all earnest money paid hereunder to be refunded to Buyer.
22. If said commitment is not provided by said date and this Purchase Agreement does not close on the closing date specified,
23. this Purchase Agreement shall become null and void. Buyer and Seller shall immediately sign a Cancellation of Purchase
24. Agreement directing all earnest money paid hereunder to be refunded to Buyer. Upon delivery of said commitment
25. to Seller, or Licensee representing or assisting Seller, the responsibility for satisfying all conditions, except
26. work orders, required by said commitment is deemed accepted by Buyer. Upon delivery of said commitment, if the
27. Purchase Agreement does not close on the stated closing date for **ANY REASON** relating to financing, other than
28. Seller's failure to complete work orders to the extent required by the Purchase Agreement, including but not
29. limited to interest rate and discount points, if any, Seller may, at Seller's option, declare this Purchase Agreement null and void.
30. Buyer and Seller shall immediately sign a Cancellation of Purchase Agreement directing all earnest money paid hereunder to
31. be forfeited to Seller as liquidated damages, or, in the alternative, Seller may seek all other remedies allowed by law.

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

35. **DISCOUNT POINTS:** If either Buyer or Seller have agreed to pay discount points pursuant to this Purchase Agreement, a
36. Mortgage Discount Points Addendum must be attached.

37. **LOCKING OF MORTGAGE INTEREST RATE ("RATE"):** The interest rate will be locked with the lender by Buyer:
38. (*check one*)

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

40. **AT ANY TIME PRIOR TO CLOSING OR AS REQUIRED BY LENDER.**

41. **LENDER COMMITMENT WORK ORDERS:** Nothing in this Purchase Agreement shall be construed as a warranty that
42. Seller will make repairs required by the Lender commitment. However, Seller agrees to pay up to \$ _____ to
43. make repairs as required by the Lender commitment. If the Lender commitment is subject to any work orders for which the cost
44. of making said repairs shall exceed this amount, Seller shall have the following options:

45. (A) making the necessary repairs; or

46. (B) negotiating the cost of making said repairs with Buyer; or

47. (C) declaring the Purchase Agreement null and void. Buyer and Seller shall immediately sign a Cancellation of the Purchase
48. Agreement directing all earnest money paid hereunder to be refunded to Buyer, unless Buyer provides for payment of the
49. cost of said repairs or escrow amounts related thereto above the amount specified on line 42 of this Addendum.

50. **OTHER:** _____

51. _____

52. _____
(Seller) (Date) (Buyer) (Date)

53. _____
(Seller) (Date) (Buyer) (Date)

54. **THIS IS A LEGALLY BINDING CONTRACT BETWEEN BUYERS AND SELLERS.**
55. **IF YOU DESIRE LEGAL OR TAX ADVICE, CONSULT AN APPROPRIATE PROFESSIONAL.**