

FINANCING ADDENDUM ASSUMPTION

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1. Date _____
2. Page _____

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

5. _____

6. Buyer assumes and agrees to pay according to the terms and conditions the following:

7. That certain mortgage in an approximate principal amount of _____ \$ _____
8. in favor of _____

9. with a current interest rate not to exceed _____ percent (%).

10. That certain contract(s) in an approximate principal amount of _____ \$ _____

11. with a current interest rate not to exceed _____ percent (%).

12. The total amount of the financing assumed is _____ \$ _____

13. The exact unpaid balance of the mortgage(s) and/or contract(s) for deed will be determined as of the date of closing and any difference between the actual mortgage(s) and/or contract(s) for deed amount and the amount stated in this agreement shall be adjusted in CASH at closing so the total purchase price will remain the same. If at closing the actual mortgage(s) and/or contract(s) for deed balance is less than 98% of the approximate amount of financing stated in this Purchase Agreement, Buyer may, at Buyer's option, declare this Purchase Agreement cancelled by written notice to Seller or licensee representing or assisting Seller, in which case this Purchase Agreement is cancelled. If Buyer cancels the Purchase Agreement, Buyer and Seller shall immediately sign a *Cancellation of Purchase Agreement* confirming said cancellation and directing all earnest money paid hereunder to be refunded to Buyer, less any costs incurred as a result of the assumption application. However, Buyer may, at Buyer's option, proceed with this Purchase Agreement regardless of the actual mortgage(s) and/or contract(s) for deed amount.

23. In the event the mortgagee or vendor requires approval of Buyer as a condition for allowing the assumption, Buyer agrees to make application for said assumption within five (5) Business Days of Final Acceptance of this Purchase Agreement. If Buyer does not qualify for the assumption of the mortgage(s) and/or contract(s) for deed, or if the interest rate is changed to a rate greater than the rate set forth herein, this Purchase Agreement is cancelled. Buyer and Seller shall immediately sign a *Cancellation of Purchase Agreement* confirming said cancellation and directing all earnest money paid hereunder to be refunded to Buyer, less any costs incurred as a result of the assumption application.

29. Buyer agrees to pay an assumption fee, if required, not to exceed \$ _____

30. BUYER AGREES TO REIMBURSE SELLER SELLER AGREES TO TRANSFER TO BUYER any portion of _____
(Check one.)

31. **unused and reimbursed escrows at time of closing. Seller certifies escrow deposits will be current, as required**
32. **by lender, as of date of closing.**

33. Seller warrants that the present financing is:

34. Type of Loan
35. (Check all that apply.)

- 36. DVA
- 37. FHA
- 38. CONVENTIONAL
- 39. PURCHASE MONEY MORTGAGE(S)
- 40. CONTRACT(S) FOR DEED

Type of Interest Rate/Payment Schedule
(Check all that apply.)

- FIXED RATE
- ADJUSTABLE RATE
- GRADUATED PAYMENT
- BALLOON
- OTHER _____

41. The present financing IS IS NOT negatively amortized.
----- (Check one.) -----

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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45. Property located at _____ .

46. **NOTE:** On DVA assumption Seller's entitlement shall remain with the property unless the assuming Buyer
47. is a veteran and is approved by DVA to substitute Buyer's entitlement or the loan is paid in full.

48. **NOTE:** On any mortgage assumption Seller shall remain liable for the mortgage obligation unless released
49. from liability by DVA, FHA and/or lender.

50. **NOTE:** For any FHA mortgage dated on or after December 1, 1986, or DVA mortgage dated on or after
51. March 1, 1988, check with mortgage lender(s) for assumption requirements.

52. **OTHER:** _____

53. _____

54. _____

55. _____

56. _____

57. _____

58. _____

59. _____

60. _____

61. _____
(Seller) (Date) (Buyer) (Date)

62. _____
(Seller) (Date) (Buyer) (Date)

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