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LAND CONTRACT PURCHASE ADDENDUM

THE UNDERSIGNED PURCHASERS AND SELLERS MUTUALLY AGREE THAT THE FOLLOWING CONDITIONS ARE TO BE INCORPORATED INTO AND BECOME PART OF THE PURCHASE AGREEMENT DATED _____ FOR THE PROPERTY DESCRIBED AS _____

ALSO KNOWN AS: _____

SALE TO LAND CONTRACT

Payment of the sum of \$ _____, by certified check upon the execution of a Land Contract in the amount of \$ _____. Acknowledges payment of that sum and calls for the payment of the remainder of the purchase money within _____ years from the date of Contract in monthly payments of not less than \$ _____, each which include interest payments at the rate of _____% per annum and which DO[] DO NOT [] (check one) include prepaid taxes and DO [] DO NOT [] (check one) include prepaid insurance. If sale is to existing Land Contract, see additional conditions relating to assumption of existing Land Contract. If this purchase involves a condominium unit, purchaser is advised to determine from the Condominium Association whether this purchase will make the purchaser eligible to become a member of said Association.

ALL PARTIES SHALL INITIAL ANY CLAUSE WHICH IS PART OF THIS SALE OR WRITE DNA (DOES NOT APPLY) IN ANY CLAUSE THAT DOES NOT APPLY.

INITIAL ALL SECTIONS THAT APPLY

Initials

1. Land Contract Principal and Interest Payment, \$ _____. If there is an underlying mortgage on this property, the financial institution must be contacted by the Seller prior to closing to determine if the institution has any special provisions or requirements if the property is sold on a Land Contract. Consummation of this transaction may not relieve seller of this liability under his present mortgage. Seller is under no obligation to extend this contract beyond the agreed upon termination or to refinance the principal balance beyond said termination date.

REAL ESTATE TAXES

- 2. Purchaser agrees to pay all taxes and special assessments before any penalty for non-payment attaches thereto. Purchaser agrees to submit proof of payment to Seller upon request. Payment to be made to the taxing authority. OR
3. Purchaser agrees to pay an additional monthly amount of \$ _____ which is an estimate of 1/12 of the annual cost of taxes and special assessments, which shall be credited by the Seller to the principal balance. Seller shall pay said taxes and assessments before any penalty attaches and add amounts so paid to the principal balance of the contract. This amount may be adjusted periodically to approximate the total sum required annually for taxes and assessments. OR
4. When Seller's property is encumbered by a mortgage and the Seller's mortgage payment includes taxes, Seller agrees to pay all taxes and assessments when due and before any penalty for non-payment attaches thereto. Seller will deliver proof of payment to Purchaser for each tax and assessment so paid. Purchaser agrees to reimburse Seller for each item so paid on or before fifteen (15) days after receipt of proof of such payment.

INSURANCE

5. Insurance will be paid in accordance with the method outlined in paragraphs [] 2, [X] 3 or [] 4 above (check one). If Paragraph 3 is selected, the monthly amount is \$ _____. Buyer must bring proof of insurance to closing, along with a paid invoice for one (1) full year's premium paid in full.



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- _____ 6. Your insurance policy must name **SELLER** its successors, and/or assigns as Title Holder.
- _____ 7. Insurance is Purchaser's responsibility. If Property becomes uninsured for any reason, **SELLER** may bind the property to insure itself. The cost of said insurance binder shall be added to the Land Contract. Payments will increase by 1/12 of said insurance binder. A **\$150.00** non-insurance fee will be added to the Land Contract and a **\$10.00** per month service fee until Purchaser provides adequate proof of said insurance.

PAYMENT AND TAX PRORATION

- _____ 8. Purchaser's first monthly payment is due thirty (30) days from the date of closing. Interest will begin to run from the closing date. If seller occupies the property after closing he/she/they will pay use and occupancy accordance with the purchase agreement. In addition, if payments are to be due on the first of the month, place an X here [X]. In this case Purchaser will pay interest at closing for the period from the closing date to the first of the following month and the first payment will be due thirty (30) days later.

ADDITIONAL CLAUSES AND ACKNOWLEDGMENTS

- _____ 9. Purchaser is to supply, at his expense, to the Seller a current credit report, employment letter(s) and financial statement no later than _____. If said information is not satisfactory to the Seller or delivered as agreed, the Seller may declare this sale null and void and all deposit monies will be returned.
- _____ 10. In the event payments are not received within five (5) days from date due, a late fee of **\$75.00** per payment shall be assessed. This is a service charge and is not interest. Purchaser further agrees and understands that assessment of the late fee does not constitute an election under the contract and that the Seller may pursue any other remedies available in law or equity. (Note: This paragraph, when applicable, is to be copied verbatim in the additional conditions of the Land Contract Document)
- _____ 11. It is understood that if all the installment payments specified in said contract are not paid per term of said contract, there may be a lump-sum payment due seller upon completion of said term.
- _____ 12. Purchaser WILL [] WILL NOT [] (check one) occupy as their personal residence. A personal Guaranty is required on all non-owner occupied properties purchased in Company or Corporate entities.
- _____ 13. Purchaser is responsible for any and all future recording, transfer and revenue fee's that may become due.
- _____ 14. Purchaser agrees and understands there will be a service fee of **\$75.00** each time a Purchaser's bad check is returned to **SELLER** by the bank.
- _____ 15. The Purchaser has been advised that a survey should be obtained and has [] ordered a survey [] decided not to have a survey (check one). If said survey is ordered, it will be [] Mortgage type, [] Stake type (check one). Survey is a Purchaser's cost, paid in advance.
- _____ 16. Seller agrees to execute a _____ Deed at closing to be placed in escrow with a title agency until contract is paid in full. Purchaser agrees to pay the escrow fee.
- _____ 17. No representations, oral or otherwise, have been made by the parties hereto and/or real estate Broker(s) as to future availability of alternative financing which might be required by the Purchaser to payoff the obligation.
- _____ 18. All parties to this transaction should seek the counsel of an attorney and an accountant to protect their interest. Brokers and sales personnel are neither trained nor employed to provide such counsel and the parties hereto acknowledge they have not relied on any such advice if it has been given.



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- _____ 19. In the event legal action shall be taken by **SELLER** as vendor under this Land Contract, in order to enforce the terms of this contract, whether such actions shall be forfeiture or foreclosure, or in the event that **SELLER** shall retain legal counsel to protect its interest in the event that the Purchaser shall file bankruptcy proceedings, Purchaser shall pay to **SELLER**, in addition to any amounts due under this contract, all costs and expenses which **SELLER** shall incur therefore, including filing fees, court costs and reasonable attorney fees. If such costs and expenses are not reimbursed to **SELLER** after said court hearing such sums shall be added to the principal balance due hereunder, and interest shall accrue thereon at the contract rate of interest.

- _____ 20. Water bills are Purchaser's responsibility. If water becomes delinquent the land contract is in default. Seller shall have the option of paying delinquent water bills and adding any amount of said payment to the principal balance. Purchaser's payments will immediately increase to cover the entire amount so paid. There will be a **\$35.00** service fee each time Seller pays water bills owed by the Purchaser.

- _____ 21. There is no pre-payment penalty should the Purchaser payoff the land contract early. Furthermore, Purchaser may pay extra monies toward the principal at any time by merely sending a note with such payment.

- _____ 22. This contract is specifically non-assignable without the prior written consent of the Seller. Seller's consent to such an assignment shall not be unreasonably withheld. Any sale or conveyance of the real estate or any attempted assignment of the Buyer's right hereunder without such written consent from the Seller, shall render the entire balance of the contract due and payable.

- _____ 23. In the event the Land Contract payments are adjusted for escrow shortages or interest adjustments, the new payment must be made to reflect said changes. If the new payment is not made, the late fee will be applied whether it is made before the late fee assessment period or not.

- _____ 24. Purchaser will be assessed a year end analysis statement fee of **\$75.00** payable to REMS.

ADDITIONAL CONDITIONS:

Witness

Purchaser

Witness

Purchaser

Date Signed _____

Witness

Seller

Witness

Seller

Date Signed _____