

**Greater Tulsa Association of REALTORS®**

*This is a legally binding Contract if not understood seek advice from an attorney*

**VA GUARANTEED LOAN (GTAR)**

This financing supplement, which is attached to and part of the Contract of Sale of Real Estate, relates to the following described real estate:

**Buyer acknowledges that all explanations, representations and disclosures relating to the terms and conditions of the loan(s) below are the responsibility of the Lender and not the Seller or Buyer's and Seller's Brokers. This financing supplement is made an integral part of the Contract. All provisions of the Contract shall remain in full force and effect.**

1. **LOAN.** The Contract is contingent upon Buyer qualifying for a VA Guaranteed Loan in the amount of \$ \_\_\_\_\_, plus **VA Funding Fee**, if applicable, and the Buyer's Earnest Money deposit shall remain refundable to the Buyer until \_\_\_\_\_ days prior to Closing Date (10 days prior to and not including the Closing Date as defined in Closing, Funding and Possession paragraph of the Contract if left blank) the "Financing Deadline". If the Buyer (i) is unable to secure financing acceptable to the Buyer AND (ii) provides written notice to Seller, or Seller's Broker, if applicable, on or before the Financing Deadline, the Earnest Money Deposit shall be refunded to Buyer by the Escrow holder. Conversely, if the Buyer does not provide written notice that Buyer is unable to secure financing acceptable to Buyer to Seller, or Seller's Broker if applicable, on or before the Financing Deadline and Buyer is unable to close as a result thereof, the Earnest Money Deposit shall be paid to the Seller by the Escrow holder as defined in Incurred Expense and Release of Earnest Money paragraph of the contract.

**Within five (5) days following Time Reference Date, Buyer shall either:**

- A. **Make application for the described loan**, or any other such loan Buyer deems acceptable, and proceed diligently to obtain such loan. **Buyer shall pay initial loan fees including property appraisal and credit report fees at the earliest time permitted by federal regulation. Buyer shall instruct Lender to immediately begin the loan approval process. Buyer shall also instruct Lender to issue a written statement of conditional loan approval (not final loan commitment) to Seller, in care of Seller's Broker, if applicable, within \_\_\_\_\_ days (10 days if left blank) of the Time Reference Date regarding the following:**

- 1) Review and approval of Buyer's credit worthiness, income and funds necessary to Close.
- 2) Confirmation that Buyer has paid initial processing fees.
- 3) Property appraisal has been ordered.
- 4) Loan approval is not subject to sale or closing of Buyer's current property unless stated elsewhere in this Contract.

**OR**

- B. **Give notice to Seller that the loan terms are unacceptable**, cancel the Contract by delivering written notice of cancellation to Seller, or Seller's Broker if applicable, and receive a refund of earnest money.

**If within the time specified above**, a written statement of conditional loan approval is not delivered to Seller, Seller may provide Buyer, or Buyer's Broker if applicable, written notice of intent to cancel and terminate the Contract. Upon Seller providing notice to Buyer, or Buyer's Broker if applicable, of Seller's intent to cancel, the Contract shall become null and void upon the fourth day following delivery of notice. However, if Buyer delivers to Seller, or Seller's Broker if applicable, a written statement of loan approval before the end of the fourth day, the Contract shall remain in full force and effect.

2. **VA AMENDATORY CLAUSE.** It is expressly agreed that, notwithstanding any other provisions of the Contract and this supplement, the Buyer shall not incur any penalty by forfeiture of earnest money or otherwise be obligated to complete the purchase of the Property described herein if the Contract purchase price or cost exceeds the reasonable value of the Property established by the VA. Buyer shall, however, have the privilege and option of proceeding with the consummation of the Contract without regard to the amount of reasonable value established by the VA.

**3. VA LOAN COSTS AT CLOSING.**

- A. **Buyer Costs:** In addition to any other costs required by the Contract, except to the extent provided in part B of this Paragraph, Buyer shall pay at the time of Closing:

- 1) Prepaid first year's hazard insurance premium and, if required, flood insurance premium
- 2) Prepaid tax and insurance escrow deposits as required by Lender
- 3) Prepaid interest beginning the day of Closing through the end of the month

4) Buyer's "VA allowable Closing costs", including if applicable, origination fee.

B. Regarding the Buyer's Loan Costs Referenced above, Seller agrees to pay at time of Closing, on behalf of the Buyer, VA Closing costs and/or loan discount points, not to exceed \$ \_\_\_\_\_, which includes prepaids, escrows, origination fee and other VA "allowables".

C. In the event that Seller agrees to pay the Buyer's prepaid expenses and/or escrows, Seller's current year's portion of the real estate ad valorem taxes SHALL NOT BE included in the Buyer's total prepaid expenses on the settlement statement.

4. COSTS VA PROHIBITS BUYER PAYING. In addition to any other costs required by the Contract, or this supplement, Seller shall pay at time of closing, an amount up to \$ \_\_\_\_\_ as follows:

A. Those costs which the Buyer is prohibited from paying on a VA loan, including but not limited to the following: tax service fee, processing fee, underwriting fee, document preparation, amortization schedule, photograph fees, title company closing fee and wood infestation report.

B. If the total estimated cost to the Seller of such VA costs exceeds the amount stated in this Paragraph, Buyer and Seller shall have \_\_\_\_\_ days (5 days if blank) to agree on an arrangement, acceptable to VA, regarding those costs in excess of the stated amount. If a written agreement is not reached within the time specified in this provision, this Contract is null and void and earnest money returned to Buyer.

5. APPRAISAL REQUIREMENTS. In the event repairs are required by the VA appraisal that are not otherwise mutually agreed, then Buyer and Seller shall have five (5) days from delivery to agree on an acceptable arrangement regarding the costs of those repairs. If a written agreement is not reached within the time specified in this provision, this Contract shall terminate and earnest money will be returned to the Buyer.

6. ADDITIONAL PROVISIONS. \_\_\_\_\_  
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Buyer's Signature \_\_\_\_\_

Seller's Signature \_\_\_\_\_

Buyer's Signature \_\_\_\_\_

Seller's Signature \_\_\_\_\_

Date \_\_\_\_\_

Date \_\_\_\_\_