

**SELLER FINANCING ADDENDUM  
TO  
REAL ESTATE PURCHASE CONTRACT**

**THIS SELLER FINANCING ADDENDUM** is made a part of that REAL ESTATE PURCHASE CONTRACT (the "REPC") with an Offer Reference Date of \_\_\_\_\_, between \_\_\_\_\_ as Buyer, and \_\_\_\_\_ as Seller, regarding the Property located at \_\_\_\_\_. The terms of this ADDENDUM are hereby incorporated as part of the REPC.

**1. CREDIT DOCUMENTS.** Seller's extension of credit to Buyer shall be evidenced by:  **Note and Deed of Trust**  
 **Note and All-Inclusive Deed of Trust**  **Other:** \_\_\_\_\_

**2. CREDIT TERMS.** The terms of the credit documents referred to in Section 1 above are as follows:  
\$\_\_\_\_\_ principal amount of the note (the "Note"); interest at \_\_\_\_\_ % per annum; payable at approximately \$\_\_\_\_\_ per \_\_\_\_\_. The entire unpaid balance of principal plus accrued interest is due in \_\_\_\_\_ months from date of the Note. First payment due \_\_\_\_\_. Additional principal payments, balloon payments or other terms as follows: \_\_\_\_\_

The credit documents referenced in Section 1 of this ADDENDUM will contain a due-on-sale clause in favor of Seller. Seller agrees to provide to Buyer at **Settlement**: (a) an amortization schedule based on the above terms; (b) a written disclosure of the total interest Buyer will pay to maturity of the Note; and (c) the annual percentage rate on the Note based on loan closing costs.

**3. TAXES AND ASSESSMENTS.** In addition to the payments referenced in Section 2 above, Buyer shall also be responsible for: (a) property taxes; (b) homeowners association dues; (c) special assessments; and (d) hazard insurance premiums on the Property. These obligations will be paid:  **directly to Seller/Escrow Agent on a monthly basis**  **directly to the applicable county treasurer, association, and insurance company** as required by those entities.

**4. PAYMENT.** Buyer's payments under Sections 2 and 3 above will be made to:  **Seller**  **an Escrow Agent**. If an Escrow Agent, \_\_\_\_\_ will act as Escrow Agent and will be responsible for disbursing payments on any underlying mortgage or deed of trust (the "underlying mortgage") and to the Seller. Cost of setting up the escrow account shall be paid by:  **Buyer**  **Seller**  **split evenly between the parties**.

**5. LATE PAYMENT/PREPAYMENT.** Any payment not made within \_\_\_\_\_ days after it is due is subject to a late charge of \$\_\_\_\_\_ or \_\_\_\_\_ % of the installment due, whichever is greater. Amounts in default shall bear interest at a rate of \_\_\_\_\_ % per annum. All or part of the principal balance on the Note may be paid prior to maturity without penalty.

**6. DUE-ON-SALE.** As part of the Seller Disclosures referenced in Section 7 of the REPC, Seller shall provide to Buyer a copy of the underlying mortgage, the note secured thereby, and the amortization schedule. Buyer's obligation to purchase under this Contract is conditioned upon Buyer's approval of the content of those documents, in accordance with Section 8 of the REPC. If the holder of the underlying mortgage calls the loan due as a result of this transaction, Buyer agrees to discharge the underlying loan as required by the mortgage lender. In such event, Seller's remaining equity shall be paid as provided in the credit documents.

**7. BUYER DISCLOSURES.** Buyer has provided to Seller, as a **required** part of this ADDENDUM, the attached Buyer Financial Information Sheet. Buyer may use the Buyer Financial Information Sheet approved by the Real Estate Commission and the Attorney General's Office, or may provide comparable written information in a different format, together with such additional information as Seller may reasonably require. Buyer  **WILL**  **WILL NOT** provide Seller with copies of IRS returns for the two preceding tax years. Buyer acknowledges that Seller may contact Buyer's current employer for verification of employment as represented by Buyer in the Buyer Financial Information Sheet.

**8. SELLER APPROVAL.** By the Seller Disclosure Deadline referenced in Section 24(b) of the REPC, Buyer shall provide to Seller, at Buyer's expense, a current credit report on Buyer from a consumer credit reporting agency. Seller may use the credit

report and the information referenced in Section 7 of this Addendum ("Buyer Disclosures") to evaluate the credit-worthiness of Buyer.

**8.1 Seller Review.** By the Evaluations & Inspections Deadline referenced in Section 24(c) of the REPC, Seller shall review the credit report and the Buyer Disclosures to determine if the content of the credit report and the Buyer Disclosures, is acceptable. If the content of the credit report or the Buyer Disclosures is not acceptable to Seller, Seller may elect to either: (a) provide written objections to Buyer as provided in Section 8.2 of this ADDENDUM; or (b) immediately cancel the REPC by providing written notice to Buyer by the Evaluations & Inspections Deadline referenced in Section 24(c) of the REPC. The Brokerage, upon receipt of a copy of Seller's written notice of cancellation, shall return to Buyer the Earnest Money Deposit.

**8.2 Seller Objections.** If Seller does not immediately cancel the REPC as provided above, Seller may, by the Evaluations & Inspections Deadline referenced in Section 24(c) of the REPC, provide Buyer with written objections. Buyer and Seller shall have seven calendar days after Buyer's receipt of the objections (the "Response Period") in which to agree in writing upon the manner of resolving Seller's objections. Buyer may, but shall not be required to, resolve Seller's objections. If Seller and Buyer have not agreed in writing upon the manner of resolving Seller's objections, Seller may cancel the REPC by providing written notice to Buyer no later than three calendar days after expiration of the Response Period. The Brokerage, upon receipt of a copy of Seller's written notice of cancellation, shall return to Buyer the Earnest Money Deposit.

**8.3 Failure to Object.** If Seller does not deliver a written objection to Buyer regarding the credit report or a Buyer Disclosure by the Evaluations & Inspections Deadline referenced in Section 24(c) of the REPC or cancel the REPC as provided in Sections 8.1 or 8.2 of this ADDENDUM, the credit report and Buyer Disclosures will be deemed approved by Seller.

**9. TITLE INSURANCE.** Buyer  **SHALL**  **SHALL NOT** provide to Seller a lender's policy of title insurance in the amount of the indebtedness to the Seller, and shall pay for such policy at Settlement.

**10. DISCLOSURE OF TAX IDENTIFICATION NUMBERS.** By no later than Settlement, Buyer and Seller shall disclose to each other their respective Social Security Numbers or other applicable tax identification numbers so that they may comply with federal laws on reporting mortgage interest in filings with the Internal Revenue Service.

To the extent the terms of this ADDENDUM modify or conflict with any provisions of the REPC, including all prior addenda and counteroffers, these terms shall control. All other terms of the REPC, including all prior addenda and counteroffers, not modified by this ADDENDUM shall remain the same.  **Seller**  **Buyer** shall have until \_\_\_\_\_  **AM**  **PM** Mountain Time on \_\_\_\_\_ (Date), to accept the terms of this SELLER FINANCING ADDENDUM in accordance with Section 23 of the REPC. Unless so accepted, the offer as set forth in this SELLER FINANCING ADDENDUM shall lapse.

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Buyer  Seller Signature (Date) (Time) Social Security Number

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Buyer  Seller Signature (Date) (Time) Social Security Number

**ACCEPTANCE/COUNTEROFFER/REJECTION**

CHECK ONE:

**ACCEPTANCE:**  **Seller**  **Buyer** hereby accepts these terms.

**COUNTEROFFER:**  **Seller**  **Buyer** presents as a counteroffer the terms set forth on the attached ADDENDUM NO. \_\_\_\_\_.

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(Signature) (Date) (Time) (Signature) (Date) (Time)

**REJECTION:**  **Seller**  **Buyer** rejects the foregoing SELLER FINANCING ADDENDUM.

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(Signature) (Date) (Time) (Signature) (Date) (Time)

**THIS FORM APPROVED BY THE UTAH REAL ESTATE COMMISSION AND THE OFFICE OF THE UTAH ATTORNEY GENERAL, EFFECTIVE AUGUST 17, 1998. IT REPLACES AND SUPERSEDES ALL PREVIOUSLY APPROVED VERSIONS OF THIS FORM.**