

OWNER FINANCE ADDENDUM

SELLER: _____

BUYER: _____

PROPERTY ADDRESS: _____

(Please print all of the above)

- 1. MORTGAGE NOTE:** _____ DOLLARS (\$ _____) of the purchase price shall be in the form of a note from Buyer payable to Seller and secured by a purchase money Mortgage/Deed of Trust on the property, executed by Buyer and Spouse, if any. Said Mortgage/Deed of Trust shall be inferior to any existing Mortgage/Deed of Trust which Buyer is assuming by the terms of this contract.
- 2. PAYMENT TERMS:** The above described note shall be payable as follows: (Check and complete applicable paragraphs).

 - A. Amortized over a period of _____ years and payable in equal monthly statements of \$ _____, including interest at the rate of _____ percent (%) per annum, beginning on _____ and continuing on the day of each succeeding month thereafter until the entire principal sum and any accrued interest is paid in full. Each installment shall first be applied toward interest accrued on the unpaid balance and the remainder toward reduction of principal.
 - B. **Balloon Payment:** Provided however, the entire unpaid principal balance, and accrued interest will be due and payable in full on _____.
 - C. **Term Note:** Principal plus accrued interest at the rate of _____ % per annum, shall be due and payable on or before the _____ day of _____, 20 ____ .
 - D. **Other Payments:** _____
- 3. LATE CHARGE:** Buyer shall pay a charge of _____% of the monthly installment for each payment not received by note holder within 10 calendar days after its due date.
- 4. PREPAYMENT:** Buyer shall have the right to prepay the principal or any portion thereof at any interest paying date without penalty. However, any such prepayment shall not reduce the amount of monthly payment stated above unless otherwise agreed by Buyer and note holder in writing.
- 5. DEFAULT/RIGHT TO CURE/ACCELERATION:** If any monthly installment under the note is not paid when due and remains unpaid for a period of _____ days (minimum of 30 days on second mortgages) after notice to Buyer, the entire principal balance outstanding and accrued interest thereon shall at once become due and payable at the option of the note holder. Note holder's option to accelerate hereunder is subject to and limited by any statutory rights to cure afforded Buyer under the applicable laws of Kansas and/or Missouri in effect on the date of the execution of the note.
- 6. DUE ON SALE CLAUSE:** The Note and/or Mortgage/Deed of Trust shall contain a term permitting the note holder to demand payment of the entire principal balance outstanding on said Note, in the event of the sale, transfer or other conveyance of the property described herein.
- 7. INSURANCE AND TAXES:** Buyer shall maintain fire and extended coverage insurance on the property with mortgagee's coverage sufficient to cover the note holder's interest in the property and shall provide the note holder with proof thereof on an annual basis. Buyer shall provide the note holder with copies of paid receipts for real estate

taxes on an annual basis.

- 8. **TITLE INSURANCE AND OTHER LOAN COSTS:** Buyer shall pay for Mortgagee's title policy and all other costs associated with obtaining and perfecting the Mortgagee/Deed of Trust including any document preparation fees, mortgage registration tax, if applicable, and recording fees.
- 9. **CREDIT APPROVAL:** Seller's agreement to make the above-described loan to Buyer is expressly conditional upon Seller's approval of Buyer's credit. Buyer agrees to provide Seller with a financial statement and employment verification within _____calendar days (seven if left blank) after the effective date of the contract. If Buyer's credit is not acceptable, Seller shall notify Buyer within five days of receipt of Buyer's credit information and in such event, the earnest money shall be refunded to Buyer. Failure of Seller to notify Buyer of disapproval within the specified time shall be deemed a waiver of this credit approval condition and Buyer's credit shall be deemed approved.
- 10. **STANDARD FORMS:** Buyer and Seller acknowledge and agree that the Note and Mortgage/Deed of Trust instruments provided for herein shall be FNMA/FHLMC uniform instruments incorporating the specific terms set out herein. Any alteration or modification of those instruments, except as expressly provided herein, must be with the express written approval of the parties hereto.

11. ADDITIONAL TERMS: _____

Carefully read the terms hereof before signing. When signed by all parties, this financing addendum becomes part of a legally binding contract. If not understood, consult an attorney.

SELLER _____	Date _____	BUYER _____	Date _____
SELLER _____	Date _____	BUYER _____	Date _____