

ADDENDUM TO LAND CONTRACT PURCHASE AGREEMENT

The undersigned Purchasers and Sellers mutually agree that the checked clauses below are to be incorporated into and becomes part of the purchase agreement dated _____ for the property located at _____ . Write DNA in any clause that does not apply.

1. _____ Land Contract Principal and Interest is _____.

REAL ESTATE TAXES

2. _____ Purchaser agrees to pay all Taxes, Insurance and special assessments when due and submit proof of payment to seller before any penalty for non-payment attaches thereto. 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 assessment.

-OR-

4. _____ Sellers agrees to pay all taxes and special assessments when due and will add same to the Land Contract balance on the due date. (Be certain that monthly payments will cover interest, principal, and taxes).

INSURANCE

5. _____ Insurance will be paid in accordance with the method outlined in paragraph 2, 3, or 4 above (circle one). If paragraph 3 is selected, the monthly amount is _____.

FIRST MONTHLY PAYMENT DUE AND TAX PRORATION

6. _____ Purchasers first monthly payment is due 30 days from the date of closing. Taxes will be prorated to the closing date. Interest will begin to run from the closing date. If Seller occupies the property after the closing, he/she/they will pay use and occupancy in accordance with the Purchase Agreement. In addition, if payment are to be due on the first of the month, place an "X" here _____. In this case, Purchasers 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 days later.

-OR-

7. _____ Purchasers first monthly payment is due 30 days from the date of possession which will be after closing. Taxes will be prorated to date of possession. Seller will pay no use and occupancy for the time the property is occupied after closing. The date of possession will be _____. Future payments are due every month thereafter with the date of possession specified herein as the basis for the due date.

8. _____ Closing to take place on or about _____.

9. _____ In the event payments are not received within _____ from due date, a late fee of _____ 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.)

10. _____ Seller agrees to execute a Warranty Deed at closing to be placed in Escrow. Purchaser agrees to pay the Escrow fee.

11. _____ The property shall not be transferred by Purchaser without the written approval by Seller of the credit worthiness of any new Purchaser or Assignee. Approval will not be unreasonably withheld.

12. _____ If there is an underlying mortgage on this property, the financial institution shall be contacted by the Seller prior to closing to determine if there are any special provisions or requirements if the property is sold on a Land Contract basis. If the lending institution will not allow this sale, then this offer is to be considered null and void and the deposit returned forthwith to the purchaser..

13. _____ Purchaser and Seller understand that the regular monthly payments called for by the terms of the Land Contract will not pay the Land Contract amount owing in full by the end of the term of the contract. There will be a substantial lump sum payment due from the Purchaser to Seller at that time.

14. _____ Neither Salespeople, Brokers nor Sellers have represented to Purchaser that the time required for payoff of this obligation, there will be satisfactory mortgage available or that such financing will be at rates currently available or lower.

15. _____ ALL PARTIES SHOULD SEEK THE COUNSEL OF AN ATTORNEY AND AN ACCOUNTANT TO PROTECT THEIR INTEREST IN THIS TRANSACTION. BROKERS AND SALES PERSONNEL ARE NEITHER TRAINED NOR EMPLOYED TO PROVIDE SUCH COUNSEL AND THE PARTIES HERETO ACKNOWLEDGE THAT THEY HAVE NOT RELIED ON ANY SUCH ADVICE IF IT HAS BEEN GIVEN.

Witness

Purchaser

Date

Purchaser

Witness

Seller

Date

Seller