



CONVENTIONAL FINANCING ADDENDUM

ADDENDUM # _____ dated _____ to Contract of Sale

between Buyer _____

and Seller _____

for Property known as _____ .

The Contract is contingent upon Buyer obtaining a conventional loan secured by the Property as follows:

1. LOAN DETAILS:

Loan Amount	\$ _____	
Term of Note	30	Years
Amortization	30	Years
Interest Rate	4.250	%
Loan Program	30 YEAR FIXED	

Buyer agrees to pay Loan Origination/Discount Fees (as a % of loan amount): _____ %

2. LOAN INSURANCE PREMIUMS: All loan insurance premiums as required by Lender shall be paid by Buyer.

3. LOCK IN: BY ACCEPTING A LOAN AGREEMENT WHEREBY THE INTEREST RATE AND LOAN DISCOUNT FEES ARE NOT BEING LOCKED IN, BUYER AGREES TO ACCEPT THE RATE AS CHARGED BY LENDER AT THE TIME OF LOCK-IN AND THE RESPONSIBILITY FOR ANY ADDITIONAL FEES CHARGED. BUYER SHALL REMAIN BOUND TO PERFORM UNDER THE CONTRACT, NOTWITHSTANDING ANY SUCH CHANGES IN THE RATE AND/OR FEES.

4. MONTHLY PAYMENT: Payments to Lender may include monthly principal and interest, plus one-twelfth of the annual real estate taxes, ground rent, special assessments or charges, if any, hazard (fire) insurance premium, flood insurance, and private mortgage insurance.

5. LOAN UNDERWRITING: Buyer and Seller understand that Lender may resubmit the loan to underwriting. To the extent such changes do not conflict with the conditions of the Contract, Buyer agrees to comply with Lender's request for additional or updated information as required to approve the loan.

6. LENDER REQUIRED REPAIRS: In the event Lender requires any repairs or improvements ("Required Repairs") be made to the Property, Seller agrees to perform the Required Repairs and pay the cost thereof at or prior to settlement, provided the total cost of the Required Repairs does not exceed \$ 500.00 , ("Repair Amount"). **This cost shall be in addition to Seller's other obligations under the terms of the Contract.** Should the cost of Required Repairs exceed the Repair Amount:

A. Seller may elect to pay the total cost of the Required Repairs, in which event the Contract shall remain in full force and effect.

B. Seller may terminate the Contract by written notice to Buyer, which must include a written estimate of the cost of the Required Repairs. Said written notice shall be provided to Buyer within five (5) days of Seller's receipt of written estimate(s).

C. The Contract shall remain in full force and effect if, within five (5) days of Buyer's receipt of Seller's notice of termination, Buyer elects, in writing, to pay the difference between the cost of the Required Repairs and the Repair Amount listed above.

D. If neither Buyer nor Seller elects to pay the excess cost of any Required Repairs, the Contract shall become null and void; and all Deposit(s) shall be disbursed in accordance with the Deposit paragraph of the Contract.

7. APPRAISAL CONTINGENCY: The Contract is contingent upon Buyer obtaining an appraisal of the Property. The appraisal will be at Buyer's expense and will be performed by a Maryland licensed appraiser. The appraisal shall be ordered within Fifteen (15) days of the Date of Contract Acceptance.

If the appraised value of the Property is less than the Purchase Price as set forth in the Contract, Buyer shall notify Seller, in writing, of such fact within Three (3) days from receipt of the written appraisal and shall include a copy of the written appraisal. The written notice from Buyer to Seller shall state whether: A) Buyer elects to



Buyer _____ / _____

Page 1 of 2 10/15

Seller _____ / _____



proceed to purchase the Property notwithstanding the appraised value of the Property; OR B) Buyer requests the Seller to reduce the Purchase Price to the appraised value. In the event Buyer notifies Seller of Buyer's election to proceed to purchase the Property notwithstanding the appraised value, the Contract shall remain in full force and effect and Seller shall have no obligation, right or election as provided in this Addendum.

Upon receipt of the written notice from Buyer of Buyer's request to reduce the Purchase Price to the appraised value, Seller, at Seller's election and upon written notice to Buyer not later than Three (3) days following receipt by Seller of the written notice from Buyer, may either: A) agree to reduce the Purchase Price to the appraised value of the Property, in which event the Contract shall remain in full force and effect; OR B) decline to reduce the Purchase Price to the appraised value.

If Seller declines to reduce the Purchase Price to the appraised value, or fails to respond within the time period above, Buyer, at Buyer's election, not later than Three (3) days following receipt of the written notice from Seller, or from the date that such written notice was to have been provided by Seller, shall either: A) declare the Contract null and void and of no further force and effect, in which event, the Deposit(s) shall be disbursed in accordance with the Deposit(s) paragraph of the Contract; OR B) agree to purchase the Property at the Purchase Price notwithstanding the appraised value of the Property, in which event the Contract shall remain in full force and effect, and Buyer shall pay any increase in the down payment, interest rate, point(s) or loan origination fee(s) as required by lender without contribution by Seller except as otherwise provided in the Contract.

All other terms and conditions of the Contract of Sale remain in full force and effect.

_____ Buyer Signature	_____ Date	_____ Seller Signature	_____ Date
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_____ Buyer Signature	_____ Date	_____ Seller Signature	_____ Date
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