SELLER FINANCING ADDENDUM

1. 1. Addendum to Purchase Agreement

This Seller Financing Addendum (the "Addendum") is made as of [ADDENDUM DATE] and is attached to and made part of that certain Real Estate Purchase Agreement dated [PURCHASE AGREEMENT DATE] (the "Purchase Agreement") between [SELLER NAME], of [SELLER ADDRESS] (the "Seller"), and [BUYER NAME], of [BUYER ADDRESS] (the "Buyer"), for the property commonly known as [PROPERTY ADDRESS, CITY, STATE, ZIP], legally described as [LEGAL DESCRIPTION] (the "Property"). All terms defined in the Purchase Agreement have the same meaning here. This Addendum amends the Purchase Agreement only as to the matters expressly stated below, and all other provisions of the Purchase Agreement remain in full force and effect. If any provision of this Addendum conflicts with the Purchase Agreement, this Addendum controls. The financing described here replaces any financing contingency in the Purchase Agreement to the extent of the amount financed by the Seller.

2. 2. Purchase Price, Down Payment, and Amount Financed

The total purchase price for the Property is [PURCHASE PRICE]. At closing, the Buyer will pay a down payment of [DOWN PAYMENT AMOUNT] in cash or certified funds, less any earnest money credited under the Purchase Agreement, and the Buyer will obtain third-party financing of [THIRD-PARTY LOAN AMOUNT, or write "none"]. The Seller will finance the remaining balance of [SELLER-FINANCED PRINCIPAL] (the "Financed Amount") on the terms set out in this Addendum. The Financed Amount will be evidenced by a promissory note and secured as described in Section 3, both executed and delivered at closing as a condition of the Seller obligation to convey title. The Buyer will provide the Seller, no later than [DOCUMENTATION DEADLINE, e.g., 10 days] before closing, the financial documentation listed in Exhibit A, and the Seller may terminate this Addendum by written notice if the documentation is not delivered or does not reasonably support the Buyer ability to repay the Financed Amount.

3. 3. Promissory Note, Security Instrument, and Recording

At closing the Buyer will execute and deliver to the Seller (a) a promissory note in the principal amount of the Financed Amount, in the form attached as Exhibit B (the "Note"), and (b) a [DEED OF TRUST OR MORTGAGE, as customary in the state where the Property is located] encumbering the Property and securing payment of the Note, in the form attached as Exhibit C (the "Security Instrument"). The Security Instrument will be in [LIEN POSITION, e.g., first] lien position, subordinate only to the liens expressly listed in Exhibit D. The Security Instrument will be recorded in the official real property records of [COUNTY AND STATE] immediately following the recording of the deed at closing, and the Seller will not be obligated to close unless recording is arranged through [TITLE COMPANY OR CLOSING AGENT]. The closing agent will also obtain a lender title insurance policy in favor of the Seller in the amount of the Financed Amount, at the expense of [WHO PAYS TITLE POLICY]. All costs of preparing and recording the Note and Security Instrument will be paid by [WHO PAYS DOCUMENT COSTS].

4. 4. Interest Rate, Amortization, and Monthly Payment

The Financed Amount will bear interest at a fixed annual rate of [INTEREST RATE] percent, computed on the unpaid principal balance on the basis of a [DAY COUNT BASIS, e.g., 360-day year of twelve 30-day months]. Principal and interest are payable in monthly installments of [MONTHLY PAYMENT AMOUNT], based on an amortization schedule of [AMORTIZATION PERIOD, e.g., 30 years], with the first installment due on [FIRST PAYMENT DATE] and subsequent installments due on the [DUE DAY, e.g., first] day of each month thereafter.

The loan term is [LOAN TERM, e.g., 5 years], and the entire unpaid balance is due on [MATURITY DATE]. In no event will the interest rate or any charge under this Addendum exceed the maximum rate permitted by applicable law, and any amount collected in excess of that maximum will be applied to principal or refunded. The Seller will provide the Buyer with an annual statement of the account showing payments received, interest charged, and the remaining principal balance, and will provide a payoff statement within [PAYOFF STATEMENT PERIOD, e.g., 10 days] of a written request.

5. 5. Balloon Payment

IMPORTANT: THIS LOAN IS NOT FULLY AMORTIZED. Because the amortization period in Section 4 is longer than the loan term, the monthly installments will not repay the Financed Amount by the maturity date. On [MATURITY DATE] the entire remaining unpaid principal balance, together with all accrued and unpaid interest and any other amounts due, becomes immediately payable in a single lump sum estimated at approximately [ESTIMATED BALLOON AMOUNT] (the "Balloon Payment"). The Buyer acknowledges that the Buyer, and not the Seller, bears the risk of being able to refinance, sell, or otherwise pay the Balloon Payment when it comes due, and that the Seller has made no promise, representation, or commitment to refinance, extend, modify, or renew the loan. The Seller will send the Buyer a written reminder of the upcoming Balloon Payment at least [BALLOON NOTICE PERIOD, e.g., 90 days] before the maturity date. Any extension of the maturity date is effective only if made in a written amendment signed by both Parties, and the Seller may condition an extension on payment of an extension fee of [EXTENSION FEE] and on a revised interest rate.

6. 6. Late Charges, Prepayment, and Application of Payments

If any installment is not received in full within [GRACE PERIOD, e.g., 10 days] after its due date, the Buyer will pay a late charge of [LATE CHARGE PERCENTAGE OR AMOUNT], not to exceed the maximum permitted by applicable law, and any payment returned unpaid carries an additional fee of [RETURNED PAYMENT FEE]. Payments will be applied first to accrued late charges and advances made by the Seller under Section 7, then to accrued interest, and then to principal. The Buyer may prepay all or any part of the principal at any time [WITHOUT PENALTY, or state the prepayment charge: PREPAYMENT PENALTY TERMS], and partial prepayments will be applied to the principal balance without reducing or deferring the amount of any scheduled installment unless the Seller agrees otherwise in writing. Payments will be delivered to [PAYEE NAME AND ADDRESS OR ACCOUNT], and the Parties may agree in writing to use a third-party loan servicer, whose fees will be paid by [WHO PAYS SERVICER]. Acceptance of a partial or late payment does not waive the right of the Seller to require full and timely payment of every other installment.

7. 7. Taxes, Insurance, and Escrow

The Buyer will pay, before delinquency, all real property taxes, assessments, and homeowner association dues levied against the Property, and will maintain hazard insurance on the improvements in an amount not less than [MINIMUM INSURANCE AMOUNT] with the Seller named as mortgagee or loss payee, plus any flood insurance required for the Property. The Buyer will deliver evidence of paid taxes and current insurance to the Seller within [PROOF DEADLINE, e.g., 15 days] of written request and will ensure the insurer gives the Seller at least [CANCELLATION NOTICE, e.g., 30 days] notice of cancellation or non-renewal. If the Parties elect an escrow arrangement by initialing here ______, the Buyer will pay the Seller or the designated servicer, with each monthly installment, one-twelfth of the estimated annual taxes and insurance premiums, and those funds will be held and disbursed for that purpose and reconciled annually. If the Buyer fails to pay taxes or maintain insurance, the Seller may pay them, and any amount so advanced will be added to the principal balance, will bear interest at the rate in Section 4, and will be immediately due from the Buyer.

8. 8. Due-on-Sale and Transfer Restrictions

If all or any part of the Property or any interest in it is sold, conveyed, assigned, leased for a term exceeding [LEASE LIMIT, e.g., three years], or otherwise transferred by the Buyer without the prior written consent of the Seller, the Seller may declare the entire unpaid balance of the Note immediately due and payable. The Buyer will not further encumber the Property with any deed of trust, mortgage, or other voluntary lien that would be senior to or on parity with the Security Instrument without the prior written consent of the Seller, and will remove any involuntary lien, including any mechanic or judgment lien, within [LIEN REMOVAL PERIOD, e.g., 30 days] after it attaches. The Buyer will keep any senior loan disclosed in Exhibit D current and will immediately notify the Seller of any notice of default on it. The Seller may, in its discretion and on written request, consent to an assumption of the Note by a qualified transferee, subject to an assumption fee of [ASSUMPTION FEE] and to the Seller review of the financial condition of the transferee, and no assumption releases the Buyer from liability unless the Seller agrees to a release in writing.

9. 9. Default, Remedies, and Foreclosure

The Buyer is in default if any payment is not made within [PAYMENT DEFAULT PERIOD, e.g., 15 days] after its due date, if the Buyer fails to pay taxes or maintain required insurance, if the Buyer breaches any other covenant of this Addendum, the Note, or the Security Instrument and does not cure within [CURE PERIOD, e.g., 30 days] after written notice, or if the Buyer becomes the subject of a bankruptcy or insolvency proceeding. On default and after giving any notice and cure opportunity required by applicable law and by the Security Instrument, the Seller may declare the entire unpaid balance immediately due and payable and may enforce the Security Instrument by judicial or non-judicial foreclosure as permitted in [PROPERTY STATE], may appoint a receiver where allowed, and may pursue any other remedy available at law or in equity. The Buyer will pay all costs of collection and enforcement, including reasonable attorney fees, trustee fees, title costs, and court costs, to the extent permitted by applicable law. The remedies of the Seller are cumulative, and no delay or partial exercise of a remedy waives any other. On payment in full, the Seller will promptly execute and deliver a release, reconveyance, or satisfaction of the Security Instrument for recording within [RELEASE DEADLINE, e.g., 20 days].

10. 10. Signatures

By signing below, each Party acknowledges having read this Addendum, having had the opportunity to consult independent legal, tax, and lending counsel, and agreeing that it amends and forms part of the Purchase Agreement. Escrow of taxes and insurance elected (initial): Yes ______ / No ______. SELLER: [SELLER NAME]. Signature: _______________________. Printed Name: [SELLER SIGNER NAME]. Date: [DATE]. BUYER: [BUYER NAME]. Signature: _______________________. Printed Name: [BUYER SIGNER NAME]. Date: [DATE]. This Addendum may be executed in counterparts, and electronic signatures have the same effect as original signatures. The Note and the Security Instrument will be executed separately at closing and, where required, acknowledged before a notary public.

11. Disclaimer