

Greater Tulsa Association of REALTORS®

This is a legally binding Contract if not understood seek advice from an attorney

FHA INSURED LOAN (GTAR)

This financing supplement, which is attached to and part of the Contract of Sale of Real Estate, relates to the following described real estate:

Buyer acknowledges that all explanations, representations and disclosures relating to the terms and conditions of the loan(s) below are the responsibility of the Lender and not the Seller or Buyer's and Seller's Brokers. This financing supplement is made an integral part of the Contract. All provisions of the Contract shall remain in full force and effect.

1. LOAN. The Contract is contingent upon Buyer qualifying for a FHA Loan in the amount of \$ _____ plus Mortgage Insurance Premium (MIP), if applicable, and the Buyer's Earnest Money deposit shall remain refundable to the Buyer until _____ days prior to Closing Date (10 days prior to and not including the Closing Date as defined in Closing, Funding and Possession paragraph of the Contract if left blank) the "Financing Deadline". If the Buyer (i) is unable to secure financing acceptable to the Buyer AND (ii) provides written notice to Seller, or Seller's Broker, if applicable, on or before the Financing Deadline, the Earnest Money Deposit shall be refunded to Buyer by the Escrow holder. Conversely, if the Buyer does not provide written notice that Buyer is unable to secure financing acceptable to Buyer to Seller, or Seller's Broker if applicable, on or before the Financing Deadline and Buyer is unable to close as a result thereof, the Earnest Money Deposit shall be paid to the Seller by the Escrow holder as defined in Incurred Expense and Release of Earnest Money paragraph of the Contract.

Within five (5) days following Time Reference Date, Buyer shall either:

- A. Make application for the described loan,** or any other such loan Buyer deems acceptable, and proceed diligently to obtain such loan. **Buyer shall pay initial loan fees including property appraisal and credit report fees at the earliest time permitted by federal regulation. Buyer shall instruct Lender** to immediately begin the loan approval process. Buyer shall also instruct Lender to issue a written statement of conditional loan approval (not final loan commitment) to Seller within _____ days (10 days if left blank) of the Time Reference Date regarding the following:
- 1) Review and approval of Buyer's credit worthiness, income and funds necessary to Close.
 - 2) Confirmation that Buyer has paid initial processing fees.
 - 3) Property appraisal has been ordered.
 - 4) Loan approval is not subject to sale or closing of Buyer's current property unless stated elsewhere in this Contract.

OR

- B. Give notice to Seller that the loan terms are unacceptable,** cancel the Contract by delivering written notice of cancellation to Seller, or Seller's Broker if applicable, and receive a refund of Earnest money.

If within the time specified above, a written statement of conditional loan approval is not delivered to Seller, Seller may provide Buyer, or Buyer's Broker if applicable, written notice of intent to cancel and terminate the Contract. Upon Seller providing notice to Buyer, or Buyer's Broker if applicable, of Seller's intent to cancel, the Contract shall become null and void upon the fourth day following delivery of notice. However, if Buyer delivers to Seller, or Seller's Broker if applicable, a written statement of loan approval before the end of the fourth day, the Contract shall remain in full force and effect.

2. FHA AMENDATORY CLAUSE. It is expressly agreed that, notwithstanding any other provisions of the Contract and this supplement, the Buyer shall not be obligated to complete the purchase of the Property described herein or to incur any penalty by forfeiture of Earnest money deposits or otherwise unless Lender has delivered to the Buyer a written statement issued by the Federal Housing Commission or Direct Endorsement Lender, setting forth the appraised value of the Property (excluding closing costs) of not less than \$ _____ which statement the Lender hereby agrees to deliver to the Buyer promptly after such appraised value statement is made available to the Lender. The Buyer shall, however, have the privilege and option of proceeding with the consummation of the Contract without regard to the amount of the appraised valuation. The appraised valuation is arrived at to determine the maximum mortgage the Department of Housing and Urban Development (HUD) will insure. HUD does not warrant the value or the condition of the Property. The Buyer should satisfy himself/herself that the price or condition of the Property is acceptable.

3. BUYER'S FHA DOWN PAYMENT AND LOAN COSTS.

A. In addition to any other costs required by the Contract, except as provided in part B of this paragraph, Buyer shall pay at the time of Closing:

- 1) Down payment (per FHA minimum investment requirements).
- 2) FHA "allowable" closing costs in connection with the loan.
- 3) Origination fee, if applicable.
- 4) Prepaid first year's hazard insurance premium and flood insurance premium, if required.
- 5) Prepaid tax and insurance escrow deposits as required by Lender.
- 6) Prepaid interest beginning the day of Closing through the end of the month.

B. Regarding the Buyer's Loan Costs Referenced above, Seller agrees to pay at time of Closing, on behalf of the Buyer:

- 1) Loan costs that FHA will NOT allow Buyer to pay in an amount not to exceed \$ _____ .
- 2) In addition, seller agrees to pay, on behalf of Buyer, loan discount points and FHA closing costs, which include prepaids, escrows, origination fees and other FHA "allowables" not to exceed \$ _____ .

C. In the event that Seller agrees to pay the Buyer's prepaid expenses and/or escrows, Seller's current year's portion of the real estate ad valorem taxes shall not be included in the Buyer's total prepaid expenses on the settlement statement.

4. FHA APPRAISAL REQUIREMENTS. In the event repairs are required by the FHA appraisal that are not otherwise mutually agreed upon, then Buyer and Seller shall have five (5) days from delivery to agree on an acceptable arrangement regarding the costs of those repairs. If a written agreement is not reached within the time specified in this provision, this Contract is null and void and earnest money will be returned to the Buyer.

5. ADDITIONAL PROVISIONS. _____

Buyer's Signature	Date	Seller's Signature	Date
Buyer's Signature	Date	Seller's Signature	Date

FHA REAL ESTATE CERTIFICATION
(To be signed by Buyer and Seller even if counteroffer is attached)

We, the undersigned Seller(s), Buyer(s) and Buyer's and Seller's Real Estate Broker(s) involved in the sale transaction, each certify that the terms and conditions of the Contract of Sale of Real Estate are, to the best of our knowledge, the entire agreement between the parties and that any other agreement(s), Counteroffers or addendum(s) entered into by any of these parties in connection with this real estate transaction is a part of, or attached to, the Contract of Sale of Real Estate.

Buyer's Signature	Date	Seller's Signature	Date
Buyer's Signature	Date	Seller's Signature	Date
Buyer's Broker Signature	Date	Seller's Broker Signature	Date

NOTE: BUYER IS ENCOURAGED TO OBTAIN A HOME INSPECTION AND, IF APPLICABLE, A LEAD-BASED PAINT/HAZARD DISCLOSURE.