

**Greater Tulsa Association of REALTORS®**

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

**USDA RURAL HOUSING LOAN (GTAR)**

This financing supplement is attached to and part of the Contract of Sale of Real Estate and 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 USDA Rural Housing Loan in the amount of \$ \_\_\_\_\_ plus Private Mortgage Insurance (PMI), 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.

**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. **APPRAISED VALUE.** If the Property is appraised for loan purposes for less than the purchase price, the Buyer shall have the right to cancel this Contract within three (3) days after Buyer receives notice of appraised value, by delivering written notice to Seller, in care of Seller's Broker. In the event the Contract is cancelled, the Buyer and Seller, by their signature to this Contract, hereby instruct the escrow holder to return earnest money in full to the Buyer; and the Abstract shall be returned to the Seller.
3. **APPRAISAL REQUIREMENTS.** In the event repairs are required by the appraisal that are not otherwise mutually agreed then Buyer and Seller shall have five (5) days from delivery to agree on acceptable arrangement regarding the costs of those repairs. If a written agreement is not reached within the time specified in this provision, this contract shall terminate and earnest money will be returned to the Buyer.
4. **LOAN CLOSING COSTS.** Buyer shall pay at the time of Closing, if required by Lender:
- A. Loan closing costs, including if applicable, origination fee and loan discount points.
  - B. First year's hazard insurance premium and if applicable, flood insurance premium.
  - C. Tax and insurance escrow deposits.
  - D. Interest beginning the day of Closing through the end of the month.
5. **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.

6. ADDITIONAL PROVISIONS. \_\_\_\_\_  
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Buyer's Signature Date

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Seller's Signature Date

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Buyer's Signature Date

\_\_\_\_\_  
Seller's Signature Date