

ASSUMPTION/CARRYBACK ADDENDUM

Document updated:
June 2000



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1. Seller: _____
2. Buyer: _____
3. Premises Address: _____
4. Date: _____

5. The following additional terms and conditions are hereby included as a part of the Contract between Seller and Buyer for the above referenced Premises.

SELLER CARRYBACK FINANCING

6. A portion of the purchase price shall be financed by the Seller and paid by the Buyer as follows:

7. Loan Amount: \$ _____ .
8. Priority Of Loan: First Second _____
9. Type Of Financing Instrument: Buyer shall execute a promissory note and deed of trust in favor of Seller and record the deed of trust against the Premises.
10. Interest Rate: The unpaid balance shall bear interest at the rate of _____ % per year, beginning at the Close of Escrow.
11. Payment Intervals: The first payment is due _____ .
MO/DAYR
12. Monthly Quarterly Semi-annually Annually Other _____
13. Payments on this loan shall be made at least ten (10) days prior to the due date of any periodic payment due on any prior encumbrance.
14. Account Servicing: Payments on this loan and all prior encumbrances shall be made concurrently through a single servicing account to be maintained by a duly licensed account servicing agent. The parties hereby instruct servicing agent not to accept any payment without all other concurrent payments.
15. Setup and servicing fees shall be paid by Buyer Seller _____
16. Account to be serviced by _____
17. Payment Amount: \$ _____ , or more, including the above-stated interest.
18. This note will will not require payment of impounds as follows: In addition to and at the time of the above-stated regular payment, Buyer shall pay an amount equal to 1/12 the annual real estate tax, 1/12 the annual insurance premium, 1/12 annual assessment, Other _____ .
19. Loan Term: Amortizing over _____ years If balloon payment, principal balance due on or before _____
20. Interest-only payments, with principal balance due on or before _____
21. Late Payments: If late, Buyer shall pay late fees: Yes No If Yes, payments which are at least _____ days past due shall be subject to a late fee of _____ . If any balloon payment is late, then the late fee per day will be \$ _____ .
22. Any late payments received without applicable late charges shall be accepted by the account servicing agent and unpaid late charges shall be accumulated as a separate balance that shall not accrue interest.
23. Default Rate: If payment(s) is/are at least 30 days past due, then the principal balance shall bear interest at a default rate of **five percent (5%) over** the interest rate as stated on Line 10. Said default rate shall begin on the 31st day following the due date of the payment(s) until payment(s) is/are brought current Payment(s) is/are first applied to accrued interest and penalties, then to principal.
24. Credit Evaluation: This sale is is not contingent upon Seller's approval of Buyer's credit. If contingent, Buyer shall provide to Seller a current credit report from a credit reporting agency and a completed loan application on the current Fannie Mae form within five (5) days after acceptance of this Contract. Reasonable disapproval of Buyer's credit requires written notice from Seller to Escrow Company within five (5) days after receipt by Seller of current credit report and completed loan application. Approval will not be unreasonably withheld.
25. Due On Sale: Loan created is is not due on sale of the Premises. If loan created herein is due on sale of Premises, the promissory note and deed of trust shall provide that the promissory note and deed of trust become immediately due and payable in the event that the Premises are sold, transferred, or conveyed in any manner.
26. Buyer's Liability: On certain qualified residential property, the Seller understands that under Arizona law, the Buyer may have no personal liability in case of a default and that the Seller's only recourse may be the property as the sole and exclusive source for repayment of the debt. Buyer shall furnish to Seller, at Buyer's expense, a Standard Loan Policy in the full amount of any loan carried back by Seller and secured by the real property described in Line 3 of this Addendum. Such Standard Loan Policy shall show that Seller's lien has the priority agreed to by the parties.
27. Taxes: In the absence of a tax impound account, Buyer shall provide and pay for a tax service contract over the life of this loan which will provide a delinquency notice to Seller, or any successor in interest to the Seller, of any unpaid taxes.
28. Insurance: Buyer shall provide, maintain, and deliver to Seller hazard insurance satisfactory to, and with loss payable to Seller, in at least the amount of all encumbrances against the Premises. This provision shall be made a part of the language of the deed of trust.

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SELLER		SELLER
SELLER		

<Initials

Initials>

BUYER		BUYER
BUYER		



ASSUMPTION OF EXISTING FIRST LOAN

- 45. Buyer agrees to assume the existing loan(s) and pay all payments subsequent to Close of Escrow.
- 46. Assumption: This sale is is not contingent upon the Buyer qualifying for assumption of the existing first loan.
- 47. This assumption is contingent upon the Buyer's approval of the terms and conditions of the loan being assumed within _____ days of Contract acceptance.
- 48. If more than one loan is being assumed, see Additional Terms and Conditions beginning on Line 65 of this Addendum.
- 49. Seller's Liability: This sale is is not contingent upon Seller being released by lender from liability for loan being assumed.
- 50. If Seller is not released from liability, Seller acknowledges that Seller may have liability to lender in the event of a Buyer Default.
- 51. Type of Loan: Conventional VA FHA Other _____
- 52. Current Interest Rate: Fixed Adjustable _____ %
- 53. Current Payment Amount: \$ _____ PITI PI Other _____
- 54. Loan Balance: \$ _____
- 55. The balance of any encumbrance being assumed is approximate. Any difference shall be reflected in the:
- 56. Cash Down Payment Seller Carryback Other _____
- 57. Impounds: Buyer shall reimburse Seller for any impounds transferred to Buyer or _____
- 58. Loan Transfer and Assumption Fees: To be paid by Buyer Seller _____ All other lender charges shall be paid by Buyer.
- 59. Credit Evaluation: This sale is is not contingent upon Seller's approval of Buyer's credit. If contingent, Buyer shall provide to Seller a current credit report from a credit reporting agency and a completed loan application on the current Fannie Mae form within five (5) days after acceptance of this Contract. Reasonable disapproval of Buyer's credit requires written notice from Seller to Escrow Company within five (5) days after receipt by Seller or current credit report and completed loan application. Approval will not be unreasonably withheld.
- 63. Lender Requirements: Buyer and Seller agree to cooperate fully with lender and supply the necessary documentation to complete the assumption.
- 64. Mortgage Insurance: The loan assumed may include mortgage insurance, which Buyer also assumes and agrees to pay, exclusive of mortgage life insurance.

ADDITIONAL TERMS AND CONDITIONS

65. _____

66. _____

67. _____

68. _____

69. _____

70. _____

71. _____

72. _____

73. _____

74. _____

75. _____

76. _____

77. _____

78. _____

79. The undersigned agree to these additional terms and conditions and acknowledge receipt of a copy hereof.

80. _____ MO/DA/YR ^ BUYER'S SIGNATURE _____ MO/DA/YR

81. _____ MO/DA/YR ^ SELLER'S SIGNATURE _____ MO/DA/YR

For Broker Use Only:			
Brokerage File/Log No. _____	Manager's Initials _____	Broker's Initials _____	Date _____ MO/DA/YR
<i>(Added February 2012)</i>			

SELLER	SELLER

<Initials

Initials>

BUYER	BUYER

