

SELLER FINANCING ADDENDUM

**WARNING: FINANCING REGULATIONS ARE IN PLACE THAT MIGHT IMPACT SELLER'S ABILITY TO SELLER FINANCE THIS TRANSACTION. SELLER AND BUYER ARE ADVISED TO SEEK LEGAL COUNSEL PRIOR TO SIGNING THIS ADDENDUM.**

Property: \_\_\_\_\_

Seller: \_\_\_\_\_

Buyer: \_\_\_\_\_

This Addendum is attached to and made a part of the Offer to Purchase and Contract ("Contract") between Seller and Buyer for the Property.

Seller agrees to provide Buyer with Seller Financing in the amount set forth in the Contract on the following terms and conditions:

1. The Seller Financing shall be evidenced by a balance of purchase money promissory note ("Note") secured by a balance of purchase money deed of trust ("Deed of Trust") on the Property.

2. The Deed of Trust shall be a  first  second lien on the Property. If the Deed of Trust will be junior to another deed of trust, the principal amount of the senior lien(s) shall not exceed the amount of the Loan as represented in the Contract.

3. The Seller Financing shall bear interest prior to default at the rate of \_\_\_\_\_ % per annum and shall be payable as follows:  
\_\_\_\_\_  
\_\_\_\_\_

The Seller Financing shall bear interest after default at the rate of \_\_\_\_\_ % per annum.

4. Unless otherwise provided herein, the Note may be prepaid in whole or in part at any time without penalty. If there are any restrictions on this prepayment right, the restrictions are as follows: \_\_\_\_\_  
\_\_\_\_\_

5. The Seller Financing  shall  shall not become due and payable in accordance with the terms of the Deed of Trust upon Buyer's sale or other transfer of the Property.

6. Additional Seller Financing terms (if any): \_\_\_\_\_  
\_\_\_\_\_

7. Unless otherwise provided herein, the Note and Deed of Trust shall be in form of and contain the provisions of the currently approved North Carolina Bar Association Forms 4 and 5, completed in accordance with the terms provided above or contained in this Contract.

**NOTE:** In the event of Buyer's default of the Seller Financing, Seller's remedies will likely be limited to foreclosure of the Property. If a deed of trust given to secure Seller Financing is subordinated or junior to, or subordinated to, senior financing, and such senior financing is subsequently foreclosed, the Seller will likely have difficulty to receive under the Note or Deed of Trust. The advice of an attorney is recommended prior to Seller agreeing to provide seller financing.



IN THE EVENT OF A CONFLICT BETWEEN THIS ADDENDUM AND THE CONTRACT, THIS ADDENDUM SHALL CONTROL, EXCEPT THAT IN THE CASE OF SUCH A CONFLICT AS TO THE DESCRIPTION OF THE PROPERTY OR THE IDENTITY OF THE BUYER OR SELLER, THE CONTRACT SHALL CONTROL.

Buyer Initials \_\_\_\_\_ Seller Initials \_\_\_\_\_ Page 1 of 2

THE NORTH CAROLINA ASSOCIATION OF REALTORS®, INC. AND THE NORTH CAROLINA BAR ASSOCIATION MAKE NO REPRESENTATION AS TO THE LEGAL VALIDITY OR ADEQUACY OF ANY PROVISION OF THIS FORM IN ANY SPECIFIC TRANSACTION. IF YOU DO NOT UNDERSTAND THIS FORM OR FEEL THAT IT DOES NOT PROVIDE FOR YOUR LEGAL NEEDS, YOU SHOULD CONSULT A NORTH CAROLINA REAL ESTATE ATTORNEY BEFORE YOU SIGN IT.

Date: \_\_\_\_\_

Date: \_\_\_\_\_

Buyer: \_\_\_\_\_

Seller: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

Buyer: \_\_\_\_\_

Seller: \_\_\_\_\_

Entity Buyer:

Entity Seller:

\_\_\_\_\_  
(Name of LLC/Corporation/Partnership/Trust/etc.)

\_\_\_\_\_  
(Name of LLC/Corporation/Partnership/Trust/etc.)

By: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_  
Print Name

Name: \_\_\_\_\_  
Print Name

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

