ADDENDUM TO PURCHASE AGREEMENT: CONTINGENCIES FOR SALE OR PURCHASE OF OTHER HOME(S) -- BUYER'S SALE OF CURRENT HOMESTEAD OR SELLER'S PURCHASE OF NEW HOMESTEAD

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This addendum is a continuation of the Purchase Agreement dated _____ _____ by and between _____ , as Seller, and _____ , as Buyer, for property located at or described as:

PRECAUTION TO BUYER AND SELLER: If Buyer's offer includes a contingency for obtaining new mortgage financing, then depending upon which contingencies in this Addendum are selected, the provisions of this form might not be helpful. You should consult with your lawyer concerning this form.

A. CONTINGENCY DEADLINE DATE. The contingency deadline date ["deadline date"] for all contingencies in this Addendum is 11:59 a.m. on *[date]*_____.
[In most cases, a deadline date that is 20 to 30 days from today will be reasonable. Carefully consider the consequences of a later deadline date.]

B. CONTINGENCY FOR SALE OF BUYER'S CURRENT HOMESTEAD.

1. Buyer's Disclosure Regarding Financing. Buyer represents to Seller that, in order to qualify for the mortgage financing, or to be able to afford the Seller-offered financing, contemplated by this Purchase Agreement: *[check <u>one</u> of the following]*

☐ Buyer needs to sell Buyer's current homestead.

☐ Buyer does not need to sell Buyer's current homestead.

2. Buyer's Contingency. Buyer's obligations under this Purchase Agreement are contingent, as set out below, upon the "sale " of the current homestead of Buyer that is located at *[street address]*:

by the deadline date. For the purposes of this contingency, a "sale" shall be deemed to have occurred upon full execution of a good faith contract by which Buyer sells Buyer's current homestead. Buyer shall promptly begin good faith efforts to sell Buyer's homestead, which shall be by either brokerage or "for sale by owner." Sale efforts shall include MLS or other customary listing services, advertising, and open houses. Good faith and diligent efforts shall continue until either the homestead is sold or this contingency is satisfied, waived, or terminated. The sale of Buyer's homestead shall be in the sole discretion of Buyer, exercised in good faith. From time to time, Seller may request and receive reasonable information regarding the progress of Buyer's sales efforts. Buyer shall provide such information promptly.

3. Purchase Agreement Terminated If Contingency Not Waived. If no such "sale" of Buyer's homestead occurs by the deadline date and Buyer does not waive this contingency, then this Purchase Agreement shall be void five (5) business days after the deadline date. Buyer may waive this contingency as follows: notice of waiver shall be given in writing by Buyer to Seller not later than five (5) business days after the deadline date. Buyer's waiver means: (a) Buyer waives the contingency, (b) Buyer waives Buyer's right to terminate this Purchase Agreement for this contingency, and *[Strike out clause (c) if it is not appropriate for this Purchase Agreement:]* (c) Buyer waives the financing contingency contained in the Financing Addendum. (Seller is advised that if Buyer's FHA or VA Financing fails for value appraised below the purchase price, the earnest money must be refunded to Buyer.)

B., "CONTINGENCY FOR SALE OF BUYER'S CURRENT HOMESTEAD" is accepted as a term of this Purchase Agreement.

INITIALS: Sellers_____ _____ **Buyers**_____ _____

C. SELLER'S TERMINATION FOR NONCONTINGENT OFFER. Seller may continue to offer this property for sale unless Buyer removes the contingency at B.2., above, by notice to Seller. If Seller receives a valid second offer to purchase from another prospective buyer which second offer contains no contingency other than financing, Seller may demand removal of the contingency at B.2., above, by notice to Buyer, with a copy of the second offer Purchase Agreement. If Buyer does not comply with this demand within _____ hours of personally-delivered notice or within 5 business days of the postmark of mailed notice, whichever is earlier, then this agreement shall be void and the earnest money shall be refunded to Buyer. In the event of a termination, both Buyer and Seller shall execute a cancellation of this Purchase Agreement.

If this Part C., is effective for this Purchase Agreement, then the following waiver and contingency removal provisions supersede any of the waiver provisions of B., above. To remove the contingency at B.2., above, after Seller has given Buyer notice of a second offer Purchase Agreement, Buyer shall deliver to Seller an Amendment to this Purchase Agreement [using the form attached as the last page of this Addendum], signed by Buyer, removing this contingency and all financing contingencies, and increasing the earnest money by an additional $_____. The Amendment shall be accompanied by a check for the additional earnest money and if timely delivered to Seller, shall be accepted by Seller. (Seller is reminded that, under Minnesota law and the terms of your Purchase Agreement, the earnest money might become your liquidated damages if Buyer does not complete the purchase of your home.)

C., "SELLER'S TERMINATION FOR NONCONTINGENT OFFER," is accepted as a term of this Purchase Agreement.

INITIALS: Sellers_____ _____ **Buyers**_____ _____

D. CONTINGENCY FOR SELLER'S PURCHASE OF A NEW HOME.

1. Seller's Contingency. Seller represents that Seller wants to purchase another home before closing on the sale of this property. For the purposes of this contingency, a "purchase" shall occur upon full execution of a good faith contract by which Seller purchases a home intended to be Seller's next homestead. Seller's obligations under this Purchase Agreement are contingent, as set out below, upon the Seller's "purchase" by the deadline date. Seller shall promptly retain a lawyer, a buyer's broker, a general real estate broker, or a combination thereof for assistance in locating and purchasing Seller's next home. The terms of purchase of Seller's next homestead shall be in the sole discretion of Seller, exercised in good faith. Buyer may request and receive reasonable information regarding the progress of Seller's purchase efforts. Seller shall provide such information promptly.

2. Purchase Agreement Terminated If Contingency Not Waived. If no "purchase"of Seller's next homestead occurs by the deadline date, then this Purchase Agreement shall be void five (5) business days after the deadline date. Seller may waive this contingency as follows: notice of waiver shall be given in writing by Seller to Buyer not later than five (5) business days after the deadline date. Seller's waiver means: Seller waives the contingency and waives Seller's right to terminate this Purchase Agreement for this contingency. ([Seller: if you waive this contingency and if Buyer otherwise qualifies to complete the purchase of the property, you will be contractually obligated to sell your home to Buyer.)

D., "CONTINGENCY FOR SELLER'S PURCHASE OF A NEW HOME," is accepted as a term of this Purchase Agreement.

INITIALS: Sellers_____ _____ **Buyers**_____ _____

E. ADDITIONAL PROVISIONS.

1. Notices. Unless otherwise provided, any notices required by this Addendum shall be given not later than five (5) business days after the applicable date, in compliance with ¶16 of the Purchase Agreement.

2. Termination. If the Purchase Agreement is terminated pursuant to this Addendum, then:
a. The earnest money shall be refunded to Buyer; and,
b. Buyer and Seller shall promptly execute a Cancellation of this Purchase Agreement.

This Addendum is initialed contemporaneously with the signing of the Purchase Agreement form.

INITIALS: Sellers_____ _____ **Buyers**_____ _____

F. FORM OF AMENDMENT. IF NEITHER **B.,** NOR **C.**, ABOVE, HAS BEEN ACCEPTED AS A TERM OF THIS PURCHASE AGREEMENT, THEN REMOVE THIS SHEET FROM THE ADDENDUM.

IF BOTH PARTS **B.,** AND **C.,** ABOVE, HAVE BEEN ACCEPTED AS TERMS OF THIS PURCHASE AGREEMENT, THEN THIS FORM SHALL BE USED BY BUYER TO REMOVE BUYER'S CONTINGENCY AFTER SELLER HAS GIVEN NOTICE TO BUYER PURSUANT TO THE PROVISION OF C., ABOVE, IF BUYER ELECTS TO REMOVE THE CONTINGENCY.

PURCHASE AGREEMENT AMENDMENT.

This document amends the Purchase Agreement between _____ , as Seller, and, _____ , as Buyer, dated _____, for the sale of the property at _____ _____, and legally described as: _____ _____ _____

The following terms and provisions are incorporated into and made a part of the Purchase Agreement. If any of the following terms and provisions conflict with the terms and provisions of the Purchase Agreement, the terms and provisions of this Amendment shall control.

Whereas, both B., and C., of the Addendum above, have been accepted as terms of this Purchase Agreement; and,

Whereas, pursuant to C., of the Addendum above, Buyer has received Seller's notice that Seller has received a valid second offer to purchase from another prospective buyer which contains no contingency other than financing, and that Seller requests waiver and removal of Buyer's contingency or termination of the Purchase Agreement; and,

Whereas, Buyer desires to waive and remove the contingency at B., of the Addendum above.

Whereas, Buyer desires to waive and remove all financing contingencies in Buyer's favor.

THEREFORE, this Purchase Agreement is amended as follows:

1. Buyer waives and removes Buyer's contingency at B., of the Addendum above, and Buyer waives and removes the financing contingency contained in the Financing Addendum to the Purchase Agreement.
2. Buyer pays to Seller an additional $_____ as and for earnest money, receipt of which Seller acknowledges.
3. With this Amendment, the amounts in Paragraph 5., of the Purchase Agreement, "Price and Terms," are changed as follows:

$_____ earnest money;
$_____ cash at closing; and,
$_____ by financing.

$ 0.00 Total Price

4. Other: _____ _____ _____ _____ _____ _____ _____

All other terms, conditions, and covenants of the Purchase Agreement remain unaffected by this Amendment.

Buyers:
Dated: _____ _____ _____

Sellers:
Dated: _____ _____ _____

SUPPLEMENTAL PAGE