



**ADDENDUM TO PURCHASE AGREEMENT:  
CONTRACT FOR DEED FINANCING**

This form approved by the Minnesota Association of REALTORS®, which disclaims any liability arising out of use or misuse of this form. © 2020 Minnesota Association of REALTORS®, Edina, MN

- 1. Date TBD XX-XX-XXXX
- 2. Page 1

3. **THIS FORM DOES NOT SERVE AS THE ACTUAL CONTRACT FOR DEED.**

4. **NOTE:** Buyer and Seller should familiarize themselves with the risks and potential liabilities of contract for deed financing. It is advisable for all parties to seek competent legal advice.

6. Addendum to Purchase Agreement between parties, dated TBD XX-XX-XXXX  
7. (Date of this Purchase Agreement), pertaining to the purchase and sale of the Property at

8. \_\_\_\_\_

9. This Addendum supersedes anything to the contrary in the Purchase Agreement.

10. **TYPE OF CONTRACT:**  **CONTRACT FOR DEED**  **CONTRACT FOR DEED WITH ASSUMPTION OF FINANCING**  
11. (See attached Financing Addendum: Assumption.)

12. **CONTINGENCY FOR ATTORNEY REVIEW:** This Purchase Agreement  **IS**  **IS NOT** contingent upon the parties  
------(Check one.)-----

13. consulting with legal counsel regarding the terms of this Purchase Agreement. If **IS**, parties have within 0  
14. Business Days of Final Acceptance Date of this Purchase Agreement to consult with legal counsel ("Consultation  
15. Period"). Either party may cancel this Purchase Agreement based on consultation with legal counsel by providing written  
16. notice to the other party, or licensee representing or assisting the other party, of the party's intent to cancel no later than  
17. the end of the Consultation Period, in which case this Purchase Agreement is canceled. Buyer and Seller shall  
18. immediately sign a *Cancellation of Purchase Agreement* confirming said cancellation and directing all earnest money  
19. paid here to be refunded to Buyer. If neither party cancels this Purchase Agreement before the end of the Consultation  
20. Period, then this Contingency shall be deemed removed and this Purchase Agreement shall be in full force and effect.

21. **CONTRACT FOR DEED TERMS:** The parties shall utilize the *Minnesota Uniform Conveyancing Blank Contract for  
22. Deed* ("Contract for Deed") at the closing of this Purchase Agreement, and all terms in the Contract for Deed shall  
23. apply unless otherwise indicated in this Purchase Agreement.

24. The Contract for Deed can be found at the Minnesota Department of Commerce's website at <http://mn.gov/commerce>.  
25. Buyer and Seller should consult with an attorney to ensure the appropriate issues and the terms in this Purchase  
26. Agreement are addressed and properly drafted within the Contract for Deed.

27. **PAYMENT TERMS:** Contract for Deed amount \$ Contract starting balance by Contract for Deed, between  
28. Buyer and Seller, which Buyer shall pay to Seller as follows:

29. Monthly installment payments of \$ TBD (or more at Buyer's option).

30. Payments shall be credited first to interest and remainder to principal.

31. Interest at the rate of TBD percent (%) per annum computed on unpaid balances.

32. Interest rate shall not exceed the maximum lawful interest rate.

33. Interest shall begin accruing on TBD/ Same as closing date.

34. First payment shall be due and payable on Determined one month from investors closing date, then the 1st of the following month.

35. Subsequent payments shall be due and payable on the 1st day of each succeeding month.

36. The entire balance shall be due and payable in full no later than 10 years if buyer is individual or couple,  
5 years if company.

37. The final payment  **IS**  **IS NOT** a balloon payment.  
------(Check one.)----- TBD

**ADDENDUM TO PURCHASE AGREEMENT:  
CONTRACT FOR DEED FINANCING**

39. Property located at \_\_\_\_\_

40. **ALTERATION OR ADDITION TO PAYMENT TERMS:**

41.  
42.  
43.  
44.  
45.  
46.

47. **CREDIT APPROVAL:** Buyer shall furnish to Seller, for Seller’s approval, a signed financial statement within five (5)  
48. Business Days after Final Acceptance Date of this Purchase Agreement. Buyer authorizes Seller to conduct credit  
49. checks at Seller’s expense. Buyer further agrees to sign documents necessary for Seller to obtain the financial  
50. information. Seller has 0 Business Days after receipt of the financial statement from Buyer to approve  
51. or deny Buyer. Approval of Buyer is within Seller’s sole discretion. In the event Seller does not approve Buyer, Seller  
52. shall immediately notify Buyer in writing and this Purchase Agreement is canceled. Buyer and Seller shall immediately  
53. sign a *Cancellation of Purchase Agreement* confirming said cancellation and directing all earnest money paid here to  
54. be refunded to Buyer.

55. **TITLE, LIENS, AND ENCUMBRANCES:**

56. AT TIME OF DELIVERY OF THE DEED: Upon Buyer’s full satisfaction of the Purchase Price and full performance  
57. of the Contract for Deed, Seller shall provide Buyer with a fully executed and recordable: *(Check one.)*

58.  **WARRANTY DEED** or  **OTHER:** \_\_\_\_\_  
59. subject only to those exceptions listed in the *Deed/Marketable Title* section of this Purchase Agreement; and

60.  **IF CHECKED,** the following liens or encumbrances:  
61.

62. **TAXES, ASSESSMENTS, AND INSURANCE:** Taxes and assessments due and payable in the year of closing shall be  
63. prorated as agreed in this Purchase Agreement. Taxes and assessments for all subsequent years of the Contract for  
64. Deed shall be paid by Buyer before any penalty accrues. Insurance shall commence on the date of closing, shall  
65. continue until the Contract for Deed is paid in full, and shall conform with the terms of the Contract for Deed.

66. Taxes, assessments, and insurance shall be paid in the following manner: *(Check one.)*

67.  Buyer to pay 1/12ths taxes and hazard insurance premiums to Seller each month, in addition to the principal and  
68. interest payments. Seller agrees to pay the real estate taxes and insurance premium as they become due.

69. OR;

70.  Buyer shall pay real estate taxes and hazard insurance premiums directly as they become due and furnish Seller  
71. with paid receipt of same.

72. OR;

73.  Tax and insurance escrow: If the real estate taxes and hazard insurance premiums are included in the assumed  
74. mortgage payments, Buyer shall pay said tax and insurance escrows to the mortgagee.

75. OR;

76.  Other: \_\_\_\_\_

# ADDENDUM TO PURCHASE AGREEMENT: CONTRACT FOR DEED FINANCING

78. Property located at \_\_\_\_\_

79. **ADDITIONAL TERMS AND CONDITIONS:** The Contract for Deed shall contain the following additional provisions  
80. which are preceded by initials of the undersigned Buyer and Seller: *(Initial all that apply.)*

81. \_\_\_\_\_  
          (Buyers)               (Sellers)

**Existing Mortgage(s)/Contract(s) for Deed Not Being Assumed by Buyer and Not**

**Being Paid Off:** It is understood there is now a mortgage(s) and/or Contract(s) for  
83. Deed encumbering said Property which  DOES  DOES NOT have a due-on-sale

84. clause, with an unpaid balance of approximately

85. Line 38 of Purchase Agreement

\$ 70% of CD price, TBD by mortgage(s)

\$ \_\_\_\_\_ by contract(s) for deed

87. which mortgage(s) and/or contract(s) for deed Buyer does not assume nor agree to pay  
88. but which is to be paid according to its terms by Seller. In the event Seller fails to make the  
89. required payments thereunder, Buyer shall have the right to make said payments and  
90. deduct all amounts paid from payments next due under the Contract for Deed.

**NOTE:** If answer is **DOES**,  
seek competent legal advice.

91. \_\_\_\_\_  
          (Buyers)               (Sellers)

**Sale of Contract for Deed Contingency.** This Purchase Agreement is contingent upon the

92. sale of Seller's interest in the above proposed Contract for Deed at no more than a

93. \_\_\_\_\_ percent (%) discount on or before \_\_\_\_\_ . If no

94. written offer to purchase said Contract for Deed at the above discount is received by

95. Seller on or before the above date, Seller may, at Seller's option, declare this Purchase

96. Agreement canceled by written notice to Buyer, or licensee representing or assisting Buyer,

97. in which case this Purchase Agreement is canceled. If Seller declares this Purchase

98. Agreement canceled, Buyer and Seller shall immediately sign a *Cancellation of Purchase*

99. *Agreement* confirming said cancellation and directing all earnest money paid here to be

100. refunded to Buyer. Seller, however, reserves the right to retain Contract for Deed, whether or

101. not a bona fide offer to purchase is made, and in that case, the closing shall proceed as

102. provided in this Purchase Agreement.

103. \_\_\_\_\_  
          (Buyers)               (Sellers)

**Contract for Deed — Assumable with Seller Approval.** Buyer's interest in the Property:

(Check one.)

IS NOT transferrable.

IS transferrable only by first obtaining the written consent of Seller. If transferrable with  
107. consent of Seller, Seller shall not unreasonably withhold consent.

108. In the event Buyer violates this provision, Contract for Deed shall be immediately due and  
109. payable in full together with accrued interest. This provision does not apply to leases,  
110. transfers by devise, decent, divorce, or by operation of law upon the death of a joint  
111. tenant.

112. \_\_\_\_\_  
          (Buyers)               (Sellers)

**Seller Refinance.** Seller reserves the right to refinance at any time, at Seller's sole expense

113. which shall not, by its terms, exceed the Contract for Deed balance at any time, and

114. Buyer agrees to sign the necessary papers.

**ADDENDUM TO PURCHASE AGREEMENT:  
CONTRACT FOR DEED FINANCING**

116. Property located at \_\_\_\_\_

117. \_\_\_\_\_  
(Buyers) (Sellers)

**Furnishing of Labor or Materials.** Buyer shall not, during the term of this Contract for Deed, cause any material to be delivered or labor to be performed upon any part of the Property covered by the Contract for Deed that exceeds the cost of \$ **\$10,000** \_\_\_\_\_, unless Buyer first obtains the written consent of Seller. Buyer further agrees to indemnify and hold harmless Seller against all claims or liens for labor and materials or services made against the Property covered by the Contract for Deed and for the costs of enforcing this indemnification, including reasonable attorneys' fees.

125. \_\_\_\_\_  
(Buyers) (Sellers)

**Other Terms.** For further terms, see attached *Addendum to Purchase Agreement*.

**126. IMPORTANT INFORMATION ABOUT CONTRACTS FOR DEED:**

127. (A) Seller:

128.  **IS** a Multiple Seller of residential real property. (If checked, **complete lines 130-137.**)

129.  **IS NOT** a Multiple Seller of residential real property. (If checked, **disregard lines 130-137.**)

130. Multiple Seller is defined as a seller in four (4) or more contracts for deed involving residential real property during the 12-month period that precedes the date Buyer executes this Purchase Agreement.

132. (B) Buyer:

133.  **is** represented by a licensee who is not a dual agent. (If checked, **disregard lines 134-137.**)

134.  is represented by a lawyer. (If checked, **disregard lines 135-137.**)

135. If neither lines 133 or 134 are checked, then Minnesota law requires that Buyer receives the disclosure statement entitled *Important Information About Contracts for Deed*. **Buyer acknowledges receipt of the disclosure statement, which is attached to the front of this Purchase Agreement.**

**138. OTHER:**

139.  
140.  
141.

142. \_\_\_\_\_ (Seller) \_\_\_\_\_ (Date) \_\_\_\_\_ (Buyer) \_\_\_\_\_ (Date)

143. \_\_\_\_\_ (Seller) \_\_\_\_\_ (Date) \_\_\_\_\_ (Buyer) \_\_\_\_\_ (Date)

144. **THIS IS A LEGALLY BINDING CONTRACT BETWEEN BUYER(S) AND SELLER(S).**  
145. **IF YOU DESIRE LEGAL OR TAX ADVICE, CONSULT AN APPROPRIATE PROFESSIONAL.**