**RIDER 3**

**TO PURCHASE AND SALE AGREEMENT**

[Financing Contingency]

|  |
| --- |
| **DISCLAIMER: This Rider is not a final or complete instrument, and includes several options which may be included or deleted, and should not be executed in their present form. The HBAA and its local chapters do not assume any liability for damages arising from the use of this document and any exhibits and attachments thereto and gives no opinion that any of the terms and conditions in this document and the exhibits and attachments should be accepted by the parties in a particular transaction. Terms and conditions should be negotiated between the parties based upon the respective interests, objectives, and bargaining positions of all interested parties. Seek specific legal advice from your lawyer.** |

The terms of this Rider (the “Rider”) are hereby incorporated into and made a part of the Purchase and Sale Agreement Conventional Form (the “Agreement”) dated the \_\_\_\_\_\_ day of \_\_\_\_\_\_\_\_\_\_\_\_\_, 20 \_\_\_, by and between \_\_\_\_\_\_\_\_\_\_\_\_\_\_ (the “Seller”) and \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (the “Buyer”). Defined terms as used herein shall have such meaning as may be ascribed to such terms in the Agreement. To the extent of any inconsistency in the terms and conditions of this Rider and the terms and conditions of the Agreement, the terms and conditions of this Rider shall control. Seller and Buyer further agree as follows:

The following is added to and included in the Agreement as the second paragraph of Section 2 thereof:

“This Agreement is subject to Buyer being able to obtain a conventional loan in the amount of $\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (the “Loan”). Buyer agrees to make application for the Loan within ten (10) days after the date of this Agreement and to exert all reasonable efforts and diligence to obtain approval of the Loan. Buyer agrees to keep Seller fully informed of the status of Buyer’s efforts to secure the approval of the Loan. Buyer shall provide such evidence as may be required by Seller, including a written commitment for the Loan, to confirm the final approval of the Loan. Seller shall have the right to delay the commencement of the construction of the Dwelling, if applicable, or delay the completion of the construction of the Dwelling, if applicable, until such time as Seller has determined, to the satisfaction of Seller, that the Loan has been or is likely to be approved. Any such determination by Seller shall be for the sole benefit of Seller and may not be relied upon in any manner by Buyer. The failure of Buyer to secure and deliver to Seller, on or before \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ days after the date of this Agreement, a commitment for the Loan in a form acceptable to Seller, shall entitle Seller, at the election of Seller, to terminate this Agreement, whereupon the Earnest Money, if any, shall be refunded by Seller to Buyer within thirty (30) days after such termination, without interest, and reduced in an amount equal to any out-of-pocket costs incurred by Seller in connection with or related to the application for the Loan or the process of the consideration thereof.”

The parties hereto have initialed below evidencing and agreeing that this Rider is a part of the Agreement described above. **SELLER:**

**\_\_\_\_\_\_\_\_\_\_\_\_**

**\_\_\_\_\_\_\_\_\_\_\_\_**

**BUYER:**

**\_\_\_\_\_\_\_\_\_\_\_\_\_**

**\_\_\_\_\_\_\_\_\_\_\_\_\_**