



Southwest Iowa Association  
of REALTORS



# Land Contract Addendum

In reference to Agreement of Sale between

Seller \_\_\_\_\_

Buyer \_\_\_\_\_

Dated \_\_\_\_\_ covering the real estate property commonly known as \_\_\_\_\_

the undersigned Buyer and Seller hereby agree to the following:

Buyers and Sellers will execute a Land Contract Addendum. Buyer agrees to a down payment of \$ \_\_\_\_\_ and monthly payments of \$ \_\_\_\_\_, including principal and interest at the rate of \_\_\_\_\_%, until the unpaid principal balance, together with accrued interest, is paid in full (if balloon payment see below) or until the amount due is reduced to the amount of the mortgage now or hereinafter placed on the property by Sellers, at which time Sellers shall deliver to Buyers a warranty deed. Interest shall commence on the date of closing and the first monthly payment shall be due 30 days after the date of closing unless otherwise mutually agreed by the parties. The balance of the down payment is to be paid in cash at the time of closing, with adjustments for closing costs to be added or deducted from this amount. If Sellers now have or hereafter place a mortgage(s) on the property, such mortgage(s) may not exceed the Real Estate contract balance, and the interest rate and amortization thereof shall be no more onerous than the interest rate and amortization on the Real Estate contract.

This agreement is contingent upon the Sellers' Lenders approval, if required.

- This contract (Shall/Shall Not) have a balloon payment. Date of Balloon if any \_\_\_\_\_, 20\_\_
- This contract (Shall/Shall Not) allow Buyers to prepay all or part of the balance without penalty.
- The contract (Shall/Shall Not) be due and payable in full upon the sale or assignment by the Buyers.
- Seller (Shall/Shall Not) provide a Deed in escrow, to be paid by Buyers/Sellers/shared equally.
- Land contract shall be prepared by a licensed attorney to be chosen by:  Buyer  Seller
- Attorneys fees to be paid for by  Buyer  Seller  to be shared equally.
- Taxes (Shall/Shall Not) be prorated to Buyer.
- Upon closing  Buyer  Seller to pay taxes as they come due.
- Upon closing Buyer  Seller to pay insurance as it comes due.

**Responsible party shall provide proof of paid taxes and insurance to the other party annually. This contract to be recorded in the county where the property is located.**

The herein agreement, upon its execution by both parties, is herewith made an integral part of the aforementioned Agreement of Sale.

|  |               |   |               |
|--|---------------|---|---------------|
| _____<br>Seller<br>(Optional: <input type="checkbox"/> Single or <input type="checkbox"/> Married) | _____<br>Date | _____<br>Buyer<br>(Optional: <input type="checkbox"/> Single or <input type="checkbox"/> Married) | _____<br>Date |
|--|---------------|---|---------------|

|  |               |   |               |
|--|---------------|---|---------------|
| _____<br>Seller<br>(Optional: <input type="checkbox"/> Single or <input type="checkbox"/> Married) | _____<br>Date | _____<br>Buyer<br>(Optional: <input type="checkbox"/> Single or <input type="checkbox"/> Married) | _____<br>Date |
|--|---------------|---|---------------|

|                  |               |                  |               |
|------------------|---------------|------------------|---------------|
| _____<br>Witness | _____<br>Date | _____<br>Witness | _____<br>Date |
|------------------|---------------|------------------|---------------|