OKLAHOMA REAL ESTATE COMMISSION

This is a legally binding Contract; if not understood, seek advice from an attorney.

VA GUARANTEED LOAN

This financing supplement, which is attached to and part of the Oklahoma Uniform Contract of Sale of Real Estate, relates to the following described real estate:

_____

Buyer acknowledges that all explanations, representations and disclosures relating to the terms and conditions of the loan(s) below are the responsibility of the Lender and not the Seller or Listing and Selling Brokers and their associated licensees. This financing supplement is made an integral part of the Contract. All provisions of the Contract shall remain in full force and effect.

1. **LOAN.** The Contract is contingent upon Buyer qualifying for a VA Guaranteed Loan in the amount of $_____, plus **VA Funding Fee**, if applicable. If the Buyer is unable to secure financing and provides written notice to Seller, or Seller's Broker, if applicable, within the time period provided in the Closing, Funding and Possession paragraph of the Contract, the earnest money shall be refunded to Buyer subject to appropriate written authorization from all Parties to the Contract.

   Within five (5) days from Time Reference Date, Buyer shall either:

   A. **Make application for the described loan**, or any other such loan Buyer deems acceptable, and proceed diligently to obtain such loan. **Buyer shall pay initial loan fees including property appraisal and credit report fees at the earliest time permitted by federal regulation. Buyer shall instruct Lender to immediately begin the loan approval process. Buyer shall also instruct Lender** to issue a written statement of conditional loan approval (not final loan commitment) to Seller, in care of Seller's Broker, if applicable, within _____ days (**10 days if left blank)** of the Time Reference Date regarding the following:

      1) Review and approval of Buyer's credit worthiness, income and funds necessary to Close.
      2) Confirmation that Buyer has paid initial processing fees.
      3) Property appraisal has been ordered.
      4) Loan approval is not subject to sale or closing of Buyer's current property unless stated elsewhere in this Contract.

      OR

   B. **Give notice to Seller that the loan terms are unacceptable**, cancel the Contract by delivering written notice of cancellation to Seller and receive a refund of earnest money.

      If within the time specified above, a written statement of loan approval is not delivered to Seller, Seller may provide Buyer written notice of intent to cancel and terminate the Contract. Upon Seller providing notice to Buyer of Seller's intent to cancel, the Contract shall become null and void upon the fourth day following delivery of notice. However, if Buyer delivers to Seller a written statement of loan approval before the end of the fourth day, the Contract shall remain in full force and effect.

      All notices provided for in this subparagraph may be delivered to the Parties through their Broker, if applicable.

2. **VA AMENDATORY CLAUSE.** It is expressly agreed that, notwithstanding any other provisions of the Contract and this supplement, the Buyer shall not incur any penalty by forfeiture of earnest money or otherwise be obligated to complete the purchase of the Property described herein if the contract purchase price or cost exceeds the reasonable value of the Property established by the VA. Buyer shall, however, have the privilege and option of proceeding with the consummation of the Contract without regard to the amount of reasonable value established by the VA.

3. **VA LOAN COSTS AT CLOSING.**

   A. **Buyer Costs:** In addition to any other costs required by the Contract, except to the extent provided in part B of this Paragraph, Buyer shall pay at the time of Closing:

1) Prepaid first year's hazard insurance premium and, if required, flood insurance premium
2) Prepaid tax and insurance escrow deposits as required by Lender
3) Prepaid interest beginning the day of Closing through the end of the month
4) Buyer's **"VA allowable Closing costs",** including if applicable, origination fee.

B. **Regarding the Buyer's Loan Costs Referenced above, Seller agrees to pay at time of Closing, on behalf of the Buyer,** VA Closing costs and/or loan discount points, not to exceed $ _____, which includes prepaids, escrows, origination fee and other VA "allowables".

C. **In the event that Seller agrees to pay the Buyer's prepaid expenses and/or escrows**, Seller's current year's portion of the real estate ad valorem taxes **SHALL NOT BE** included in the Buyer's total prepaid expenses on the settlement statement.

4. COSTS VA PROHIBITS BUYER PAYING. In addition to any other costs required by the Contract, or this supplement, Seller shall pay at time of closing, an amount up to $_____ as follows:

A. Those costs which the Buyer is prohibited from paying on a VA loan, including but not limited to the following: tax service fee, processing fee, underwriting fee, document preparation, amortization schedule, photograph fees, title company closing fee and wood infestation report.

B. If the total estimated cost to the Seller of such VA costs exceeds the amount stated in this Paragraph, Buyer and Seller shall have _____ days (5 days if blank) to agree on an arrangement, acceptable to VA, regarding those costs in excess of the stated amount. If a written agreement is not reached within the time specified in this provision, this Contract is null and void and earnest money returned to Buyer.

5. APPRAISAL REQUIREMENTS. Seller shall meet all VA appraisal requirements provided, that if the total estimated costs to the Seller exceeds $_____ then Buyer and Seller shall have five (5) days from being so advised to agree on an acceptable arrangement regarding those costs in excess of the stated amount. If a written agreement is not reached within the time specified in this provision, this contract is null and void and earnest money will be returned to the Buyer.

6. ADDITIONAL PROVISIONS. _____

_____
_____
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_____
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_____	_____
Buyer's Signature	Seller's Signature
_____	_____
Buyer's Signature	Seller's Signature
_____	_____
Date	Date
	(In the event of a counteroffer on an OREC counteroffer form, Seller(s) does not sign)

This form was created by the Oklahoma Real Estate Contract Form Committee and approved by the Oklahoma Real Estate Commission.