

Owner financing may be available under certain conditions.

The 5.11 acres offer for sale is split into three parcels, each with a separate parcel number:

- Parcel 1 is 1.02 acres with 2400 sq ft house: APN 102-43-002G
- Parcel 2 is 0.21 acres with water well: APN 102-66-068
- Parcel 3 is 3.88 acres with barn: 102-43-002K

Parcel 1 and 2 are 1.23 acres, which may qualify for a 30 year conventional loan based on a house size of 2,400 sq ft at \$100/sf ft or \$240,000. Some lenders may prefer to lend on a house located on a small lot size rather than a house and barn on 5.11 acres. Down payments vary with lenders and borrowers credit, but may range from 3% to 20%. To qualify for a conventional loan, the appraisal must be greater than the asking price. For example, if the asking price for the house and well parcels is \$240,000 price, the appraisal must be greater than \$240,000.

If a potential borrower provides a pre-approved loan letter, and wishes to make an offer on Parcel 1 and 2 with house and well on 1.23 acres, then the offer may be written contingent upon the appraisal meeting the lender standards. For example, a buyer may qualify for a \$192,000 loan with 20% down based on \$240,000 asking price, a \$198,000 loan with 10% down based on \$220,000 price, etc.

The barn is on a separate parcel from the house and well, so the 3.88 acres may be financed by the seller for the difference between the final 1.23 acre purchase price and the 5.11 acre asking price. For example, if asking price for 5.11 acres is \$299,000, and the sales price of 1.23 acres was \$240,000, owner financing may be \$59,000. The seller may waive a down payment on the 3.88 acres and finance at a 30 year amortization rate with a balloon in 5 years. The 3.88 acres would collateralize the loan.

In this example, the buyer has a monthly payment on the conventional loan for the house and well parcels, and monthly payment on the barn parcel. If the interest rates and amortization of both loans were the same, the buyer would be acquiring the 5.11 acres for \$299,000 with a smaller down payment required, however the buyer would have a balloon payment.

In making an offer on the 5.11 acres, the buyer would make a contract for the house and well parcels with terms specific to those parcels. The buyer would make a separate contract for the barn parcel with specific terms. The two contracts would be separate, but the barn contract would be contingent upon the house parcel being approved and funded by conventional loan. If the buyer defaults on the house and well parcels, the lender may foreclose with no effect on the barn parcel if the buyer remains current on payments. If the buyer defaults on the barn parcel, the house parcel is not affected if buyer remains current on payments.

Financing options are highly variable. Owner reserves the right to accept or reject any offer for any reason. Terms and conditions generally outlined herein may be revised without notice or obligation by the seller.