



HOME EQUITY PROTECTION DISCLOSURE AND RIGHT OF RESCISSION ADDENDUM

Document updated: April 2014

BUYER: _____
SELLER: _____
PROPERTY ADDRESS: _____
CONTRACT DATE: _____

NOTICE. READ ALL OF THIS DISCLOSURE STATEMENT CAREFULLY BEFORE SIGNING IT. YOU HAVE A RIGHT TO CONSULT WITH AN ATTORNEY OR ANOTHER PERSON BEFORE SIGNING IT. YOU ARE SELLING OR GIVING UP IMPORTANT RIGHTS.

SELLER, as the owner of the Property, has entered into an agreement with the BUYER for the sale of the Property, which is the SELLER'S residence. SELLER agrees, acknowledges and understands that SELLER has the following rights:

- (1) Should this Property be in foreclosure on any mortgage, SELLER is entitled to a period of redemption following the sale in foreclosure proceedings during which period SELLER has the right to redeem the residence. This period could be from six months to 12 months, depending on the amount of the mortgage, the unpaid balance of the mortgage and the value of the residence.
(2) During the period of redemption, SELLER has the right to remain in the SELLER'S residence or rent it to others.
(3) SELLER has the right to sell the SELLER'S rights to the SELLER'S residence.
(4) If the SELLER has paid mortgage guaranty insurance premiums, SELLER may have other rights under the terms of the insurance agreement or under applicable state or federal law.
(5) SELLER ALSO HAS THE RIGHT TO RESCIND ANY SALES AGREEMENT OR DEED WITH THE BUYER WITHIN FIVE BUSINESS DAYS, AS DEFINED BY K.S.A. 45-217, AND AMENDMENTS THERETO, AFTER THE SIGNING OF THE AGREEMENT OR DEED. SELLER CANNOT AGREE TO GIVE UP, SELL OR WAIVE THIS RIGHT IN ANY WAY.
(6) Everything that has been promised or given to SELLER for the purchase of SELLER'S rights in the Property must be in the Contract or any other agreement signed by the BUYER and SELLER. This includes the amount being paid to the SELLER and any agreement concerning what efforts will be made by the BUYER to bring the mortgage payments up to date and any promises concerning what will be done with any proceeds from the renting or selling of the Property. Anything not in the Contract or any other agreement signed by the BUYER and SELLER might not be enforceable.
(7) IF THE SELLER SELLS SELLER'S RIGHTS AND THE RESIDENCE IS FORECLOSED UPON, SELLER MAY STILL BE RESPONSIBLE FOR ANY AMOUNTS STILL OWED ON THE RESIDENCE IF THE SALE OF THE RESIDENCE DOES NOT RAISE ENOUGH FUNDS TO COVER THE ENTIRE MORTGAGE AND THE COSTS ASSOCIATED WITH PURSUING THE FORECLOSURE ACTION. IF THE RESIDENCE IS FORECLOSED UPON, IT IS LIKELY THAT THIS WILL BE REPORTED TO THOSE WHO KEEP CREDIT HISTORIES AND THIS MIGHT INJURE THE SELLER'S CREDIT RATING.
(8) SELLER agrees, acknowledges and understands that this is a serious matter and that SELLER may wish to consult with an attorney to make sure my important rights in the SELLER'S residence are being protected before signing any agreement.
(9) This provision is not intended to deprive the SELLER of any other right under the law.

SELLER _____ DATE _____ SELLER _____ DATE _____

BUYER ACKNOWLEDGES THAT THE SELLER'S RESCISSION OF THE AGREEMENT, IF MADE PURSUANT TO PARAGRAPH FIVE ABOVE, MAY BE MAILED WITHIN FIVE BUSINESS DAYS TO THE BUYER BY CERTIFIED MAIL AT THE FOLLOWING ADDRESS:

BUYER'S MAILING ADDRESS _____
BUYER'S CITY, STATE AND ZIP CODE _____

BUYER _____ DATE _____ BUYER _____ DATE _____

CAREFULLY READ THE TERMS OF THIS ADDENDUM BEFORE SIGNING. WHEN SIGNED BY ALL PARTIES, THIS DOCUMENT BECOMES PART OF A LEGALLY BINDING CONTRACT. IF NOT UNDERSTOOD, CONSULT AN ATTORNEY BEFORE SIGNING.