**Subject to Finance for purchaser to negotiate with vendor**

If you buy in no conditions and later the loan is declined, it means you have no money to settle.

This would mean that the vendor will sue you for a minimum of 10% of the sales price.

**As an example**

If the property is $1,000,000.

It means you will lose at least $100,000.

Here is a suggestion as how to protect yourself from losing money, get the vendor to agree to the condition below.

**Subject to Finance Clauses**

This Special Condition is known as subject to finance clause.

The purchaser can make an application to a mortgage broker.

An application for finance must be made to one institution which is capable of actually lending money, such as a bank or credit union. Applications can still be made to a mortgage broker, but a subsequent application must then also be made to a lender.

Once an application has been made to a lender, the purchaser must be sure to comply with the remainder of the terms of in the subject to finance clause.

If the loan is not approved within 21 days, this matter will be at an end and all deposit except the 0.25% will be refunded.

**Acknowledgement of risks**

I must rescind within the cooling off period.

If I go unconditional and later my loan is declined, I will lose a minimum of 10% of the sales price and I can be sued for more. That is the law in NSW

I understand and accept of the above law

Sign

Full name:

Date: