APPRAISAL CONTINGENCY ADDENDUM (ARKANSAS)

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Real Estate Purchase Agreement Addendum

"This Appraisal Contingency Addendum ("Addendum") is a legally binding document. If not understood, seek competent legal advice."

Effective Date:

This Addendum is made between the undersigned parties and is incorporated into and made a part of the Purchase Agreement.

1. PARTIES

BUYER:

SELLER:

2. PROPERTY

Property Address:

City: , **County:** ,

State: Arkansas, Zip:

Hereinafter referred to as the "Property."

3. REFERENCE TO PURCHASE AGREEMENT

This Addendum modifies the Residential Real Estate Purchase Agreement dated ("Purchase Agreement") between Buyer and Seller for the purchase and sale of the Property. All terms and conditions of the Purchase Agreement not modified by this Addendum shall remain in full force and effect.

4. DEFINITIONS

4.1. Appraisal: A written estimate of the market value of the Property prepared by a licensed or certified real estate appraiser.

4.2. Appraised Value: The value of the Property as determined by the Appraisal.

5. APPRAISAL CONTINGENCY ELECTION (SELECT ONE)

☐ **Appraisal Contingency Applies.** The Purchase Agreement is contingent upon Buyer obtaining an Appraisal of the Property meeting the requirements set forth in Section 6 of this Addendum.

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☐ **Appraisal Contingency Waived.** Buyer waives any contingency related to the Appraised Value of the Property. Buyer agrees to proceed with the closing of this transaction regardless of the Appraised Value. By selecting this option, Sections 6, 7, 8, and 9 of this Addendum are not applicable.

6. APPRAISAL REQUIREMENT (APPLICABLE ONLY IF THE APPRAISAL CONTINGENCY APPLIES. SELECT ONE)

The closing of this transaction is contingent upon the Property's Appraised Value being no less than:

☐ The Purchase Price as stated in the Purchase Agreement.
☐ The specific amount of: $
☐ Other:

7. APPRAISAL DEADLINE

Buyer shall obtain the Appraisal on or before ("Appraisal Deadline"). Buyer shall be responsible for ordering and paying for the Appraisal. Buyer shall provide a copy of the Appraisal to the Seller promptly upon receipt.

8. LOW APPRAISAL PROCEDURES

If the Appraised Value is less than the amount required in Section 6, Buyer may, by providing written notice to Seller on or before the Notice Deadline (Section 9), elect one of the following options:

☐ **Renegotiate.** Buyer and Seller agree to enter into good faith negotiations to address the difference between the Appraised Value and the Purchase Price.
☐ **Seller Price Reduction.** Seller agrees to reduce the Purchase Price to the Appraised Value. A separate price adjustment agreement shall be executed.
☐ **Buyer Pays Difference.** Buyer agrees to pay the difference between the Appraised Value and the Purchase Price in cash at closing. Buyer must provide evidence of sufficient funds to Seller upon request.
☐ **Terminate Purchase Agreement.** Buyer may terminate the Purchase Agreement. Upon termination, Buyer shall be entitled to a refund of all earnest money, subject to the terms of the Purchase Agreement.
☐ **Other.**

If Buyer fails to deliver written notice of their election by the Notice Deadline, this appraisal contingency shall be deemed waived, and Buyer shall proceed to closing at the original Purchase Price.

9. NOTICE REQUIREMENTS

Buyer must deliver written notice to Seller of the Appraisal results and Buyer's election under Section 8 on or before ("Notice Deadline").

10. FAILURE TO REACH AGREEMENT

If Buyer and Seller have elected to renegotiate pursuant to Section 8 and fail to reach a mutually acceptable written agreement resolving the low appraisal on or before , Buyer may terminate the Purchase Agreement by providing written notice to Seller. Upon such termination, Buyer shall be entitled to a refund of all earnest money, subject to the terms of the Purchase Agreement.

11. EFFECT ON PURCHASE AGREEMENT

Except as expressly modified herein, all other terms and conditions of the Purchase Agreement shall remain unchanged. This Addendum supersedes any conflicting or inconsistent provisions related to an appraisal contingency in the Purchase Agreement.

12. NOTICES

Any notice required or permitted under this Addendum shall be in writing and delivered to the parties or their respective agents by one of the following methods (Select all that apply):

- [ ] Personal Delivery
- [ ] Certified Mail, Return Receipt Requested
- [ ] Commercial Courier (e.g., FedEx, UPS)
- [ ] Email to the following addresses:

Buyer's Agent Email:

Seller's Agent Email:

13. TIME AND DEADLINES

Time is of the essence for all provisions of this Addendum. All deadlines shall expire at 11:59 p.m. local time on the specified date.

14. ARKANSAS-SPECIFIC PROVISIONS

This Addendum is intended to comply with all applicable Arkansas laws and regulations concerning real estate transactions and appraisal contingencies.

15. ELECTRONIC SIGNATURES AND COUNTERPARTS

The parties agree that this Addendum may be executed by electronic signatures, which shall be considered as original signatures. This Addendum may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

16. ENTIRE AGREEMENT AS MODIFIED

This Addendum, together with the Purchase Agreement, constitutes the entire agreement between the parties concerning the subject matter hereof and supersedes all prior discussions, negotiations, and agreements.

17. AUTHORITY OF SIGNATORIES

Each party represents and warrants that the individual executing this Addendum on their behalf has the full legal authority to do so and to bind the party to its terms.

18. GOVERNING LAW AND VENUE

This Addendum shall be governed by and construed in accordance with the laws of the State of Arkansas. Any legal action arising from this Addendum shall be brought in the appropriate court in the county where the Property is located.

SUMMARY OF TERMS AND OUTCOMES

Appraisal Contingency: ☐ Applies / ☐ Waived

Appraisal Requirement: $

Appraisal Deadline:

Notice Deadline:

ATTACHED DOCUMENTS (CHECK ALL THAT APPLY)

☐ Appraisal Report
☐ Financing Addendum
☐ Price Adjustment Agreement
☐ Other:

IN WITNESS WHEREOF, the parties have executed this Addendum as of the date(s) set forth below.

BUYER SIGNATURE 1

BUYER:
Buyer Signature:

Printed Name:

Date:

BUYER SIGNATURE 2

BUYER:
Buyer Signature:

Printed Name:

Date:

SELLER SIGNATURE 1

SELLER:
Seller Signature:

Printed Name:

Date:

SELLER SIGNATURE 2

SELLER:
Seller Signature:

Printed Name:

Date:

This form is provided as a courtesy to My State MLS members and is open-source for use by any real estate professional who wishes to use it. THIS IS A LEGALLY BINDING CONTRACT. If you do not fully understand its terms, seek competent legal advice before signing.