Appraisal Gap Addendum

This Addendum is intended for use only with conventional or cash financing. It is not to be used in conjunction with an Appraisal Contingency Rider (Florida Bar, FR/Bar) or an Appraisal Addendum (Contract for Residential Sale and Purchase, CRSP).

This Addendum is incorporated into and made part of the Contract between:
_______________________________________ (“Seller”)
and
_______________________________________ (“Buyer”)

Concerning the property located at:

If the appraisal or other property valuation (“Valuation”) is less than the Purchase Price, the Buyer agrees to pay the difference between the Purchase Price and the Valuation, up to a maximum of $________ (“Gap Amount”), not to exceed the Purchase Price.

If adding the Gap Amount to the Valuation results in a total that exceeds the Purchase Price, the Gap Amount will be reduced so the total equals the Purchase Price.

The parties agree to execute and deliver an addendum reflecting the revised Purchase Price and any other necessary terms within **three (3) days** after the Buyer provides the Valuation to the Seller, as described below.

CHECK ONE

☐ **(A)** At Closing, Buyer will pay cash to cover the applicable Gap Amount. Proof of funds is included with the offer.

☐ **(B)** Buyer will obtain financing for the applicable Gap Amount. Buyer must confirm with their lender that the Gap Amount can be financed. If selected, the financed loan amount in the Contract shall be increased to include the Gap Amount.

(If neither option is selected, Option A will apply by default.)

The Buyer will obtain the Valuation through their lender or, if no lender is involved, independently, within _____ days after the Effective Date (30 days if left blank). Buyer shall provide the Seller with a copy of the Valuation within **three (3) days** of receiving it.

If the Valuation plus the Gap Amount is less than the Purchase Price, the parties will have _____ days (3 days if left blank) after the Buyer delivers the Valuation to agree in writing to revised terms.

If no agreement is reached within this period, the Contract shall terminate and the Buyer’s deposit(s) shall be returned in full, releasing both parties from further obligations under this Contract.

Parties Acknowledge and Understand That:

- The Seller is not required to reduce the Purchase Price if the Valuation plus Gap Amount is less than the Purchase Price.
- The use of this Addendum is voluntary and intended to make the Buyer's offer more competitive to the Seller.
- The Buyer should confirm with their lender that they can finance the Gap Amount before submitting the offer.
- Both Buyer and Seller should carefully consider whether the Property is worth the Purchase Price and/or the Valuation plus the Gap Amount.
- The Seller should evaluate how the Buyer intends to pay the Gap Amount.
- If applicable, this Addendum does not obligate the Buyer's lender to the terms of this Addendum or the Contract.
- Both parties should seek legal advice regarding the potential consequences of using this Addendum and should proceed with care and due diligence during the transaction.

Signatures

______________________ Buyer	______________ Date
______________________ Buyer	______________ Date
______________________ Seller	______________ Date
______________________ Seller	______________ Date