

Addendum to Residential Sale and Purchase Agreement

If signed by all parties, the terms below become part of the Residential Sale and Purchase Agreement between _____ ("Seller") and _____ ("Buyer") regarding the property located at _____.

() - () H. FHA Financing: (Buyer will be referred to as "purchaser" in this section.) It is understood and agreed that, regardless of any other terms in this agreement, the purchaser is not required to complete the purchase of the property or risk losing any deposit or funds unless provided with a written statement of appraised value from HUD/FHA, the Department of Veterans Affairs, or a Direct Endorsement lender. That appraisal must show a value of no less than \$ _____. The purchaser may choose to proceed with the purchase even if the appraisal is lower. The appraisal is only to determine the maximum loan HUD will insure and does not guarantee either the value or condition of the property. The purchaser should independently confirm that both the price and condition of the property are acceptable.

1. **Fees and Prepayments:** The Seller will cover all required FHA fees, up to a maximum of \$ _____ (default \$250.00 if left blank).
2. **Repairs:** If the FHA appraisal requires repairs not already included in this Agreement, the Seller will complete those repairs up to a maximum cost of \$ _____ (default \$500.00 if left blank). If repairs exceed this amount, either party may cancel the Agreement. If the Buyer wishes to continue, the Seller must pay at least up to the stated limit unless choosing to cover more. If repair costs go beyond that amount, the Seller may provide written notice of their decision not to pay all or part of the excess. The Buyer, within 5 days of receiving such notice, may either (a) accept the property "as is" by waiving the repair contingency or (b) cancel this Agreement.
3. **FHA Certification:** The Seller, Buyer, and involved real estate licensees certify that the terms and conditions of this transaction are accurate to the best of their knowledge. They further confirm that any side agreements related to this sale are included in or attached to this Agreement.

_____ Buyer _____ Date

_____ Seller _____ Date

_____ Buyer _____ Date

_____ Seller _____ Date

_____ Selling Licensee _____ Date

_____ Listing Licensee _____ Date