



FHA/VA ADDENDUM



This Addendum is attached to and made a part of a certain Purchase Agreement between the undersigned parties dated _____ covering property commonly known as _____.

1. **Amendatory Clause** - It is expressly agreed that notwithstanding any other provisions of this contract, buyer shall not be obligated to complete purchase of property described herein or to incur any penalty by forfeiture of earnest money deposits or otherwise unless the Buyer has been given, in accordance with HUD/FHA or VA requirements, a written statement by the Federal Housing Commissioner, Department of Veteran's Affairs, or a Direct Endorsement lender setting forth the appraised value of the property of not less than \$_____. Buyer shall have the privilege and option of proceeding with consummation of the contract without regard to the amount of the appraised valuation. Appraised valuation is arrived at to determine the maximum mortgage the Department of Housing and Urban Development will insure. HUD does not warrant the value nor condition of the property. Buyer should satisfy himself/herself that price and condition of subject property are acceptable.

2. The Seller, Borrower, Real Estate Broker or Agent involved in this loan transaction are certifying that terms of attached sales contract are true and correct to the best of their knowledge and belief. Any other agreement entered into by any of the following parties must be fully disclosed and attached to the sales contract.

The Seller, Borrower, Real Estate Broker or Agent fully understand that it is a Federal Crime punishable by fine or imprisonment, or both, to knowingly make any false statement concerning any of the above facts as applicable under provision of Title 18, United States Code, Sections 1012 and 114.

3. **Seller Contribution** - Seller agrees to pay (A) **NO COST** for Buyer to obtain financing.
(B) \$ _____ to be used toward Buyer's _____ closing costs, discount points, prepaids and adjustments.
(C) See attached _____ addendum.

4. **Pest Inspection** - Seller Buyer agrees to pay for required pest inspection. (VA Mortgages-Seller must pay)

5. **Re-Inspection Fees** - Seller Buyer agrees to pay for any re-inspection fee(s), if any, as a result of any required repairs by FHA/VA appraisal. (VA Mortgages - Seller must pay)

6. **FHA/VA Required Repairs** - Seller agrees to pay up to \$ _____ toward any required FHA/VA repairs.
 Buyer agrees to pay up to \$ _____ toward any required FHA/VA repairs.

7. If both Buyer and Seller have each agreed to pay a portion of FHA/VA repairs, Buyer Seller will be the first responsible party. In the event FHA required cost exceed the sum total of above, the difference must be negotiated between Buyer and Seller within **(3)** days. If no agreement can be mutually obtained, Purchase Agreement shall become null and void, and all earnest monies shall be returned to Buyer.

8. Buyer agrees to apply for an FHA mortgage with lender certified to directly endorse FHA underwriting of such mortgage.

All other terms and conditions of Purchase Agreement to remain the same and in full force.

Witness

Buyer

Date

Buyer

Witness

Seller

Date

Seller