

**REAL ESTATE CERTIFICATION
VA AND FHA ADDENDUM TO PURCHASE AGREEMENT**

This Addendum is executed contemporaneously with the Purchase Agreement to which it is attached

Dated _____

On Property located at: _____

Purchaser: _____

Seller: _____

REAL ESTATE CERTIFICATION

We the undersigned Seller(s) Purchaser(s) and Agent(s), involved in this transaction, each certify that the terms of this Purchase Agreement are true to the best of our knowledge and belief and that any other agreement entered into by any of these parties in connection with this transaction is attached to this Purchase Agreement.

Purchaser: _____
(date)

Seller: _____
(date)

Purchaser: _____
(date)

Seller: _____
(date)

VETERANS ADMINISTRATION (VA) ESCAPE CLAUSE

It is expressly agreed that, notwithstanding any other provision of this contract, the purchaser shall not incur any penalty by forfeiture of earnest money deposit or otherwise be obligated to complete the purchase of the property described herein, if the contract purchase price or cost exceeds the reasonable value of the property established by the VA. The purchaser shall, however, have the privilege and option of proceeding with the consummation of this contract without regard to the amount of reasonable value established by the VA.

Purchaser: _____
(date)

Seller: _____
(date)

Purchaser: _____
(date)

Seller: _____
(date)

FEDERAL HOUSING ADMINISTRATION (FHA) AMENDATORY CLAUSE

[4155.1 REV-4 (6/92)]

It is expressly agreed that notwithstanding any other provisions of this contract, the purchaser shall NOT be obligated to complete the purchase of the property described herein or to incur any penalty by forfeiture of earnest money deposits or otherwise unless the purchaser has been given in accordance with HUD/FHA or VA requirements a written statement by the Federal Housing Commission, Veterans Administration, or a Direct Endorsement lender setting forth the appraised value of the property of not less than \$_____. The purchaser shall have the privilege and option of proceeding with consummation of the contract without regard to the amount of the appraised valuation. The 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 the condition of the property. The purchaser should satisfy himself/herself that the price and condition of the property are acceptable.

The dollar amount to be inserted in the amendatory clause is the sales price as stated in the contract. If the borrower and seller agree to adjust the sales price in response to an appraised value that is less than the sales price, a new amendatory clause is *not* required. However, the loan application package must include the original sales contract with the same price as shown on the amendatory clause, along with the revised or amended sales contract.

Purchaser: _____
(date)

Seller: _____
(date)

Purchaser: _____
(date)

Seller: _____
(date)

See HUD form 92564-CN For Your Protection: Get a Home Inspection - which must be executed on or before the Purchase Agreement is executed.

For Your Protection: Get a Home Inspection

Name of Buyer (s) _____

Property Address _____

Why a Buyer Needs a Home Inspection

A home inspection gives the buyer more detailed information about the overall condition of the home prior to purchase. In a home inspection, a qualified inspector takes an in-depth, unbiased look at your potential new home to:

- evaluate the physical condition: structure, construction, and mechanical systems
- identify items that need to be repaired or replaced
- estimate the remaining useful life of the major systems, equipment, structure, and finishes

Appraisals are Different from Home Inspections

An appraisal is different from a home inspection. Appraisals are for lenders; home inspections are for buyers. An appraisal is required for three reasons:

- to estimate the market value of a house
- to make sure that the house meets FHA minimum property standards/requirements
- to make sure that the house is marketable

FHA Does Not Guarantee the Value or Condition of your Potential New Home

If you find problems with your new home after closing, FHA can not give or lend you money for repairs, and FHA can not buy the home back from you.

I/we understand the importance of getting an independent home inspection. I/we have considered this before signing a contract with the seller for a home. Furthermore, I/we have carefully read this notice and fully understand that FHA will not perform a home inspection nor guarantee the price or condition of the property.

_____ **I/We choose to have a home inspection performed.**

_____ **I/We choose not to have a home inspection performed**

Radon Gas Testing

The United States Environmental Protection Agency and the Surgeon General of the United States have recommended that all houses should be tested for radon. For more information on radon testing, call the National Radon Information Line at 1-800-SOS-Radon or 1-800-767-7236. As with a home inspection, if you decide to test for radon, you may do so before signing your contract, or you may do so after signing the contract as long as your contract states the sale of the home depends on your satisfaction with the results of the radon test.

Be an Informed Buyer

It is your responsibility to be an informed buyer. Be sure that what you buy is satisfactory in every respect. You have the right to carefully examine your potential new home with a qualified home inspector. You may arrange to do so before signing your contract, or may do so after signing the contract as long as your contract states that the sale of the home depends on the inspection.

Signature & Date

Signature & Date