

1* The clause below will be incorporated into the Contract between _____ (Seller)
2* and _____ (Buyer) concerning the Property described as _____
3* _____ only if initialed by all parties:

4* (____)(____) - (____)(____) **E. FHA Financing:** (Buyer will be referred to as "purchaser" in the following statement) "It is
5 expressly agreed that notwithstanding any other provisions of this contract, the purchaser shall not be obligated to complete
6 the purchase of the property described herein or to incur any penalty by forfeiture of earnest money deposits or otherwise
7 unless the purchaser has been given in accordance with HUD/FHA or VA requirements a written statement by the Federal
8 Housing Commissioner, Department of Veterans Affairs, or a Direct Endorsement lender setting forth the appraised value of the
9 property of not less than \$_____. The purchaser shall have the privilege and option of proceeding with
10 consummation of the contract without regard to the amount of the appraised valuation. The appraised valuation is arrived at to
11 determine the maximum mortgage the Department of Housing and Urban Development will insure. HUD does not warrant the
12 value nor the condition of the property. The purchaser should satisfy himself/herself that the price and condition of the property
13 are acceptable." If **Buyer** elects to proceed with the Contract without regard to the amount of reasonable value established by
14 the Federal Housing Commissioner, U.S. Department of Veterans Affairs, or Direct Endorsement lender, such election must be
15 made in writing within 3 days from **Buyer's** receipt of the appraisal.

16* **(1) Fees, Prepayments:** Seller will pay all required fees under FHA regulations up to a maximum cost of \$_____
17 (\$250.00 if left blank).

18 **(2) Repairs:** In the event a lender, as a result of the FHA appraisal, requires repairs to items not covered by **Seller's**
19 warranty in Paragraph **8** of the Contract or Paragraph **H** of the Comprehensive Addendum (if applicable), **Seller** will make
20* required repairs up to a maximum cost to **Seller** of _____ (\$500.00 if left blank). Required repairs to
21 warranted items are subject to the Repair Limit defined in the Contract. If the cost of repairs to warranted or unwarranted
22 items exceeds the respective limit, **Seller** will, within 3 days after receiving notice of the excess cost, deliver to **Buyer**
23 written notice of **Seller's** intent to pay some, all, or none of the excess amount. If **Seller** pays less than the full amount of the
24 excess cost, **Buyer** may pay the balance or cancel the Contract. **Buyer's** election must be in writing and provided to **Seller**
25 within 3 days after receipt of **Seller's** notice.

26 **(3) Home Inspection:** Buyer has received and signed the "For Your Protection: Get a Home Inspection" notice.

27 **(4) FHA Certification:** **Buyer** and **Seller** are signatories to the Contract. The selling real estate agent or broker involved in
28 this transaction states: I certify that the terms of this Contract for Sale and Purchase are true and correct to the best of my
29 knowledge and belief and that any other agreements entered into by any of these parties in connection with this
30 transaction are part of, or attached to, the Contract.

31* _____
32 *Selling Sales Associate or Broker* *Date* *Listing Sales Associate or Broker* *Date*

33* **Buyer** (____) (____) and **Seller** (____) (____) acknowledge receipt of a copy of this page.