

U.S. Department of Veterans Affairs (VA) / Federal Housing Administration (FHA) Rider To FAR/BAR Contract For Sale and Purchase
FLORIDA ASSOCIATION OF REALTORS® AND THE FLORIDA BAR



[This Rider is intended for use in conjunction with Paragraph IV and Paragraph X.(d) of the Florida Association of REALTORS and The Florida Bar (FAR/BAR) Contract for Sale and Purchase (1995 ed.)]

The following clauses amend and are made a part of the Contract for Sale and Purchase, first dated the _____ day of _____, between _____ ("Seller"), and _____ ("purchaser").

1. DEFINITIONS:

- (a) "contract" is the FAR/BAR Contract for Sale and Purchase (1995 ed.), to which this Rider is attached and intended to amend.
- (b) "Standard" refers to the Standards for Real Estate Transactions which is a part of the contract.
- (c) "HUD" is the Department of Housing and Urban Development.
- (d) "property" is the Property which is the subject matter of the contract.
- (e) "purchaser" is the Buyer named in the contract.
- (f) "FHA" is the Federal Housing Administration.
- (g) "VA" is the Department of Veterans Affairs.

2. INSPECTIONS AND APPRAISAL: In addition to the requirements of Standard D and Standard N of the contract, Seller shall comply with applicable FHA or VA regulations regarding termite inspection, roof inspection, and appraisal repairs (collectively "Appraisal Repairs"). The cost to Seller for Appraisal Repairs will not exceed \$ _____, which cost is in addition to the costs required to be paid under Standard D and Standard N.

3. (CHECK IF APPLICABLE) FHA FINANCING:

It is expressly agreed that notwithstanding any other provisions of the 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 Commissioner, 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.

(a) Fees, Prepayments: Seller shall pay tax service, underwriting, and document preparation fees required by the lender, and recording fees for assigning purchaser's mortgage. Purchaser shall pay all prepayments and escrows for taxes, hazard insurance, FHA insurance, and flood insurance, when applicable.

(b) Appraisal Repairs: If the cost of Appraisal Repairs exceeds the limit imposed by Paragraph 2 above, Seller must, within 3 days after receiving notice of the excess cost, give purchaser written notice of Seller's intention to pay some, all, or none of the excess amount. If Seller elects to pay less than the full amount of the excess cost, purchaser

