

## VA / FHA LOAN ADDENDUM

1 Property Address: \_\_\_\_\_  
2 Buyer: \_\_\_\_\_  
3 Seller: \_\_\_\_\_

4 This VA/FHA LOAN ADDENDUM (hereinafter "Addendum"), between the undersigned Seller and Buyer is entered into and  
5 is effective as of the Binding Agreement Date provided in the Purchase and Sale Agreement for the purpose of changing,  
6 deleting, supplementing or adding terms to said Purchase and Sale Agreement. In consideration of the mutual covenants herein  
7 and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as  
8 follows:

- 9 **1. APPRAISED VALUE.** It is expressly agreed that, notwithstanding any other provisions of this contract, the Buyer shall  
10 not be obligated to complete the purchase of the Property described herein or to incur any penalty by forfeiture of earnest  
11 money/trust money deposits or otherwise unless the Buyer has been given, in accordance with HUD/FHA or VA  
12 requirements, a written statement by the Federal Housing Commissioner or Veterans Administration, or a Direct  
13 Endorsement Lender setting forth the appraised value of the Property of not less than \$\_\_\_\_\_. The Buyer  
14 shall, however, have the privilege and option of proceeding with consummation of the contract without regard to the  
15 amount of the appraised valuation. The appraised valuation is arrived at to determine the maximum mortgage the  
16 Department of Housing and Urban Development shall insure (FHA), or that the Veteran's Administration (VA) shall  
17 guarantee.
- 18 **2. PROPERTY VALUE AND CONDITION.** HUD does not warrant the value nor the condition of the Property. The  
19 Buyer should satisfy himself/herself that the price and condition of the Property are acceptable.
- 20 **3. HOME INSPECTION.** It is important for Buyer to have a home inspection performed on the Property Buyer wishes to  
21 purchase in order to identify any possible defects. See Form RF712, "IMPORTANCE OF INSPECTIONS AND  
22 PROPERTY SURVEY".
- 23 **4. FUNDING FEE.** If applicable the VA Funding fee (if Buyer is not otherwise exempt), shall be paid as follows:  
24  **A.** in full at closing by \_\_\_\_\_.  
25  **B.** added to the loan amount and financed. (If checked, then the term "loan amount" as used herein shall mean the  
26 amount set forth in the Purchase and Sale Agreement plus the VA funding fee so financed; the monthly payments  
27 shall increase accordingly.)
- 28 **5. NEW CONSTRUCTION HOME WARRANTY.** If the improvements on the Property are less than one year old at the  
29 time of closing, Seller shall, if required by VA/FHA, provide a home warranty certificate acceptable to VA/FHA.
- 30 **6. PUBLIC WATER OR PUBLIC SEWER SYSTEMS.** See Public Water or Public Sewer Systems section in Purchase  
31 and Sale Agreement.
- 32 **7. NON-ALLOWABLE SETTLEMENT CHARGES OR EXPENSES.** In the event of settlement charges or Expenses at  
33 time of closing which are deemed to be non-allowable and not chargeable to the Buyer pursuant to the governmental  
34 guidelines or lender regulations, Seller agrees to pay at Closing (evidenced by delivery of warranty deed and payment of  
35 purchase price) such non-allowable settlement charges or expenses on behalf of Buyer at a sum not to exceed  
36 \$\_\_\_\_\_ (shall be deemed to be zero if left blank). Such sum shall be a part of the amount if any, which Seller  
37 has agreed to pay on behalf of Buyer in the Purchase and Sale Agreement or prior Addenda.

38 This Addendum is made a part of the Purchase and Sale Agreement as if quoted therein verbatim. Should the terms of this  
39 Addendum conflict with the terms of the Purchase and Sale Agreement or other documents executed prior to or simultaneous  
40 to the execution of this Addendum, the terms of this Addendum shall control, and the conflicting terms are hereby considered  
41 deleted and expressly waived by both Seller and Buyer. In all other respects, the Purchase and Sale Agreement shall remain in  
42 full force and effect.

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43 **PURCHASE AND SALE AGREEMENT CERTIFICATION.** “We hereby certify that the terms of the (this) Sales Contract  
44 are true and, to the best of our knowledge and belief, that there are no side agreements not disclosed within or by an attached  
45 addendum between the BUYER, the SELLER, or REAL ESTATE LICENSEE.” The parties agree that the Real Estate  
46 Licensee’s signature(s) on this document is for certification purposes only as required and does not make either said Real Estate  
47 Licensee a party to the Purchase and Sale Agreement.

48 The party(ies) below have signed and acknowledge receipt of a copy.

49 \_\_\_\_\_

50 **BUYER** **BUYER**

51 \_\_\_\_\_ at \_\_\_\_\_ o'clock  am/  pm \_\_\_\_\_ at \_\_\_\_\_ o'clock  am/  pm

52 **Date** **Date**

53 The party(ies) below have signed and acknowledge receipt of a copy.

54 \_\_\_\_\_

55 **SELLER** **SELLER**

56 \_\_\_\_\_ at \_\_\_\_\_ o'clock  am/  pm \_\_\_\_\_ at \_\_\_\_\_ o'clock  am/  pm

57 **Date** **Date**

58 The party(ies) below have signed and acknowledge receipt of a copy.

59 \_\_\_\_\_

60 **REAL ESTATE LICENSEE FOR BUYER** **FIRM**

61 \_\_\_\_\_ at \_\_\_\_\_ o'clock  am/  pm

62 **Date**

63 The party(ies) below have signed and acknowledge receipt of a copy.

64 \_\_\_\_\_

65 **REAL ESTATE LICENSEE FOR SELLER** **FIRM**

66 \_\_\_\_\_ at \_\_\_\_\_ o'clock  am/  pm

67 **Date**

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