

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.** In the event of settlement charges at time of closing which are
33 deemed to be non-allowable and not chargeable to the Buyer pursuant to the governmental guidelines or lender regulations,
34 Seller agrees to pay at Closing (evidenced by delivery of warranty deed and payment of purchase price) such non-allowable
35 settlement charges on behalf of Buyer at a sum not to exceed \$ _____ (shall be deemed to be zero if left
36 blank). Such sum shall be a part of the amount if any, which Seller has agreed to pay on behalf of Buyer in the Purchase
37 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

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

60 _____

61 **REAL ESTATE LICENSEE FOR BUYER** **FIRM**

62 _____ at _____ o'clock am/ pm

63 **Date**

64

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

66 _____

67 **REAL ESTATE LICENSEE FOR SELLER** **FIRM**

68 _____ at _____ o'clock am/ pm

69 **Date**

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