

**FHA/VA LOAN ADDENDUM
TO
REAL ESTATE PURCHASE CONTRACT**

THIS IS AN ADDENDUM to that REAL ESTATE PURCHASE CONTRACT (the "REPC") with an Offer Reference Date of _____, including all prior addenda and counteroffers, between _____ as Buyer, and _____ as Seller, regarding the Property located at _____. The following terms are hereby incorporated as part of the REPC. All references to FHA/VA shall mean the Federal Housing Administration/Department of Veterans Affairs. **(CHECK APPLICABLE BOXES)**

1. Buyer [] **DOES** [] **DOES NOT** intend to occupy the Property as his/her residence.
2. Section 2.3(b) of the REPC establishes a procedure by which Buyer or Seller may cancel the Contract and the Earnest Money Deposit shall be returned to Buyer, if the Buyer has received a Loan Denial on or before a certain date specified in that section. That date shall not be fewer than thirty calendar days after Acceptance. Furthermore, Buyer shall not be obligated to complete the purchase of the Property or incur any penalty or forfeiture of the Earnest Money Deposit or other down payment, or otherwise be obligated to purchase the Property, if: (a) for a VA loan, the Purchase Price exceeds the reasonable value of the Property established by the VA Certificate of Reasonable Value or VA appraisal; or (b) for an FHA loan, the Purchase Price exceeds the appraised value of the Property (excluding closing costs) established by the FHA appraisal. Buyer shall, however, have the right to complete the sale without regard to the amount of the appraised valuation made by the applicable FHA or the VA. The appraised valuation is used to determine the maximum loan that FHA will insure or VA will guarantee. Neither FHA nor the VA warrants the value or condition of the Property. Buyer should satisfy himself/herself that the price and condition of the Property are acceptable.
3. Seller shall make any and all appraisal required repairs, provided that the cost does not exceed \$_____.
4. If required by applicable FHA or VA rules, Seller shall furnish Buyer with a current Pest Control Report showing the Property to be free and clear from termite infestation. In the event of termite infestation, Seller shall eradicate the same and repair any damage at Seller's expense, provided that the cost does not exceed \$_____.
5. Seller [] **SHALL** [] **SHALL NOT** contribute at settlement an amount toward payment of loan discount points and other loan and closing related costs, to be allocated at Buyer's discretion. If there is to be such a contribution, the amount shall not exceed \$_____ in the aggregate. If this amount is more than the actual total amount of these costs, then Seller shall pay no more than that actual amount. If this amount is not enough to pay these costs in full, then it shall be applied among these costs as determined by Buyer.
6. [APPLIES TO FHA ONLY] The undersigned hereby certify that the terms of the REPC are true to the best of our knowledge and belief, and that any other agreement entered into by any of the parties has been fully disclosed and is attached to the REPC.
7. If any provision in the REPC or this ADDENDUM is inconsistent with any currently applicable law governing FHA/VA loan transactions, then to the extent of such inconsistency, that law shall govern.

To the extent the terms of this ADDENDUM modify or conflict with any provisions of the REPC, including all prior addenda and counteroffers, these terms shall control. All other terms of the REPC, including all prior addenda and counteroffers, not modified by this ADDENDUM shall remain the same. **Seller** **Buyer** shall have until _____ **AM** **PM** Mountain Time on _____ (Date), to accept the terms of this FHA/VA LOAN ADDENDUM in accordance with the provisions of Section 23 of the REPC. Unless so accepted, the offer as set forth in this FHA/VA LOAN ADDENDUM shall lapse.

 Buyer Seller Signature Date Time Buyer Seller Signature Date Time

ACCEPTANCE/COUNTEROFFER/REJECTION

CHECK ONE:

ACCEPTANCE: **Seller** **Buyer** hereby accepts the terms of this FHA/VA LOAN ADDENDUM.

COUNTEROFFER: **Seller** **Buyer** presents as a counteroffer the terms of attached ADDENDUM NO. ____
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 (Signature) (Date) (Time) (Signature) (Date) (Time)

REJECTION: **Seller** **Buyer** rejects the foregoing FHA/VA LOAN ADDENDUM.

 (Signature) (Date) (Time) (Signature) (Date) (Time)

THIS FORM APPROVED BY THE UTAH REAL ESTATE COMMISSION AND THE OFFICE OF THE UTAH ATTORNEY GENERAL,
 EFFECTIVE DECEMBER 29, 1998