Better Homes and Gardens REAL ESTATE ALLIANCE

FHA AMENDATORY CLAUSE AND CERTIFICATION

This agreement is entered into as an amendment to the Contract dated _____, 20 _____, between _____, as Seller, and _____, as Buyer, on property commonly known as _____.

FHA AMENDATORY CLAUSE

It is expressly agreed that notwithstanding any other provisions of this Contract, the Buyer 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 Buyer has been given in accordance with HUD/FHA or VA requirements a written statement by the Federal Housing Commissioner, Department of Veteran Affairs, or a Direct Endorsement lender setting forth the appraised value of the property of not less than $_____. The Buyer 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 Buyer should satisfy himself/herself that the price and condition of the property are acceptable.

The undersigned certify that this Contract constitutes the entire agreement between the parties and that there are no other agreements.

*Note: The dollar amount to be inserted in the amendatory clause is the sales prices as stated in the Contract. If the Buyer and Seller agree to adjust the sales price in response to an appraised value that is less than the sales prices, a new amendatory clause is not required. However the loan application package must include the original sales Contract with the same price as shown on the amendatory clause, along with the revised or amended sales Contract.

We, the Buyer, Seller and the real estate agent or Broker involved in the sales transaction certify by our signatures below that the terms and conditions of the sales Contract are true to the best of our knowledge and belief and that any other agreement entered into by any of these parties in connection with this real estate transaction is part of, or attached to, the sales agreement.

Buyer _____ Date

Seller _____ Date

Buyer _____ Date

Seller _____ Date

Agent _____ Date

Agent _____ Date

Warning: Section 1010 of Title 18 of the U.S. Code provides: Whoever in any matter within the jurisdiction of any department or agency of the United States knowingly and willfully falsifies a material fact or makes any false, fictitious or fraudulent statements or representations, or makes or uses any false writing or document knowing the same to contain any false, fictitious or fraudulent statement or entry, shall be fined not more than $10,000 or imprisonment of not more than five years, or both.

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