



Comprehensive Rider to the FAR/BAR Contract for Sale and Purchase

FLORIDA ASSOCIATION OF REALTORS® AND THE FLORIDA BAR

USE THE RIDERS THAT APPLY

If initialed by all parties, the clauses below will be incorporated into the FAR/BAR Contract for Sale and Purchase between \_\_\_\_\_ (Seller) and \_\_\_\_\_ (Buyer) concerning the Property described as \_\_\_\_\_:

U.S. DEPARTMENT OF VETERANS AFFAIRS (VA) / FEDERAL HOUSING ADMINISTRATION (FHA)

Buyer's initials - Seller's initials: If to be made a part of the Contract.

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1. DEFINITIONS:

- (a) "Contract" is the FAR/BAR Contract for Sale and Purchase (2007 ed.), to which this Rider is attached and intended to amend.
(b) "Standard" refers to the Standards for Real Estate Transactions which is 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: Purchaser shall pay all loan expenses, except tax service fee, which fee, if charged by Buyer's lender, shall be paid by Seller up to maximum of \$ \_\_\_\_\_ (\$100.00 if left blank).

(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 may elect to pay the balance or cancel the Contract. Purchaser's election must be in writing and provided to Seller within 3 days after receiving written notice of Seller's election.

(c) Certification: We, the undersigned Seller, Purchaser and Broker involved in this transaction each certify individually and jointly that the terms of the Contract are true and correct to the best of our knowledge and belief and that any other agreements entered into by any of these parties in connection with this transaction are part of, or attached to, the Contract.

4. [ ] (CHECK IF APPLICABLE) VA FINANCING: It is expressly agreed that, notwithstanding any other provision of the Contract, the Purchaser shall not incur any penalty by forfeiture of earnest money or otherwise be obligated to complete the purchase of the Property described herein, if the Contract purchase price or cost exceeds the reasonable value of the Property as established by the U.S. Department of Veterans Affairs. The Purchaser shall, however, have the privilege and option of proceeding with the consummation of the Contract without regard to the amount of reasonable value established by the U.S. Department of Veterans Affairs.

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

(see continuation)

**U.S. DEPARTMENT OF VETERANS AFFAIRS (VA) / FEDERAL HOUSING ADMINISTRATION (FHA)(continued)**

Buyer's initials - Seller's initials: If to be made a part of the Contract.

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**(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 may elect to pay the balance or cancel the Contract. Purchaser's election must be in writing and provided to Seller within 3 days after receiving written notice of Seller's election.

**5. ELECTION TO PROCEED WITH CONTRACT:** In the event Purchaser elects under Paragraph 3 or 4 above to proceed with the Contract without regard to the amount of reasonable value established by the Federal Housing Commissioner, U.S. Department of Veterans Affairs, or Direct Endorsement lender, such election must be made within 3 days after Purchaser receives the appraisal. (If Purchaser and Seller agree to adjust the sales price in response to an appraised value which is less than the sales price, a new Rider is not required. However, the loan application package must include the original sales contract with the same price as shown on the above clause, along with the revised or amended sales contract.)

_____	_____	_____	_____
Buyer/Purchaser	Date	Seller	Date
_____	_____	_____	_____
Buyer/Purchaser	Date	Seller	Date
_____	_____	_____	_____
Broker/Purchaser	Date	Broker	Date