



FHAVA Amendatory Clause
(C.A.R. Form FVAC, Revised 12/16)



This is an addendum to the [] California Residential Purchase Agreement or [] Other
dated _____, on property known as _____
between _____
and _____

1. "It is expressly agreed that notwithstanding any other provisions of this 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, Department of Veterans Affairs, 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 or Department of Veterans Affairs will guaranty. Neither HUD or VA warrant the value or the condition of the property. The purchaser should satisfy himself/herself that the price and condition of the property are acceptable."

If, after signing this Amendatory Clause, the purchase price increases, Buyer and Seller agree to sign, before Close of Escrow, a new amendatory clause that reflects the final purchase price agreed to by Buyer and Seller.

For FHA transactions, the Amendatory Clause is not required on HUD REO sales, sales where the seller is Fannie Mae, Freddie Mac, the Department of Veterans Affairs, Rural Housing Services, other Federal, State and local government agencies, mortgagees disposing of REO assets, or sellers at foreclosure sales and those sales where the borrower will not be an owner-occupant (e.g., sales to nonprofit agencies).

2. CERTIFICATION: The undersigned Buyer, Seller, and real estate agent(s) or broker(s) hereby certify that the terms and conditions of the sales contract referenced above are true to the best of their knowledge and belief and that any other agreement entered into by any of the parties in connection with the real estate transaction is part of, or attached to, the sales agreement.

WARNING: It is a crime to knowingly make false statements to the United States on this or any other similar form. Penalties can include fine, imprisonment, or both. Title 18 U.S. Code Sections 1001 et seq.

By signing below, the undersigned acknowledge that each has read, understands and has received a copy of this Amendatory Clause.

Date _____ Date _____
Buyer _____ Seller _____
Buyer _____ Seller _____

Real Estate Broker (Selling Firm) _____ DRE Lic. # _____
By _____ DRE Lic. # _____ Date _____
Address _____ City _____ State _____ Zip _____
Telephone _____ Fax _____ Email _____
Real Estate Broker (Listing Firm) _____ DRE Lic. # _____
By _____ DRE Lic. # _____ Date _____
Address _____ City _____ State _____ Zip _____
Telephone _____ Fax _____ Email _____

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