

FHA Loan Exhibit

This Exhibit is attached to and made a part of the contract for purchase and sale of real property with an Offer Date of _____, 20____ and relating to Property located at _____, Georgia _____ (the "Contract"), and shall control over any conflicting language in the above referenced Contract and any other Exhibits or Addenda attached thereto.

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 incur any penalty by forfeiture of earnest money deposits or otherwise unless the Buyer has been given, in accordance with HUD/FHA requirements, a written statement issued by the Federal Housing Commissioner, or a Direct Endorsement Lender, setting forth the appraised value of the property of not less than US\$ _____, the agreed upon Purchase Price as described in this Contract. 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 that the Department of Housing and Urban Development will insure. HUD does not warrant the value or the condition of the property. The Buyer should satisfy himself/herself that the price and condition of the property are acceptable.

FHA Mortgage Insurance Premium:

The Buyer will be responsible for payment of the up front portion of the FHA mortgage insurance premium which is equivalent to _____% of the loan amount, and which shall be either: [check one]

- added to Buyer's loan amount, thus increasing the amount the Buyer is financing, **or**
 paid in full by Buyer at the time of closing of the transaction.

The Buyer further acknowledges that payment of the mortgage insurance premium will be included in Buyer's mortgage payments, which are due to be paid on a monthly basis.

Seller's Obligations:

1. If the FHA Commitment identifies any repairs which are required to be completed prior to closing, the Seller agrees to pay an amount not to exceed US\$ _____ for the repair of the items indicated, and to complete said repairs in a good and workmanlike manner, prior to closing. Seller shall not be obligated to complete repairs costing in excess of the above referenced amount and shall have the right, but not the obligation, to terminate this agreement if repair costs exceed the agreed upon amount, or Seller may waive their right to terminate and complete repairs prior to closing as described above.
2. At Closing, the Seller will pay any tax service fees that are required by Buyer's lender, and these costs are included in the total amount, if any has been identified, that Seller may have agreed to contribute towards Buyer's closing costs in the above referenced Contract.
3. Buyer and Seller agree that the FHA may require public water and/or public sewer to be connected to the property if it is available at the street, but not currently connected to the property. If the FHA requires such connection(s), the Seller agrees to pay an amount not to exceed US\$ _____ to cover the costs of connection to be made prior to closing. However, Seller shall not be obligated to complete connection costing in excess of the above referenced amount and shall have the right, but not the obligation, to terminate this agreement if connection costs exceed the agreed upon amount, or Seller may waive their right to terminate and complete connection prior to closing as described above.
4. Seller agrees to provide inspection reports or certifications to Buyer for any Lender required Septic Tank or Well System inspections at Seller's sole expense and at least ten (10) days prior to closing. In addition, Seller agrees, if required by the FHA Commitment or Direct Endorsement Lender, to provide a Home Warranty at time of closing which meets FHA requirements and which covers recent improvements to the Property.

Other Declarations and Disclosures:

The Buyer, also known as the Borrower, Seller and the real estate agents and brokers involved in the above referenced sales transaction hereby certify that the terms and conditions of the Contract 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 aforementioned Contract.

Buyer and Seller warrant that:

- This Contract is an "arms length" transaction, and that the Buyer and Seller are not related to one another by blood, marriage, adoption or by any type of business enterprise, **or**
- This Contract is not an "arms length" transaction for the following reasons:

All Names should be both signed and printed.

Buyer:

➤ _____

Buyer Printed Name

➤ _____

Buyer Printed Name

Buyer's Broker:

Name of Brokerage Firm

➤ _____

Agent Printed Name

Seller:

➤ _____

Seller Printed Name

➤ _____

Seller Printed Name

Seller's Broker:

Name of Brokerage Firm

➤ _____

Agent Printed Name