

PURCHASER'S RIGHTS AND RESPONSIBILITIES Addendum to HUD-9548 Sales Contract

FHA CASE NO.: _____

PROPERTY ADDRESS: _____

PRINTED NAME(S) OF PURCHASER(S): _____

CONDITION OF PROPERTY

HUD makes no representations or warranties concerning the condition of this property, including, but not limited to, mechanical and operating systems (electrical, plumbing, sewage, kitchen appliances, heating and air conditioning), dry basement, roof, structural condition, or compliance with local codes, zoning, or building requirements.

HUD will authorize NO repairs to this property after the closing date. The prohibition of repairs, regardless of the nature or severity of a defect or code violation, extends to all latent (unknown) defects or code violations discovered at any time, including after the closing date. Purchaser(s) are fully responsible for satisfying themselves as to the full condition of this property and any laws, regulations or ordinances affecting this property.

THE IMPORTANCE OF A HOME INSPECTION

HUD does not warrant the condition of a property. It is important for you to have a home inspection performed on the property you wish to purchase in order to identify any possible defects. Up to \$200 of the cost to perform the inspection may be financed into your FHA mortgage. Names of home inspection companies can be found in the yellow pages of your telephone directory under the heading "Home Inspection Services".

15-DAY CONTRACT CANCELLATION CONTINGENCY FOR CONTRACTS OWNER OCCUPANT

Owner Occupant Purchaser(s) may request that the Sales Contract be canceled if, within 15 days of HUD's preliminary acceptance, the property is inspected by a professional home inspector who discovers a structural, roof, system defect, or non-compliance with local codes, zoning, or building requirements that were not previously disclosed and HUD elects not to correct, or if within such 15 day period, the property is inspected for the presence of radon by a professional radon inspector to an extent unsatisfactory to you. A copy of the property inspection report, or radon test report, as applicable, must be attached to the cancellation request.

The cancellation contingency is limited to structural, roof, defective components within the mechanical and operating systems (which include the electrical, plumbing, sewage, heating and air conditioning systems only) or noncompliance with local codes, zoning, or building requirements. Kitchen appliances, window air conditioner units, light fixtures, receptacles and switch covers are not included in the operating systems. Equipment age or energy efficiency ratings are not included in the cancellation contingency. The earnest money deposit will be returned to owner occupant purchasers ONLY if HUD concurs with the home inspection report finding(s).

APPLICABLE TO SALES INVOLVING 203K FINANCING


The purchaser agrees to make all additional improvements as required by HUD or the lender, provided the improvements are intended to bring the property into compliance with the architectural exhibits submitted to the certified 203k lender or be subject to forfeiture of the earnest money deposit if the property transaction does not close.

OTHER IMPORTANT INFORMATION

The purchaser has the right to make a final inspection of this property 24 hours prior to closing. This is an "as-is" sale and HUD will not make repairs. Failure to close may result in forfeiture of earnest money. In case of credit denial, all or part of the earnest money may be refunded. It is the broker/agent's responsibility to submit the credit denial letter to Chronos Solutions, within ten business days. Failure to do so will result in forfeiture of all earnest money. Closing agents will not release funds until processing is completed by the HUD office. Extensions must be requested before expiration of the contract. Contracts will be canceled if requests are made after the expiration. Extension fees are nonrefundable. The broker may not give me keys to the property or allow me to occupy or make repairs to the property prior to closing. It is my responsibility to ascertain if Home Owner Association dues are required and the monthly amount of those dues if applicable. If I am employed by the U.S. Department of Housing and Urban Development (HUD), or if I am related by blood, marriage, or law to a HUD employee, I must have prior approval before signing a HUD sales contract.


All locks should be replaced or re-keyed at Purchaser's expense.

The above information was explained to the purchaser(s) by:



Signature of Broker/Agent Date

I/We acknowledge receipt and understanding of the "PURCHASER'S RIGHTS AND RESPONSIBILITIES" addendum.

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Signature of Purchaser Date Signature of Purchaser Date

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Signature of Purchaser Date Signature of Purchaser Date