



# APPRAISAL RIDER



## REAL ESTATE

At the top of the page make sure the property address populates the address as it should appear to erase any confusion as to what property is in question and what Purchase and Sale Contract this rider applies to. Number the page to be part of the Purchase and Sale Contract. (i.e. If there are 9 pages to the contract then make this, say, 6 of 9.)

Buyer(s): \_\_\_\_\_

Buyer's name(s) as they appear on the Purchase and Sale Contract.

Seller(s): \_\_\_\_\_

Seller's name(s) as they appear on the Purchase and Sale Contract.

Property: \_\_\_\_\_

Property address as it appears on the Purchase and Sale Contract.

Buyer and Seller agree that the above-referenced Property is amended by adding the following:

### CHECK APPLICABLE SECTION:

\_\_\_\_ (1) In the event the Buyer's mortgage lender does not appraise the Property as soon as possible to Seller and Seller's agent or may terminate the contract by giving written notice thereof to the Seller's agent or attorney, provided that such notice is given on or before the Mortgage Contingency Period:

**Section 1:** Put the number of days you wish to give to negotiate the appraisal if it does not appraise to the purchase price. The days allotted should be a reasonable amount of time. (i.e. 3 business days. If the sellers wish to perform their own appraisal then an amendment may be completed by the listing agent and signed by all parties.)

In the event the Buyer and Seller are unable to satisfactorily negotiate the price to a mutually agreeable amount within \_\_\_\_\_ business days of giving notice of the appraisal to Seller, (1) the contract will be deemed to be terminated, (2) Buyer's deposit monies shall be returned in full to the Buyer, and (3) Buyer and Seller shall have no further liability obligation to one another hereunder or under the contract.

**Section 2:**  
- Check this option only if the Buyer is willing to pay more than the appraised value and has the cash to do so.  
- Enter the amount the Buyer is willing to pay above the appraised value. If you check paragraph 2 and do not enter an amount on this line, the Buyer will be responsible for paying the full difference between the purchase price and the appraised value of the property.

\_\_\_\_ (2) In the event the Buyer's mortgage lender's appraisal of the Property is an amount less than the purchase price, Buyer hereby waives the right to terminate the contract because the mortgage lender's appraisal does not satisfy such lender's underwriting requirements. If the lender reduces the cash portion of the purchase price shall be increased by \_\_\_\_\_ to exceed \_\_\_\_\_ (dollar amount only applies).

**Section 3:** If the buyer(s) will not be taking a mortgage, then check this option.

\_\_\_\_ (3) In the event there is no mortgage contingency in the contract, Buyer may obtain an appraisal of the Property performed by a licensed real estate appraiser within \_\_\_\_\_ business days of the signing of the contract. In the event that the appraisal is less than the purchase price, Buyer shall be responsible for paying the full difference between the purchase price and the appraised value of the property.

- Put in the number of days in which the buyer will need to have an appraisal done. Consider holidays, weekends, and time of year since there could be an appraiser shortage. You can tell your buyer(s) to go to <http://www.narea-assoc.org/>, or another appraiser association site, to find an appraiser.  
- Put the number of days you wish to give to negotiate the appraisal if it does not appraise to the purchase price. The days allotted should be a reasonable amount of time. (i.e. 3 business days. If the sellers wish to perform their own appraisal, then an amendment may be completed by the listing agent and signed by all parties.)

In the event the Buyer and Seller are unable to satisfactorily negotiate the price to a mutually agreeable amount within \_\_\_\_\_ business days of giving notice of the appraisal to Seller, (1) the contract will be deemed to be terminated, (2) Buyer's deposit monies shall be returned in full to the Buyer, and (3) Buyer and Seller shall have no further liability obligation to one another hereunder or under the contract.

\_\_\_\_ (4) In the event there is no mortgage contingency in the contract, Buyer may obtain an appraisal of the Property performed by a licensed real estate appraiser within \_\_\_\_\_ business days of the signing of the contract. In the event that the appraisal is less than the purchase price, Buyer shall be responsible for paying the full difference between the purchase price and the appraised value of the property.

**Section 4:**  
- Check this option only if the Buyer has waived the mortgage contingency but is getting a mortgage.  
- Enter the number of business days in which the appraisal will be done from full execution of the Contract. You may wish to speak with the loan officer to confirm the current turnaround times for appraisals. Consider holidays, weekends, and time of year.  
- Enter the amount the Buyer is willing to pay above the appraised value. If you check paragraph 4 and do not enter an amount on this line, the Buyer will be responsible for paying the full difference between the purchase price and the appraised value of the property.

### BUYER

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Date: \_\_\_\_\_ Date: \_\_\_\_\_