



**NEW MEXICO ASSOCIATION OF REALTORS®
APPRAISAL CONTINGENCY WAIVER ADDENDUM – 2022
ADDENDUM NO. _____**



IMPORTANT - READ ENTIRE ADDENDUM CAREFULLY



THIS ADDENDUM REPLACES THE APPRAISAL CONTINGENCY PROVISIONS OF THE PURCHASE AGREEMENT. IF USING THE NMAR 2104 - PURCHASE AGREEMENT - RESIDENTIAL RESALE AGREEMENT, THIS ADDENDUM REPLACES PARA. 9(C) IN ITS ENTIRETY.

IF BUYER IS OBTAINING AN FHA OR VA LOAN, THE LENDER WILL REQUIRE THE PARTIES TO SIGN AN AMENDATORY CLAUSE ADDENDUM THAT STATES THAT REGARDLESS OF THE PARTIES AGREEMENT IN THIS ADDENDUM, THE BUYER SHALL HAVE THE RIGHT (THOUGH NOT THE OBLIGATION) TO TERMINATE THE AGREEMENT WITHOUT PENALTY IF THE APPRAISED VALUE IS LESS THAN THE PURCHASE PRICE.

This Addendum is hereby incorporated into and made part of the Purchase Agreement dated: _____, _____ between _____ (“Buyer”) and _____ (“Seller”) and relating to the following Property:

Address (Street, City, State, Zip Code)

Legal Description

or see metes and bounds legal description attached as Exhibit _____, _____ Count(ies), New Mexico (hereinafter the “Purchase Agreement”).

THE PARTIES AGREE THAT THE APPRAISAL CONTINGENCY IN THE PURCHASE AGREEMENT IS REPLACED IN ITS ENTIRETY AS FOLLOWS:

1. MODIFICATION OF APPRAISAL CONTINGENCY. CHECK ONLY ONE OPTION BELOW.

OPTION A: BUYER FULLY WAIVES THE APPRAISAL CONTINGENCY



IMPORTANT NOTE: THIS MEANS THAT BUYER AGREES TO PURCHASE THE PROPERTY AT THE PURCHASE PRICE REGARDLESS OF THE AMOUNT FOR WHICH THE PROPERTY APPRAISES.

IF Buyer is obtaining a loan and IF Buyer is required to deliver Proof of Funds per Paragraph 2(B), then within two (2) days of Buyer’s receipt of the appraisal, Buyer shall deliver to Seller a Copy of the Appraisal and Proof of Funds per Paragraph 2(B).

BUYER(S) _____

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IF THIS IS A CASH OR SELLER-FINANCED TRANSACTION. One of the following options would be selected **IF** the Buyer is requiring an appraisal and **IF** the Buyer will be partially waiving the Appraisal Contingency in the Purchase Agreement (Para. 9(C) of the NMAR Form 2104 - Purchase Agreement – Residential Resale)). In this event, the Buyer shall pay for and select the appraiser.

OPTION B: LIMITED WAIVER OF APPRAISAL CONTINGENCY.
BUYER SHALL PAY THE LESSER OF TWO AMOUNTS.

BUYER SHALL PAY THE PURCHASE PRICE IN THE PURCHASE AGREEMENT OR \$ _____ ABOVE THE APPRAISAL AMOUNT, WHICHEVER SHALL BE LESS. THE LESSER OF THESE TWO AMOUNTS IS THE “RATIFIED PURCHASE PRICE.”

PRICE MODIFICATION AMENDMENT. Within two (2) days of Buyer’s receipt of the appraisal, Buyer shall deliver to Seller:

- A Copy of the Appraisal;
- A Price Modification Amendment reflecting the Ratified Purchase Price (NMAR Form 2101); and
- If applicable, Proof of Funds per Paragraph 2(B) below.

Notwithstanding the foregoing, if Buyer delivers the foregoing, this Addendum remains in full force and effect even if the parties fail to execute a Price Modification Amendment as required by this Addendum.

BUYER(S) _____

OPTION C: LIMITED WAIVER OF APPRAISAL CONTINGENCY.
BUYER SHALL PAY THE GREATER OF TWO AMOUNTS.

BUYER SHALL PAY THE PURCHASE PRICE IN THE PURCHASE AGREEMENT OR \$ _____ ABOVE THE APPRAISAL AMOUNT, WHICHEVER SHALL BE GREATER. THE GREATER OF THESE TWO AMOUNTS IS THE “RATIFIED PURCHASE PRICE.”

PRICE MODIFICATION AMENDMENT. Within two (2) days of Buyer’s receipt of the appraisal, Buyer shall deliver to Seller:

- A Copy of the Appraisal;
- A Price Modification Amendment reflecting the Ratified Purchase Price (NMAR Form 2101); and
- If applicable, Proof of Funds per Paragraph 2(B) below.

Notwithstanding the foregoing, if Buyer delivers the foregoing, this Addendum remains in full force and effect even if the parties fail to execute a Price Modification Amendment as required by this Addendum.

BUYER(S) _____



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 ADDENDUM NO. _____**



OPTION D: LIMITED WAIVER OF THE APPRAISAL CONTINGENCY

- **IF THE PROPERTY APPRAISES AT OR ABOVE A CERTAIN AMOUNT, THE BUYER SHALL PAY THE LESSER OF THE TWO NUMBERS**
- **IF THE PROPERTY APPRAISES BELOW A CERTAIN AMOUNT, THE BUYER SHALL PAY THE GREATER OF THE TWO NUMBERS.**
- **THIS OPTION ALLOWS THE BUYER TO SET FORTH THE HIGHEST PURCHASE PRICE THEY ARE WILLING TO PAY (“BUYER’S CAP”) AND ALLOWS THE SELLER TO SET FORTH THE LOWEST PURCHASE PRICE THEY ARE WILLING TO ACCEPT (“SELLER’S FLOOR”)**



ALL SPACES BELOW MARKED WITH AN ASTERISK (*) MUST HAVE THE SAME NUMBER



IF PROPERTY APPRAISES FOR \$ _____* OR MORE, BUYER SHALL PAY \$ _____ OVER THE APPRAISED VALUE OR \$ _____ (“BUYER’S CAP”), WHICHEVER IS LESS. THE LESSER OF THESE TWO AMOUNTS IS THE “RATIFIED PURCHASE PRICE.”

IF PROPERTY APPRAISES FOR LESS THAN \$ _____* BUYER SHALL PAY \$ _____ OVER THE APPRAISAL OR \$ _____ (“SELLER’S FLOOR”), WHICHEVER IS GREATER. THE GREATER OF THESE TWO AMOUNTS IS THE “RATIFIED PURCHASE PRICE.”

PRICE MODIFICATION AMENDMENT. Within two (2) days of Buyer’s receipt of the appraisal, Buyer shall deliver to Seller:

- A Copy of the Appraisal;
- A Price Modification Amendment reflecting the RATIFIED PURCHASE PRICE (NMAR Form 2101); and
- If applicable, Proof of Funds per Paragraph 2(B) below.

Notwithstanding the foregoing, if Buyer delivers the foregoing, this Addendum remains in full force and effect even if the parties fail to execute a Price Modification Amendment as required by this Addendum.

BUYER(S) _____



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APPRAISAL CONTINGENCY WAIVER ADDENDUM – 2022
ADDENDUM NO. _____**



OPTION E: LIMITED WAIVER WITH OPTION TO RE-NEGOTIATE PURCHASE PRICE

- **IF THE PROPERTY APPRAISES AT OR ABOVE A CERTAIN AMOUNT, THE BUYER SHALL PAY THE “LESSER OF TWO NUMBERS”**
- **IF THE PROPERTY APPRAISES BELOW A CERTAIN AMOUNT, THE BUYER HAS THE OPTION OF BUYING FOR A CERTAIN AMOUNT, BUT IF THE BUYER OPTS NOT TO BUY FOR THAT CERTAIN AMOUNT, THEN THE PARTIES MAY RE-NEGOTIATE A PURCHASE PRICE.**



ALL SPACES BELOW MARKED WITH AN ASTERISK (*) MUST HAVE THE SAME NUMBER



IF PROPERTY APPRAISES FOR \$ _____ * OR MORE, BUYER SHALL PAY \$ _____ OVER THE APPRAISED VALUE OR \$ _____ (“BUYER’S CAP”), WHICHEVER IS LESS. THE LESSER OF THESE TWO NUMBERS IS THE “RATIFIED PURCHASE PRICE.”

Within two (2) days of Buyer’s receipt of the appraisal, Buyer shall deliver to Seller a Copy of the appraisal, a Price Modification Amendment reflecting the RATIFIED PURCHASE PRICE (NMAR Form 2101); and if applicable, Proof of Funds per Paragraph 2(B) below.

Notwithstanding the foregoing, if Buyer delivers the foregoing, this Addendum remains in full force and effect even if the parties fail to execute a Price Modification Amendment as required by this Addendum.

IF PROPERTY APPRAISES FOR LESS THAN \$ _____ * , then Buyer shall deliver a copy of the appraisal to Seller within TWO (2) days of Buyer’s receipt of the appraisal and one of the following shall occur within THREE (3) days of Seller’s receipt of the appraisal.

NO. 1: BUYER SHALL HAVE THE RIGHT, BUT NOT THE OBLIGATION, TO PURCHASE THE PROPERTY FOR \$ _____ (“SELLER’S FLOOR”).

If Buyer elects to purchase the Property for the Seller’s Floor, then Buyer shall deliver to Seller a Price Modification Amendment reflecting the Seller’s Floor (NMAR Form 2101) and if applicable, Proof of Funds per Paragraph 2(B) below.

Notwithstanding the foregoing, if Buyer delivers the foregoing, this Addendum remains in full force and effect even if Seller fails to execute a Price Modification Amendment as required by this Addendum.

----- OR -----

NO. 2: THE PARTIES MAY RE-NEGOTIATE A PURCHASE PRICE (“RE-NEGOTIATED PURCHASE PRICE”). If the parties renegotiate a Purchase Price, the parties shall fully execute a Price Modification Amendment reflecting the RE-NEGOTIATED PURCHASE PRICE (NMAR FORM 2101) and if applicable, Proof of Funds per Paragraph 2(B) below.

If Buyer does not exercise their option to purchase for the Seller’s Floor AND the parties fail to execute a Price Modification Amendment with the Re-Negotiated Purchase Price within THREE (3) days of Seller’s receipt of the appraisal, then this Agreement SHALL AUTOMATICALLY TERMINATE and Earnest Money, if delivered, shall be refunded to Buyer.

BUYER(S) _____



**NEW MEXICO ASSOCIATION OF REALTORS®
APPRAISAL CONTINGENCY WAIVER ADDENDUM – 2022
ADDENDUM NO. _____**



2. **CASH FUNDS AT CLOSING.** If Buyer is securing a loan to purchase the Property and Buyer has agreed to pay more than the appraised value under any of the foregoing options, Buyer agrees as follows:
- A. To pay by the Funding Date in readily available funds any difference between the amount of the loan and the final Purchase Price, as modified by this Addendum (“Difference”); and
 - B. if checked, to provide Seller with proof of funds for the Difference.
3. **DISCLAIMER/ACKNOWLEDGMENT: The parties have read and understand the terms of this Addendum and acknowledge that neither the Broker(s), nor the Brokerage(s) can guarantee or control the amount for which the Property will appraise.**
- A. **Buyer** acknowledges and affirms that this waiver of any or all of the Appraisal Contingency, has been made of their own volition and discretion and Buyer agrees to forever hold harmless the Broker(s) and Brokerages(s) with regard to this waiver.
 - B. **Seller** acknowledges and affirms that the Option chosen in this Addendum and if applicable, the amount of the Seller’s Floor has been made of their own volition and discretion and Seller agrees to forever hold harmless the Broker(s) and Brokerage(s) with regard to the Option chosen and the amount of the Seller’s Floor.
4. **OTHER CHANGES:** _____

BUYER(S)

BUYER SIGNATURE	PRINTED NAME	DATE	TIME
BUYER SIGNATURE	PRINTED NAME	DATE	TIME
BUYER SIGNATURE	PRINTED NAME	DATE	TIME
BUYER SIGNATURE	PRINTED NAME	DATE	TIME

SELLER(S)

SELLER SIGNATURE	PRINTED NAME	DATE	TIME
SELLER SIGNATURE	PRINTED NAME	DATE	TIME
SELLER SIGNATURE	PRINTED NAME	DATE	TIME
SELLER SIGNATURE	PRINTED NAME	DATE	TIME