(a) Fees, Prepayments: Seller shall pay for the termite inspection and tax service, underwriting, and document preparation fees required by the lender, and for recording fees for assigning purchaser's mortgage. Purchaser shall pay all prepayments and escrows for taxes, hazard insurance, and flood insurance, when applicable.

(b) Appraisal Repairs: If the cost of Appraisal Repairs exceeds the limit imposed by Paragraph 2 above, Seller must, within 3 days after receiving notice of the excess cost, give purchaser written notice of Seller's intent to pay the excess cost or cancel the contract.

5. **ELECTION TO PROCEED WITH CONTRACT:** In the event purchaser elects under Paragraph 3 or 4 above to proceed with the contract without regard to the amount of reasonable value established by the Federal Housing Commissioner, U.S. Department of Veterans Affairs, or Direct Endorsement lender, such election must be made within 3 days after purchaser receives the appraisal. (If purchaser and Seller agree to adjust the sales price in response to an appraised value which is less than the sales price, a new Rider is not required. However, the loan application package must include the original sales contract with the same price as shown on the above clause, along with the revised or amended sales contract.)

BUYER	Date	SELLER	Date
BUYER	Date	SELLER	Date
BROKER	Date	BROKER	Date