



FHA DOES NOT WARRANT THE VALUE OR THE CONDITION OF A HOME!

**U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
FEDERAL HOUSING ADMINISTRATION**

While FHA requires the lender to have an appraiser determine the value of the property, it is an estimate only and is used to determine the amount of mortgage FHA will insure and if the condition of the property makes it eligible for FHA mortgage insurance. It is not, however, a guarantee that the property is free of defects.

As the purchaser, YOU should carefully examine the property or have it inspected by a qualified home inspection company to make sure that the condition is acceptable to you. You should do this before you sign the sales contract or make the contract contingent on the inspection. If repairs are needed, you may negotiate with the owner about having the faults corrected.

There is no requirement that you hire an inspector. If you choose to, the cost of the inspection up to \$200 may be included in your mortgage loan. Names of home inspection companies can be found in the yellow pages of your telephone directory under the heading "Home Inspection Services"

I/We have carefully read this notice and fully understand that FHA will not perform a home inspection nor guarantee the price or condition of the property we are purchasing.

_____ I/We choose to have a home inspection performed.

_____ I/We do not choose to have a home inspection performed.

Borrower

Date

Co-Borrower

Date

