



**ADDENDUM FOR
RELEASE OF LIABILITY ON ASSUMED LOAN
AND/OR RESTORATION OF SELLER'S VA ENTITLEMENT
TO CONTRACT CONCERNING THE PROPERTY AT**

(Address of Property)

A. RELEASE OF SELLER'S LIABILITY ON LOAN TO BE ASSUMED:

Within _____ days after the effective date of this contract Seller and Buyer shall apply for release of Seller's liability from (a) any conventional lender, (b) VA and any lender whose loan has been guaranteed by VA, or (c) FHA and any lender whose loan has been insured by FHA. Seller and Buyer shall furnish all required information and documents. If any release of liability has not been approved by the Closing Date: (check one box only)

- (1) This contract will terminate and the earnest money will be refunded to Buyer.
- (2) Failure to obtain release approval will not delay closing.

B. RESTORATION OF SELLER'S ENTITLEMENT FOR VA LOAN:

Within _____ days after the effective date of this contract Seller and Buyer shall apply for restoration of Seller's VA entitlement and shall furnish all information and documents required by VA. If restoration has not been approved by the Closing Date: (check one box only)

- (1) This contract will terminate and the earnest money will be refunded to Buyer.
- (2) Failure to obtain restoration approval will not delay closing.

NOTICE: VA will not restore Seller's VA entitlement unless Buyer: (a) is a veteran, (b) has sufficient unused VA entitlement and (c) is otherwise qualified. If Seller desires restoration of VA entitlement, paragraphs A and B should be used.

Seller shall pay the cost of securing the release and restoration.

Seller's deed will contain any loan assumption clause required by FHA, VA or any lender.

Buyer

Seller

Buyer

Seller

This form has been approved by the Texas Real Estate Commission for use with similarly approved or promulgated contract forms. Such approval relates to this form only. TREC forms are intended for use only by trained real estate licensees. No representation is made as to the legal validity or adequacy of any provision in any specific transactions. It is not suitable for complex transactions. Texas Real Estate Commission, P.O. Box 12188, Austin, TX 78711-2188, 1-800-250-8732 or (512) 459-6544 (<http://www.trec.state.tx.us>) TREC No. 12-2. This form replaces TREC No. 12-1.