



CHICAGO ASSOCIATION OF REALTORS®
APPRAISAL GAP RIDER

© 2024 by Chicago Association of REALTORS® - All rights reserved
This Contract is Intended to be a Binding Real Estate Contract



1 This Appraisal Gap Rider ("Rider") is made a part of and incorporated into that certain real estate contract
2 between _____ ("Buyer") and _____ ("Seller")
3 dated _____ ("Contract") for the purchase and sale of the property commonly known as
4 _____ ("Property").

5 I. Except as modified by this Rider (and any other riders entered into by and between Buyer and Seller), all of the terms and
6 conditions contained in the Contract remain in full force and effect. In the event of any conflict between the terms and
7 conditions of this Rider and the terms and conditions of the Contract, the terms and conditions of this Rider shall prevail.
8 Capitalized terms used in this Rider and not defined shall have the meaning ascribed to such terms in the Contract.

9 II. Definitions:
10 a) "Appraisal" shall be the property appraisal performed by the Buyer's lender performed after the execution date of the
11 Contract.
12 b) "Appraised Value" shall be the value of the Property determined by the Appraisal.

13 III. If the Appraised Value is less than the Purchase Price, the Buyer shall notify Seller within 2 Business Days of Buyer's receipt
14 of the Appraisal and said notice shall be accompanied by a copy of the Appraisal. If the Buyer fails to provide timely notice
15 accompanied by a copy of the Appraisal, then this Rider shall be deemed waived and the Contract shall remain in full force
16 and effect.

17 IV. Buyer agrees to cooperate with Seller in requesting a review or amendment to the Appraisal in the event that the Appraisal
18 contains factual inaccuracies.

19 V. Provided the Appraisal is not under review for factual inaccuracies, Buyer agrees that if the Appraised Value is less than the
20 Purchase Price (defined in the Contract), Buyer shall pay at Closing up to \$_____ ("Appraisal Gap Amount")
21 above the Appraised Value, not to exceed the Purchase Price. Buyer and Seller hereby agree to the following:

22 a. If the difference between the Appraised Value and Purchase Price is less than or equal to the Appraisal Gap Amount,
23 the Buyer shall pay any additional cash to close up to the amount of the Appraisal Gap Amount and proceed with
24 the transaction in accordance with the terms of the Contract. In such case, Buyer waives any provision of the
25 mortgage or loan contingency of the Contract that requires Buyer to obtain a loan of any fixed amount or percentage
26 of the Purchase Price.

27 b. If the difference between the Appraised Value and Purchase Price is greater than the Appraisal Gap Amount and the
28 parties are unable to reach mutual agreement on a new Purchase Price and loan amount, then either party can
29 declare the Contract null and void and the Earnest Money shall be returned to the Buyer. If neither party declares
30 the Contract null and void, this Rider shall be deemed waived and the Contract shall remain in full force and effect.

31 VI. Buyer represents and warrants that Buyer has the ability to pay the Appraisal Gap Amount and shall provide proof of
32 sufficient funds to Seller with this Rider.

33 Buyer(s) Signature:

33 Seller(s) Signature:

34 _____
35 Date

34 _____
35 Date

36 _____
37 Date

36 _____
37 Date