



*Promoting expertise in real estate*

## **Legal Hotline Q & A**

**From Get the Facts 04/18/17**

**QUESTION:** Buyer's lender's appraisal was low and buyer gave seller notice by marking the first check box on Form 22AN and delivering 22AN, along with a copy of the appraisal, to seller. Seller marked the second check box in seller's response section and agreed to lower the purchase price to the appraisal value. Both sellers signed. Is buyer required to take any further action with respect to Form 22AN?

---

**ANSWER:** There are no further marks that buyer needs to make on Form 22AN and buyer does not need to sign Form 22AN again. Form 22A, lines 80-82, control what happens next. With seller's agreement to lower the price to the appraised value, buyer and seller have both agreed to the new purchase price of the property. Buyer is now required to obtain lender's consent to the price reduction. Assuming buyer's lender consents to the reduced price and funds the loan, buyer and seller must proceed to closing. If buyer's lender does not consent to the reduced purchase price, and the transaction does not close as a result, then buyer is excused from performance of the purchase agreement based on buyer's financing contingency.

*The Legal Hotline Lawyer does not represent Washington REALTORS or its members. To browse through our database of past Q & A's, visit [www.warealtor.org](http://www.warealtor.org). Attorney Annie Fitzsimmons writes the Legal Hotline Question and Answer of the Week. Please submit questions to [legalhotline@warealtor.org](mailto:legalhotline@warealtor.org). Please tell us your NRDS number when you e-mail the Hotline with your question.*