



SHORT SALE ADDENDUM

Buyer _____

Address _____

Seller _____

Address _____

_____ (the "Property")
Property Address

The Parties hereto agree that this Addendum be incorporated into and made an integral part of the Purchase and Sale Agreement dated _____.

1. **Short Sale Defined.** A conveyance of title where the sale price is insufficient to pay the total of all liens and costs of sale and where the seller does not bring sufficient liquid assets to the closing to cure all deficiencies.

2. **Contingency.** This Agreement is contingent upon Seller obtaining short sale approval from all Lienholders by _____, 20____ in an amount which will enable Seller to close and convey title in accordance with the Agreement. In the event that Lienholder approval is not received by this date, either party shall have the option to terminate this Agreement by giving written notice to the other party, in which case the deposit(s) shall be returned to Buyer. Seller shall use best efforts to obtain Lienholders' approval and shall reasonably cooperate in the short sale process by providing such documentation as may be required. Buyer and Seller understand that Lienholders' approval may take several weeks or months to obtain, and neither the Seller nor any real estate agent representing Seller or Buyer can guarantee the timeliness of Lienholders' review, approval or rejection. If Lienholders reject the short sale, then either party may terminate the Agreement by written notice to the other party and all deposit(s) shall be returned to Buyer.

3. **No Guarantee of Lienholders' Approval.** Buyer and Seller understand that:
a) No Lienholder is required or obligated to accept a short sale.
b) Lienholder's approval may be subject to additional terms.
c) If Buyer and Seller agree to the Lienholders' terms, Buyer and Seller agree to execute documents that provide those terms.
d) The Buyer, the Seller, the settlement agent and the broker(s) in this transaction have no authority over Lienholders, or control of any act, omission or decision by any Lienholders.

4. **Repairs.** Buyer acknowledges that Seller may not be financially able to make any repairs to the Property that Buyer may request as a result of any of the Buyer's inspections. This acknowledgement shall not affect any rights that Buyer may have under the Agreement to terminate the Agreement.

5. **Other Offers.** Buyer and Seller understand that additional offers may be received by the Seller's Agent, which must be presented to the Seller, unless otherwise directed by the Seller. Buyer and Seller are advised to seek advice from an attorney to determine their rights and obligations.

6. **Foreclosure.** If during the short sale process a foreclosure proceeding is filed, the Seller shall disclose such foreclosure filing to the Buyer. Buyer and Seller understand that if closing does not occur before the completion of a foreclosure of the Property, Seller will lose all rights and interest in the Property. In such event, the Agreement shall be void, and all Earnest Money shall be returned to Buyer. Seller and Buyer acknowledge that if a real estate agent involved in the transaction contemplated by the Agreement knows or reasonably should know that a foreclosure proceeding with respect to the property has been filed, the agent is required by law to disclose it to the Buyer as a material fact.

7. In the event of a conflict between this Addendum and the Purchase & Sale Agreement, this addendum shall control.

Buyer _____ Seller _____
Date _____ Date _____
Buyer _____ Seller _____
Date _____ Date _____
Buyer _____ Seller _____
Date _____ Date _____