



Sale Agreement # \_\_\_\_\_

## SHORT SALE ADDENDUM

1 This Short Sale Addendum ("Addendum") shall become a part of the Real Estate Sale Agreement (hereinafter referred to as the "Sale Agreement") between  
2 \_\_\_\_\_, Buyer and \_\_\_\_\_, Seller,  
3 dated \_\_\_\_\_, for the Property located at \_\_\_\_\_, Oregon ("Seller's Property").

4 AS MORE FULLY DESCRIBED ON THE ACCOMPANYING DOCUMENT ENTITLED "SHORT SALES – A BRIEF SUMMARY" ("THE SUMMARY") A  
5 "SHORT SALE" IS A REAL ESTATE TRANSACTION IN WHICH THE AGREED-UPON PURCHASE PRICE FOR A SELLER'S PROPERTY IS NOT  
6 SUFFICIENT TO PAY OFF THE SELLER'S TOTAL COSTS AND EXPENSES NECESSARY TO CLOSE THE TRANSACTION AND CONVEY  
7 MARKETABLE TITLE TO THE BUYER. THESE COSTS AND EXPENSES MAY INCLUDE SUCH THINGS AS THE LOAN BALANCE, LATE FEES, IF  
8 ANY, RECORDED LIENS, TAXES, ENCUMBRANCES, COMMISSIONS AND OTHER CHARGES THAT WOULD NORMALLY BE PAID FROM  
9 SELLER'S GROSS PROCEEDS OF SALE AT THE TIME OF CLOSING ("TOTAL CLOSING COSTS"). AS A RESULT, THE PARTIES MAY  
10 EXPERIENCE SIGNIFICANT TIME DELAYS AND OTHER COMPLICATIONS IN THIS TRANSACTION WHILE NEGOTIATING A REDUCTION IN THE  
11 TOTAL CLOSING COSTS WITH SELLER'S CREDITORS ("THE CREDITORS"). BY SIGNING BELOW, BUYER AND SELLER HAVE AGREED  
12 THAT THIS TRANSACTION IS A SHORT SALE, AND ACKNOWLEDGE THAT THEY HAVE REVIEWED THE SUMMARY AND HAVE BEEN ADVISED  
13 BY THEIR RESPECTIVE REAL ESTATE LICENSEES, TO SECURE COMPETENT LEGAL, TAX AND CREDIT ADVICE, AS NECESSARY.

14 **1. THE CONTINGENCY.** This sale is contingent upon Seller obtaining written consents from the Creditors permitting a  
15 reduction of the Total Closing Costs sufficient to close the transaction for the Purchase Price and convey marketable title to  
16 Buyer ("the Contingency"). All parties acknowledge that at the present time the exact identities of the Creditors and/or the  
17 exact amount of the Total Closing Costs may not be currently known. The Contingency shall continue in effect until the first of  
18 the following events occurs: (a) It is jointly removed in writing by both Buyer and Seller; (b) Written Creditor consent is given  
19 to this transaction upon such terms as Seller and Buyer have agreed in writing; (c) One or more Creditors refuse, in writing,  
20 to give their consent to this transaction; (d) This transaction is closed; or (e) This transaction fails to close by the agreed-upon  
21 closing date.

22  Notwithstanding the preceding, this Contingency shall automatically expire with no further notice from Buyer or Seller on  
23 (*insert date*) \_\_\_\_\_ if (a) – (e) above have not yet occurred. (*Note: If this section*  
24 *is not checked and/or a date is not inserted, the Contingency shall continue until the first event described in (a)-(e) occurs.*)

25 **2. CONTINGENCY AND DEPOSIT DEADLINES.** Except for the agreed-upon closing date, which shall remain in effect  
26 unless jointly rescheduled in writing by Seller and Buyer, all performance or contingency deadlines contained in the Sale  
27 Agreement, including but not limited to those for the redemption of earnest money, closing, financing, title, inspection, lead  
28 based paint, and Seller's Property Disclosure (ORS 105.465-105.490) shall not commence until the first day after termination  
29 or expiration of the Contingency occurs as described in Section 1, above. **Caution: The Lead-Based Paint Disclosure**  
30 **Addendum must be completed by Seller and Buyer and their licensees prior to closing. See Section 15 (Lead-Based**  
31 **Paint Contingency Period) of Sale Agreement.** All parties acknowledge that written Creditor consent may never be  
32 issued, or if it is, there may be insufficient time for Buyer to complete all investigations and inspections prior to the scheduled  
33 closing date, without rescheduling said date. Notwithstanding the preceding, the following performance or contingency  
34 deadlines shall commence in accordance with the date(s)/time(s) contained in the Sale Agreement: \_\_\_\_\_  
35 \_\_\_\_\_.  
36 \_\_\_\_\_

37 **3. WAIVER, MODIFICATION, AMENDMENT; CREDITOR MODIFICATION; DISPUTE RESOLUTION.** The Contingency is  
38 for the joint benefit of Buyer and Seller and may not be unilaterally waived, modified, or amended, by one party, without the  
39 written consent of the other. Buyer and Seller acknowledge that one or more of the Creditors may require a change in the  
40 terms of this transaction before agreeing to any reduction of the Total Closing Costs. However, neither Buyer nor Seller, nor  
41 their respective licensees or firms shall be legally required, as a party or fiduciary, to consent to any such proposed change of  
42 terms, even though the refusal to do so could mean that this transaction will fail to close. Notwithstanding anything to the  
43 contrary contained herein, should there arise any "Claims" (as that term is defined in the Sale Agreement) under this  
44 Addendum, between or among Buyer, Seller, or their respective licensees or firms, the matter shall be exclusively resolved in

LINES WITH THIS SYMBOL ← REQUIRE A SIGNATURE AND DATE

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Principal Broker's Initials \_\_\_\_\_  
Date \_\_\_\_\_

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45 accordance with the alternative dispute resolution provisions contained in the Sale Agreement, even though the Contingency  
46 has not yet expired or been satisfied, removed, terminated or waived.

47 **4. TERMINATION OF TRANSACTION; NO REPRESENTATIONS OR WARRANTIES; ASSUMPTION OF RISK.** Buyer  
48 and Seller acknowledge that: (a) Closing of this Short Sale transaction will be primarily based upon consent of the Creditors;  
49 and (b) A Creditor's failure to consent by the scheduled closing date shall result in an automatic termination of this  
50 transaction. Upon such termination, all earnest money, if any, deposited by Buyer shall be promptly returned to Buyer.  
51 Buyer and Seller acknowledge that neither the other party, nor their licensee or firm, have made any representations or  
52 warranties concerning the likelihood this transaction will successfully close. This Addendum shall not create any right of first  
53 refusal to Buyer. Any expenditure of time, money or other consideration by Buyer or Seller prior to termination or expiration  
54 of the Contingency in accordance with Section 1, above, shall be solely at their own risk, and neither shall have a claim  
55 against the other for such expenditure.

56 **5. RIGHTS OF PARTIES DURING CONTINGENCY; BUYER'S CONTACT WITH THE CREDITORS.** Buyer understands  
57 that: (a) Seller's Property may remain on the market as an active listing (subject to existing MLS rules); (b) Seller may  
58 consider and submit to the Creditors other competing offers to purchase the Property; and (c) Creditors may insist that  
59 regardless of the order in which received from Seller, all Short Sale offers will be reviewed before a final decision is made on  
60 which one to accept. During the period that this Contingency remains open, Buyer and Seller shall have the right to verify, to  
61 their sole satisfaction, that one or more of the Creditors will, in writing, waive or reduce the Total Closing Costs in an amount  
62 sufficient to enable Seller to close this transaction for the Purchase Price and convey marketable title to Buyer. This  
63 Addendum shall not be construed as requiring Seller to permit Buyer or Buyer's licensees, agents or representatives to  
64 contact any Creditors regarding Sellers' financial, personal or confidential information for which any privacy rights may exist.  
65 If Seller agrees to permit Buyer or Buyer's agents or representatives to have direct contact with the Creditors concerning or  
66 verifying a reduction of Seller's Total Closing Costs, Seller agrees to sign such documents as reasonably required by the  
67 Creditors to authorize such contact.

68 **6. SHARING OF NON-CONFIDENTIAL INFORMATION.** Both parties acknowledge that while final Creditor consent is  
69 outside of their individual control, they nevertheless agree to timely provide to the other party and their licensees, agents or  
70 representatives, if any, with such non-confidential information as they may actually acquire from the Creditors regarding  
71 approval or disapproval of this transaction.

72 **7. ADDITIONAL PROVISIONS.** \_\_\_\_\_

73 \_\_\_\_\_

74 \_\_\_\_\_

75 Buyer \_\_\_\_\_ Date \_\_\_\_\_ ← Seller \_\_\_\_\_ Date \_\_\_\_\_ ←

76 Buyer \_\_\_\_\_ Date \_\_\_\_\_ ← Seller \_\_\_\_\_ Date \_\_\_\_\_ ←

77 Selling Licensee \_\_\_\_\_ Date \_\_\_\_\_ Listing Licensee \_\_\_\_\_ Date \_\_\_\_\_

78 Selling Firm \_\_\_\_\_ Listing Firm \_\_\_\_\_

LINES WITH THIS SYMBOL ← REQUIRE A SIGNATURE AND DATE

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Date _____

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