



SHORT SALE ADDENDUM TO MULTI-BOARD RESIDENTIAL REAL ESTATE CONTRACT 4.0

(Not to be attached to any Contract other than Multi-Board 4.0)



SELLER(S): _____

BUYER(S): _____

This Addendum is attached to and made part of a certain real estate contract (hereinafter "the Contract") between the above captioned Parties for the property commonly known as _____

(Address, City, Zip Code)

_____ and the Parties agree as follows:

1. **Conflict of Terms:** In the event of inconsistencies between the terms of the Addendum and the terms of the Contract, the terms of this Addendum shall control.
2. **Short Sale Payoffs:** The Contract is contingent upon the successful negotiation with Seller's lienholders and/or third parties for a payoff of less than the total amount owed. Seller agrees to promptly submit all documents necessary for lienholder approval. Buyer and Seller acknowledge that a "short sale" requires the written approval of all of such lienholders and/or third parties, and that there can be no assurance such approvals will be obtained. Buyer agrees to hold Seller harmless from any costs or damages Buyer may sustain as the result of Seller's inability to obtain approval of the Contract by all lienholders and/or third parties.
3. **Extension of Closing Date:** Buyer and Seller agree to extend the Closing date in the Contract until such times as the necessary approvals and payoffs are obtained.
4. **Termination Option:** Buyer and Seller acknowledge that, as a condition of acceptance by the lienholder(s) of a payoff of less than the full amount due, the lienholder(s) may require reduction in the compensation due third party service providers and other usual and customary expenses incurred as a result of the sale. In the event agreement is not reached by Buyer and Seller regarding allocation of expenses due third party service providers or if the contingency contained in Paragraph 2 above is not satisfied within _____ days (if blank then 90 days) after Date of Acceptance, then either Party may declare the Contract null and void.
5. **Right to Continue to Offer Property For Sale:** Buyer acknowledges and agrees that, prior to obtaining all necessary short sale payoffs and consents from third parties, Seller may continue to offer the Property for sale and, in the event Seller receives a bona fide offer to purchase the Property from another prospective purchaser with terms more favorable to Seller than those contained in the Contract, Seller shall first offer to Buyer the right to purchase the Property on the new terms and conditions. In the event Buyer does not agree to same within three (3) Business Days after the effective date of Seller's notice, Seller shall have the right to terminate the Contract, in which case all earnest money shall be refunded to Buyer.
6. **"As Is" Condition:** The Contract is for the sale and purchase of the Real Estate and personal property in its "As Is" condition as of the Date of Offer. **SELLER SHALL NOT BE REQUIRED TO UNDERTAKE ANY REPAIRS OR PROVIDE ANY CREDITS FOR REPAIRS.** Buyer acknowledges that no representations, warranties or guarantees with respect to the condition of the Real Estate and personal property have been made by Seller or Seller's Agent other than those known defects, if any, disclosed by Seller. Buyer may conduct an inspection at Buyer's expense. In that event, Seller shall make the property available to Buyer's inspector at reasonable times. Buyer shall indemnify Seller and hold Seller harmless from and against any loss or damage caused by the acts or negligence of Buyer or any person performing any inspection(s). **In the event the inspection reveals that the condition of the Real Estate is unacceptable to Buyer and Buyer so notifies Seller within five (5) Business Days after the Date of Acceptance, the Contract shall be null and void. Failure of Buyer to notify Seller or to conduct said inspection operates as a waiver of Buyer's right to terminate the Contract under this paragraph and the Contract shall remain in full force and effect.** Buyer acknowledges the provisions of Paragraph 10 and the warranty provisions of Paragraph 3 of the Multi-Board Residential Real Estate Contract 4.0 do not apply to the Contract.

The Parties have executed this Short Sale Addendum this _____ day of _____ 20_____.

Buyer

Seller

Buyer

Seller



SHORT SALE RIDER



TO EXCLUSIVE AUTHORIZATION & RIGHT TO SELL/LEASE AGREEMENT - RESIDENTIAL PROPERTY

1 This Short Sale Rider is made part of and incorporated into the Exclusive Authorization and Right to Sell/Lease Agreement
2 (Agreement) dated _____ for the property commonly known as _____
3 _____ Unit# _____
4 City _____ State _____ Zip Code _____ entered into by
5 _____ (Seller) and _____ (Broker).

6 ACKNOWLEDGEMENT OF POTENTIAL SHORT SALE: Seller acknowledges that Broker has advised Seller that the
7 sale price of the property based on current fair market value may be insufficient to discharge all debts and obligations
8 secured by liens on the premises, as well as to pay the brokerage fee, transfer taxes and other customary and necessary
9 costs of sale. Seller is aware that the sale of the property is likely to require the approval by one or more lien holders, and
10 that a lienholder is not obligated to approve the terms of the sale to the extent that the lienholder is not paid in full.

11 BROKER NOT LIABLE FOR DECISIONS: Seller acknowledges that lien holders are not within Broker's control.
12 Broker shall not be liable for any loss, damage or harm to Seller resulting from (a) Broker's communications with a
13 lienholder; (b) a lien holder's rejection of the short sale terms; (c) failure of a lienholder to make a decision in a timely
14 manner; or (d) imposition of terms or conditions by a lienholder.

15 ALTERNATIVES TO SHORT SALE: Seller acknowledges that Broker has advised Seller that alternatives to a short sale
16 may be available, including, but not limited to, the following: (a) forbearance agreements or repayment plans with Seller's
17 lienholder(s); (b) loan modification agreements; (c) refinancing, either with a current lienholder or with other lenders; (d)
18 bankruptcy; (e) voluntary deed in lieu of foreclosure; or (f) the payment of any shortage by Seller in cash from any source.

19 LEGAL AND TAX RAMIFICATIONS: SELLER ACKNOWLEDGES THAT BROKER HAS ADVISED SELLER
20 THAT SELLER SHOULD CONSULT AN ATTORNEY AND/OR TAX ADVISOR TO DISCUSS THE
21 POSSIBLE LEGAL, CREDIT AND TAX RAMIFICATIONS OF A SHORT SALE. SELLER IS AWARE THAT
22 BROKER CAN PROVIDE NEITHER LEGAL ADVICE NOR TAX ADVICE.

23 AUTHORIZATION TO DISCLOSE SHORT SALE STATUS: Seller hereby authorizes Broker to identify the property as
24 a short sale in marketing and in listing the property with the Multiple Listing Service. Seller further authorizes Broker to
25 disclose to prospective buyers and their agents that the transaction is likely to be a short sale and that the terms of the sale
26 may be subject to lienholder approval. Broker shall have no liability for any loss, damage or harm to Seller as a result of
27 any such communication.

28 AUTHORIZATION TO CONTACT LIENHOLDER(S) REGARDING SHORT SALE: Seller hereby authorizes Broker
29 to communicate with Seller's lienholder(s) regarding the details of Seller's loan(s) and the possibility of the lienholder(s)
30 accepting less than the total amount owed in exchange for a release of lien. Seller further authorizes Broker to provide
31 lienholder(s) with any and all pertinent information required by the lienholder(s).

32 SELLER'S DUTIES: Seller hereby agrees to cooperate with all efforts to negotiate short sale terms with Seller's lien
33 holder(s) by executing or providing any documentation required by Seller's lien holder(s) in connection with a lien
34 holder's review or processing of the short sale payoff request. Such documentation may include, but is not limited to,
35 copies of tax returns, pay stubs, bank statements, statement of assets, medical statements, or documentation to establish a
36 hardship. Seller agrees to promptly, accurately and fully respond to all requests for information. Broker shall not be
37 responsible for an adverse decision or the failure to make a decision in a timely manner by a lien holder. Broker shall not
38 be responsible for verification of any information provided by Seller and Seller agrees to indemnify, defend and hold
39 Broker harmless for same.

40 Agreed and accepted this _____ day of _____.

41 _____
42 AUTHORIZED BROKER SIGNATURE

SELLER/LANDLORD/AUTHORIZED PARTY SIGNATURE

43 _____
44 DESIGNATED AGENT-SIGNATURE

SELLER/LANDLORD/AUTHORIZED PARTY SIGNATURE