



SHORT SALE ADDENDUM TO MASSFORMS STANDARD FORM PURCHASE AND SALE AGREEMENT

This Addendum is an integral part of the Purchase and Sales Agreement (“the Agreement”) for the above-referenced transaction. In the event this Addendum conflicts with the Agreement, then this Addendum shall control.

1. **Acknowledgement of Condition.** Buyer has been advised that the Purchase Price in the Agreement is insufficient to discharge all debts and obligations secured by liens on the Premises as well as to pay brokers' fees and other customary and necessary costs of sale, and that Seller's ability to convey good and clear record and marketable title to the Premises, as required by Paragraph 6 of the Agreement, is conditioned upon release of all liens on title.
2. **Acknowledgement of Seller's Intention to Seek Negotiated Payment of Lien(s).** Buyer has been advised that the Seller intends to seek an agreement by one or more lienholders to accept a payoff amount that is less than the full amount due.
3. **Short Sale Approval Required.** Buyer and Seller agree that the Agreement is contingent upon the Seller obtaining written approval of the terms and conditions of the transaction by each lienholder being asked to accept a reduced payoff amount. The transaction, with the contingent condition referenced in this Paragraph, will be referred to hereinafter as a “Short Sale.” A lienholder being asked to accept a reduced payoff amount shall be referred to hereinafter as an “Approving Lienholder.”
4. **Seller's Obligation to Seek Approval.** Seller shall be obligated to pursue Short Sale approval with reasonable diligence. For purposes of this Agreement, Seller shall be deemed to have satisfied the obligation set forth in this Paragraph if all of the following conditions have been met.
 - a) Seller shall, no later than five (5) business days after all parties have fully executed this Agreement, submit to the Approving Lienholder a copy of the Agreement along with any additional documentation anticipated to be required by the lienholder for review and approval.
 - b) Seller and Buyer agree to execute additional original copies of the Agreement and this Addendum and any other authorizations or documentation reasonably required by an Approving Lienholder.
 - c) Seller shall bear sole responsibility for any expense for submitting authorizations or documentation required by the Approving Lienholder.
5. **Lienholder Conditions; Buyer/Seller Not Bound.** In the event an Approving Lienholder requires any term or condition of the Agreement to be changed as a condition of Approving Lienholder's approval of the Short Sale, Seller shall communicate the Approving Lienholder's requirement in writing to the Buyer within three (3) business days of receiving the Approving Lienholder's requirement. Buyer and Seller shall not be bound by any change unless the parties agree to the change in writing. Either party may in its sole discretion withhold its approval to any lienholder-required change.
6. **Deadline for Lienholder Approval; Cancellation of Transaction.** If, despite the Seller's diligent efforts as set forth in Paragraph 4 of this Addendum, the Seller is unable to obtain the necessary written approval of all Approving Lienholders on or before _____, either party may terminate this Agreement by written notice to the other, whereupon any payments made under this agreement shall be forthwith refunded and all other obligations of the parties hereto shall cease and this agreement shall be void without recourse to the parties hereto.
7. **Seller to Provide Timely Notice of Lienholder Approval.** Seller shall provide Buyer with a copy of each Approving Lienholder's written approval no later than two (2) business days after Seller receives Approving Lienholder's written approval.
8. **Time is of the Essence.** Time is of the essence as to each provision of the Agreement and this Addendum.

BUYER Dated

SELLER Dated

BUYER Dated

SELLER Dated



**SHORT SALE ADDENDUM TO
EXCLUSIVE RIGHT TO SELL LISTING AGREEMENT**

This Addendum is an integral part of the Exclusive Right to Sell Listing Agreement ("Listing Agreement") between _____ ("Seller") and _____ ("Broker") dated _____, regarding property described as _____ ("Premises"). In the event this Addendum conflicts with the standard form section of the Listing Agreement, then this Addendum shall control.

1. Acknowledgement of Short Sale. Seller acknowledges that the Broker has advised the Seller that the current fair market value of the property may be insufficient to discharge all debts and obligations secured by liens on the Premises as well as to pay brokers' fees, transfer taxes and other customary and necessary costs of sale. Seller is aware that sale of the Premises is likely to require approval by one or more lienholders, and that a lienholder is not obligated to approve the terms of the sale to the extent the lienholder is not paid in full.

2. Broker Not Liable for Lender Decisions. Seller is aware that lienholders are not within the Broker's control. Broker shall not be liable for any loss, damage or harm to the Seller resulting from: (a) Broker's communications with a lienholder; (b) a lienholder's rejection of the short sale terms; (c) failure of a lienholder to make a decision in a timely manner; or (d) imposition of terms or conditions by a lienholder.

3. Alternatives to Short Sale. Broker has advised the Seller that alternatives to a short sale may be available, including but not limited to the following: (a) forbearance agreements or repayment plans with the Seller's lender(s); (b) loan modification; (c) refinancing programs, either with the Seller's lender(s) or with other lenders; (d) bankruptcy; (e) voluntary deed in lieu of foreclosure. Broker has further advised the Seller that the Seller may wish to consult an attorney and/or tax advisor to discuss the possible credit and tax ramifications of a short sale. Seller is aware that Broker can provide neither tax advice nor legal advice.

4. Authorization to Disclose Short Sale Status. Seller hereby authorizes the Broker to identify the property as a short sale in marketing materials and in the listing of the Premises with the appropriate multiple listing service ("MLS"). Broker is further authorized to disclose to prospective buyers and their agents that terms of the sale may be subject to lender approval and that the transaction is likely to be a short sale. Broker shall have no liability for any loss, damage or harm to the Seller from any such communication.

5. Authorization to Contact Lenders Regarding Short Sale. Seller hereby authorizes the Broker to communicate with Seller's lienholder(s) regarding the details of Seller's loan and the possibility of the lienholder accepting less than the total amount owed in exchange for a release of the lien.

6. Seller's Duties. Seller hereby agrees to cooperate with Broker's efforts to negotiate a reduced payoff amount by executing or providing any documentation required by Seller's lienholder in order to review or process the short payoff request. Such documentation may include, but is not limited to, the following: appraisal, copies of tax returns, pay stubs, bank statements, statement of assets, medical statements, or documentation to establish a hardship. Seller agrees to respond to Broker's requests promptly, accurately and fully. Broker shall not be responsible for an adverse decision (or the failure to make a decision in a timely manner) by a lienholder. Broker shall not be responsible to verify any information provided by Seller and Seller agrees to indemnify, defend and hold Broker harmless for same.

Date: _____

Broker or Authorized Representative

Seller or Authorized Representative