



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 be deemed to be satisfied if
18 written Creditor consent is given to this transaction prior to the closing date, upon such terms as Buyer and Seller agree in
19 writing. Notwithstanding the preceding sentence, this transaction shall automatically terminate at the end of the day
20 (Midnight) on *(insert date)* _____ with no further notice required from Buyer or Seller, if
21 they have not received the written Creditor consent by that time. Upon such termination, all parties shall cooperate in signing
22 such documentation reasonably necessary to effect a termination of the transaction and refund of all deposits, if any.

23 **2. CONTINGENCY AND DEPOSIT DEADLINES.** Except for the agreed-upon closing date, which shall remain in effect
24 unless jointly rescheduled in writing by Buyer and Seller, all performance or contingency deadlines contained in the Sale
25 Agreement, including but not limited to those for the redemption of earnest money, financing, title, inspection, lead based
26 paint, and Seller's Property Disclosure (ORS 105.465-105.490) shall not commence until the first day after satisfaction of the
27 Contingency occurs as described in Section 1, above. **Caution: If the Property is pre-1978 housing, the Lead-Based**
28 **Paint Disclosure Addendum must be completed by Buyer and Seller and their licensees prior to closing. Unless**
29 **waived, the Buyer must be given an opportunity to conduct a lead-based paint assessment or inspection. See**
30 **Section 15 (Lead-Based Paint Contingency Period) of Sale Agreement.** All parties acknowledge that written Creditor
31 consent may never be issued, or if it is, there may be insufficient time for Buyer to complete all investigations and inspections
32 prior to the scheduled closing date, without rescheduling said date. Notwithstanding the preceding, the following
33 performance or contingency deadlines shall commence in accordance with the date(s)/time(s) contained in the Sale
34 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
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.

LINES WITH THIS SYMBOL ◀ REQUIRE A SIGNATURE AND DATE

© Oregon Real Estate Forms, LLC Rev 06/08

No portion may be reproduced without express permission of Oregon Real Estate Forms, LLC

Principal Broker's Initials _____
Date _____



Sale Agreement # _____

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 transaction shall be solely at their own risk, and neither shall have a claim against the other for such expenditure.

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

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

71 **7. ADDITIONAL PROVISIONS.** _____
72 _____
73 _____
74 _____

75 Buyer _____ Date _____ ← Seller _____ Date _____ ←
76 Buyer _____ Date _____ ← Seller _____ Date _____ ←
77 Selling Licensee _____ Listing Licensee _____
78 Selling Firm _____ Listing Firm _____

Principal Broker's Initials _____
Date _____