



Sale Agreement #
Addendum

SHORT SALE ADDENDUM

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

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

1. THE CONTINGENCY. This sale is contingent upon Seller obtaining written consents from the Creditors permitting a reduction of the Total Closing Costs sufficient to close the transaction for the purchase price and convey marketable title to Buyer ("the Contingency"). All parties acknowledge that at the present time the exact identities of the Creditors and/or the exact amount of the Total Closing Costs may not be currently known. The Contingency shall be deemed to be satisfied if written Creditor consent is given to this transaction prior to the closing date, upon such terms as Buyer and Seller agree in writing. Notwithstanding the preceding sentence, this transaction shall automatically terminate at the end of the day (Midnight) on **(insert date)** _____ with no further notice required from Buyer or Seller, if they have not received the written Creditor consent by that time. Upon such termination, all parties shall cooperate in signing such documentation reasonably necessary to effect a termination of the transaction and refund of all deposits, if any.

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

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

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Principal Broker's Initials _____
Date _____

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

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

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

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

69 **7. ADDITIONAL PROVISIONS.** _____

70 Buyer _____ Date _____ ← Seller _____ Date _____ ←
71 Buyer _____ Date _____ ← Seller _____ Date _____ ←
72 Selling Licensee Jolynne Ash Listing Licensee _____
73 Selling Firm DreamStreet Real Estate Listing Firm _____

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Principal Broker's Initials _____
Date _____