



SHORT SALE ADDENDUM (C.A.R. Form SSA, 4/09)

This is an addendum to the [ ] California Residential Purchase Agreement, [ ] Counter Offer, [ ] Other \_\_\_\_\_ ("Agreement"), dated \_\_\_\_\_,

on property known as \_\_\_\_\_ ("Property"), between \_\_\_\_\_ ("Buyer") and \_\_\_\_\_ ("Seller").

A. SHORT SALE APPROVAL. This Agreement is contingent upon Seller's receipt of written consent from all existing secured lenders and lienholders ("Short-Sale Lenders"), no later than 5:00 P.M. on \_\_\_\_\_ (date) ("Short-Sale Contingency Date"), to reduce their respective loan balances by an amount sufficient to permit the proceeds from the sale of the Property to pay the existing balances on loans secured by the Property, real property taxes, brokerage commissions, closing costs, and other monetary obligations the Agreement requires Seller to pay at Close Of Escrow (including, but not limited to, escrow charges, title charges, documentary transfer taxes, prorations, retrofit costs and Repairs) without requiring Seller to place any funds into escrow or have any continuing obligation to Short-Sale Lender. If by the Short-Sale Contingency Date, either: (i) Seller does not receive Short-Sale Lenders' written consent or (ii) Seller fails to give Buyer a copy of Short-Sale Lender's written consent then either Seller or Buyer, respectively, may cancel the Agreement in writing, and Buyer shall be entitled to a return of any deposit. Seller shall reasonably cooperate with existing Short-Sale lenders in the short-sale process.

B. TIME PERIODS: BUYER'S DEPOSIT CHECK:

- 1. Time periods in the Agreement for inspections, contingencies, covenants, and other obligations: (i) shall begin as specified in the Agreement; or (ii) (if checked) [ ] shall begin the Day After Seller delivers to Buyer written notice of Short-Sale Lenders' consent. However, even if Paragraph B1(ii) is checked, time periods for providing pre-approval/pre-qualification letters and verification of down payment and closing costs shall nonetheless begin as otherwise specified in the Agreement.
2. Buyer's deposit check shall be: (i) immediately handled as provided in the Agreement; or (ii) (if checked) [ ] held uncashed until the Day After Seller delivers to Buyer a written notice of Short Sale Lenders' consent.

C. NO ASSURANCE OF LENDER APPROVAL. Buyer and Seller understand that Short-Sale Lenders: (i) are not obligated to give consent to a short-sale; (ii) may require Seller to forward any other offer received; and (iii) may give consent to other offers. Additionally, Short-Sale Lenders may require that, in order to obtain their approval for a short sale, some terms of the Agreement, such as the Close of Escrow, be amended or that Seller sign a personal note or some other obligation for all or a portion of the amount of the secured debt reduction. Buyer and Seller do not have to agree to any of Short-Sale Lenders' proposed terms. Buyer, Seller and Brokers do not have control over whether Short-Sale Lenders will consent to a short-sale, or any act, omission, or decision by any Short-Sale Lender in the short-sale process.

D. BUYER AND SELLER COSTS. Buyer and Seller acknowledge that each may incur costs in connection with rights or obligations under the Agreement. These costs may include, but are not limited to, payments for loan applications, inspections, appraisals, and other reports. Such costs will be the sole responsibility of the party incurring them, if Short-Sale Lenders do not consent to the transaction or either party cancels pursuant to the Agreement.

E. OTHER OFFERS. Unless otherwise agreed in writing, Seller may continue to market the Property despite acceptance of Buyer's offer, and to present to Short-Sale Lender(s) any additional offers that are received on the Property.

F. CREDIT, LEGAL AND TAX ADVICE. Seller is informed that a short-sale may have credit or legal consequences and may result in taxable income to Seller. Seller is advised to seek advice from an attorney, certified public accountant or other expert regarding such potential consequences of a short-sale.

By signing below, Buyer and Seller each acknowledge that they have read, understand, accept and have received a copy of this Short Sale Addendum.

Date \_\_\_\_\_ Date \_\_\_\_\_

Buyer \_\_\_\_\_ Seller \_\_\_\_\_

Buyer \_\_\_\_\_ Seller \_\_\_\_\_

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Reviewed by \_\_\_\_\_ Date \_\_\_\_\_

