

SHORT SALE ADDENDUM TO THE RESIDENTIAL RESALE REAL ESTATE PURCHASE CONTRACT

Document updated:
February 2011



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- 1. Seller: _____
- 2. Buyer: _____
- 3. Premises Address: _____
- 4. Date: _____

5. The following additional terms and conditions are hereby included as part of the Contract between Seller and Buyer for the above referenced Premises. Delivery of all notices and documentation shall be deemed delivered and received when sent as required by Section 8m of the Contract.

8. CONTINGENT UPON ACCEPTABLE SHORT SALE AGREEMENT

- 9. Buyer and Seller acknowledge that there is more debt owing against the Premises than the purchase price. Therefore, this Contract is contingent upon an agreement between the Seller and Seller's creditor(s), acceptable to both, to sell the Premises for less than the loan amount(s) ("short sale"). Buyer and Seller acknowledge that it may take weeks or months to obtain creditor(s) approval of a short sale.
- 13. Nothing shall limit a Seller from accepting subsequent offers from subsequent buyer(s) and submitting the back-up contract(s) to Seller's creditor(s) for consideration. All parties understand and agree that Seller's creditor(s) may elect to allow the Seller to sell the Premises only to the holder of the Contract with terms and conditions most acceptable to creditor(s).

16. DOCUMENTATION TO CREDITOR(S)

17. Seller shall submit to creditor(s) a copy of this Contract, including this and other Addenda, and any other documentation required by the creditor(s) for approval of this sale within five (5) days after Contract acceptance. Seller agrees to diligently work to obtain short sale approval and will promptly provide the creditor(s) with all additional documentation required, including an appraisal, at Seller's expense, if required. Seller instructs creditor(s) to provide approval status updates to Broker(s) and Buyer upon request.

21. TERMS UPON ACCEPTABLE SHORT SALE AGREEMENT

- 22. **Agreement Notice:** If Seller and Seller's creditors enter into a short sale agreement, the Seller shall immediately deliver notice to Buyer ("Agreement Notice").
- 24. **Time Periods:** The date of Seller's delivery of the Short Sale Agreement Notice to Buyer shall be deemed the date of Contract acceptance for purposes of all applicable Contract time periods.
- 26. **Escrow and Earnest Money:** Buyer shall promptly open Escrow and deposit Earnest Money as described in the Contract upon receipt of Agreement Notice.
- 28. **Seller Warranties:** Buyer hereby waives Seller's warranties as set forth in Lines 166-168 of Section 5a of the Contract that all listed items shall be in working condition at the earlier of possession or COE. However, Seller warrants and shall maintain and repair the Premises so that, pursuant to lines 169-170 of the Contract, at the earlier of possession or COE, the Premises, including all heating, cooling, mechanical, plumbing, and electrical systems (including swimming pool and/or spa, motors, filter systems, cleaning systems, and heaters, if any), free-standing range/oven, built-in appliances and additional existing personal property included in the sale, will be in substantially the same condition as on the date of Contract acceptance and all personal property not included in the sale and all debris will be removed from the Premises.
- 35. **Close of Escrow:** Close of Escrow shall occur thirty (30) days or _____ days after delivery of Agreement Notice.
- 36. **Creditor Requirements:** Buyer and Seller agree to cooperate with Creditor(s) and sign additional Creditor disclosure(s) or execute additional addendum(a) required by Creditor(s) as a condition of approval of the short sale, provided that Buyer and Seller incur no additional cost or liability.

39. BUYER CANCELLATION

40. Buyer may unilaterally cancel this Contract by notice to Seller at any time before receipt of a short sale Agreement Notice from Seller.

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Purchase Contract • Updated: February 2011

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SELLER	SELLER
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BUYER	BUYER
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41. LEGAL AND TAX ADVICE

42. Seller acknowledges that Broker is not qualified to provide financial, legal, or tax advice regarding a short sale transaction.
43. Therefore, the Seller is advised to obtain professional tax advice and consult independent legal counsel immediately
44. regarding the tax implications and advisability of entering into a short sale agreement.

45. (SELLER'S INITIALS REQUIRED) SELLER SELLER

46. UNFULFILLED CONTINGENCY

47. In the event that Seller and Seller's creditor(s) are unable to reach a short sale agreement acceptable to both, at the sales price contained
48. herein, Seller shall promptly notify Buyer of same, and the Contract shall be deemed cancelled due to the unfulfilled short sale contin-
49. gency. If applicable, Buyer shall be entitled to a return of any Earnest Money.

50. OTHER TERMS AND CONDITIONS

51. All Escrows are open at Pioneer Title Agency Sonya Slocum, (480) 539-5232
52. This is the title company to be used for the short sale.
53. Buyer agrees to deposit Earnest money sum, as stated in Residential Resale Real Estate
54. Purchase contract line 9. This will be deposited with Pioneer Title Agency with in 2
55. business days of the Seller(s) acceptance of Offer. This earnest deposit is
56. NON-REFUNDABLE for 90 days. If the Bank has not sent written approval the buyer may
57. cancel and receive their earnest deposit back. If the buyer withdraws their offer or
58. cancels escrow Earnest Deposit will be forfeited and escrow cancelled.
59. Upon acceptance of contract and addenda by the lender(s)and notice to all parties,
60. cancellation and request of earnest money return. Earnest money return will be in
61. accordance with the purchase contract and addenda.

63. Buyer shall be granted permission to do a Liquidation appraisal upon written acceptance
64. of this offer from Seller. Said appraisal shall be submitted to sellers lender(s) as
65. part of this offer herein as an addendum per the buyers written request. All parties
66. are aware the lenders order BPO's and they are NOT done by licensed appraisers, thus
67. resulting in unrealistic values of the sellers property in some cases. The buyer is
68. providing the liquidation appraisal at the buyers expense to allow the lender to
69. evaluate the true value of the subject property. Said appraisal shall become part of
70. Buyers offer as the Appraisal Addendum.

75. In the event that any provision contained in this Addendum conflicts in whole or in part with any terms contained in the Contract,
76. the provisions of this Addendum shall prevail and the conflicting terms are hereby considered deleted and expressly waived by
77. both Buyer and Seller.

78. BUYER'S SIGNATURE MO/DA/YR BUYER'S SIGNATURE MO/DA/YR
79. SELLER'S SIGNATURE MO/DA/YR SELLER'S SIGNATURE MO/DA/YR

For Broker Use Only:
Brokerage File/Log No. Manager's Initials Broker's Initials Date
(Added February 2012)

