

# SHORT SALE ADDENDUM TO THE RESIDENTIAL RESALE REAL ESTATE PURCHASE CONTRACT

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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. **Loan Costs:** Buyer will be responsible for all Buyers' Loan Costs.
- 29. **Seller Warranties:** Buyer hereby waives Seller's warranties as set forth in Lines 163-166 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 167-168 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.
- 36. **Close of Escrow:** Close of Escrow shall occur thirty (30) days or \_\_\_\_\_ days after delivery of Agreement Notice.
- 37. **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.

### 40. BUYER CANCELLATION

- 41. 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: August 2008

SELLER	SELLER
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BUYER	BUYER
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42. **LEGAL AND TAX ADVICE**

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

46. (SELLER'S INITIALS REQUIRED) \_\_\_\_\_  
SELLER SELLER

47. **UNFULFILLED CONTINGENCY**

48. 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  
49. herein, Seller shall promptly notify Buyer of same, and the Contract shall be deemed cancelled due to the unfulfilled short sale contin-  
50. gency. If applicable, Buyer shall be entitled to a return of any Earnest Money.

51. **OTHER TERMS AND CONDITIONS**

52. Regarding Lines 13-15: These lines are void. Seller will not submit multiple offers to  
53. mortgage lender.

54. Regarding Lines 17-20: If an appraisal is required by the Seller's mortgage lender to  
55. complete the short sale approval, Seller's mortgage lender shall pay for this cost.  
56. This cost shall not be paid by the Seller.

57. Regarding Lines 26-27 & 41: Buyer shall deposit earnest money as stated in line 9 of  
58. the purchase contract within 2 business days of Seller's acceptance of this offer. This  
59. initial earnest deposit is to be non-refundable within the first 45 days of contract  
60. acceptance or delivery of "Agreement Notice", whichever comes first. If 45 days from  
61. contract acceptance has passed and the "Agreement Notice" has not been issued, earnest  
62. money turns from non-refundable to refundable and Buyer may unilaterally cancel this  
63. contract.

64. Regarding Line 36: When approval from Seller's mortgage lender is received,  
65. Seller/Seller's agent shall deliver an "Agreement Notice" to Buyer/Buyer's agent that  
66. short sale approval has been received. At delivery of "Agreement Notice", Buyer shall  
67. have 30 days to close escrow, unless Seller's mortgage lender demands otherwise of  
68. which written notice will be provided to Buyer/Buyer's agent. In the event Seller's  
69. mortgage lender does not approve of the agreed upon short sale terms within 45 days of  
70. contract acceptance this contract can be canceled by either Buyer or Seller in which  
71. all earnest money will be returned to Buyer.

73. Title company to be Old Republic Title (Tiffanie Hobgood) 11211 N Tatum Blvd Ste. A150,  
74. Phoenix, Az 85028. Phone# (602) 996-4301, Fax# (602) 996-4506

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

79. ^ BUYER'S SIGNATURE \_\_\_\_\_ MO/DA/YR ^ BUYER'S SIGNATURE \_\_\_\_\_ MO/DA/YR

80. ^ SELLER'S SIGNATURE \_\_\_\_\_ MO/DA/YR ^ SELLER'S SIGNATURE \_\_\_\_\_ MO/DA/YR

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