



ADDENDUM TO LISTING CONTRACT SHORT SALE



This Addendum is to the Listing Contract entered into between:

("SELLER") _____ and

("BROKER") _____,

relating to the following described real property ("Property"):

The following terms are hereby incorporated into and made a part of the Listing Contract:

1. A short sale typically occurs when the SELLER's net sale proceeds after payment of customary closing costs from the sale of real property are insufficient to pay the outstanding mortgage loan and/or other lien balance(s) in full at closing. Generally, a short sale SELLER is in default of his loan or lien obligations, and is able to document the financial inability to meet ongoing repayment obligations.
2. Any sales contract entered into by SELLER for the sale of the Property should include a contingency for: (A) approval of the purchase price and all other terms of the sales contract by SELLER's lender(s) and/or other lienholder(s) (collectively "Lender"); and (B) Lender's written agreement to accept a payoff which is less than the balance due on the loan or other indebtedness; and (C) Lender's release and satisfaction of the mortgage(s) and/or other lien(s) upon receipt of discounted payoff amount(s). BROKER's compensation is deemed earned upon Lender's approval of the purchase price and all other terms of the Sales Contract.
3. SELLER acknowledges that SELLER will not receive any net sales proceeds at closing.
4. SELLER authorizes BROKER to: (A) market the Property as a short sale or pre-foreclosure property in MLS and other marketing media; and (B) include the contingency set forth in Paragraph 2 above in any sales contract entered into by SELLER; and (C) contact Lender's loss mitigation, collections or other appropriate department to obtain loan and/or lien status, account, payoff and related information, and to otherwise communicate directly with Lender to facilitate Lender approval of the short sale transaction. SELLER shall execute any written authorization to release information required by Lender to enable BROKER to perform this function; and (D) provide comparables, broker's price opinions (generally consists of information regarding comparable properties in the same community, general condition of the community and condition of the Property relative to other properties in the community), and MLS and other information to document the current market value of the Property to Lender; and (E) furnish any and all mortgage and/or other lien account and payoff information to prospective purchasers and/or their cooperating brokers; and (F) coordinate visual inspection of the Property by authorized representative(s) of Lender.
5. SELLER shall promptly and timely furnish the following information and documentation to Lender as and when requested: (A) copies of the fully executed Sales Contract; and (B) a preliminary Settlement Statement prepared by the closing agent; and (C) SELLER's employment information and pay stubs and other records, tax returns, bank and financial statements, copies of medical bills, hardship letter outlining SELLER's financial difficulties and citing any specific unforeseen or special circumstances to justify the short sale transaction, proof of SELLER's existing assets and liabilities, and any and all other information, documentation and other records required by Lender to evidence and substantiate SELLER's financial inability to fulfill SELLER's repayment obligations to Lender.

SELLER IS ADVISED TO OBTAIN LEGAL COUNSEL TO OVERSEE AND SUPERVISE THE SHORT SALE TRANSACTION, AND/OR FACILITATE NEGOTIATIONS WITH LENDER, AND CONSULT WITH ACCOUNTING AND/OR OTHER TAX AND FINANCIAL ADVISORS REGARDING THE TAX AND OTHER FINANCIAL IMPLICATIONS OF ENTERING INTO A SHORT SALE TRANSACTION, INCLUDING WITHOUT LIMITATION THAT THE AMOUNT OF ANY INDEBTEDNESS FORGIVEN BY LENDER MAY BE TAXABLE AND THAT THE SELLER'S CREDIT RATING MAY BE ADVERSELY AFFECTED WHICH COULD IMPACT SELLER'S ABILITY TO BORROW OR ENTER INTO LEASES IN THE FUTURE AND/OR THE RATES OF INTEREST CHARGEABLE TO SELLER. BROKER HAS ALSO ADVISED SELLER THAT LENDER MAY NOT FORGIVE ANY UNPAID INDEBTEDNESS, MAY REQUIRE SELLER TO SIGN A PROMISSORY NOTE FOR ANY DEFICIENCY, OR REQUIRE SELLER TO MAKE A CASH CONTRIBUTION AS A CONDITION OF LENDER APPROVAL.

(Seller's Signature)

(Date)

(Authorized Broker's Signature)

(Date)

(Seller's Signature)

(Date)

(Brokerage Firm Name)

(Date)

(Listing Licensee's Printed Name)