

Prepared by: **Rothamel Bratton, LLC**
(P) 856-857-6000 (F) 856-857-6001

SHORT SALE ADDENDUM

Please note: This is an attorney-prepared addendum and is not subject to a three-day attorney review period. By signing this addendum, you are immediately bound by its terms.

Buyer(S): _____

Seller(S): _____

Property Address: _____

1. Buyer acknowledges that the property, structures thereon, all systems, appliances, and all fixtures are being purchased in "AS IS" condition. The buyer has knowledge of the condition of the premises based on his or her personal inspection of this property before making a proposal to purchase. It is agreed and acknowledged by the Buyer all representations, warranties, services or statements contained in this Agreement of Sale that refer to the condition of the property to be conveyed are specifically waived, disclaimed, and rendered null and void.
2. The Certificate of Occupancy, termite certifications, and any other certifications required by the Buyer's lender, the Township, municipality, city, or state is the sole responsibility of the Buyer, at Buyer's expense. This includes, but is not limited to well water and septic system testing and certification. Repair limitations are subject to paragraph three (3), herein. In the event Buyer's lender requires repair, Buyer shall address same, at Buyer's expense, prior to settlement. Seller's lien holder(s) will not pay for the Buyer's repairs.
3. The Parties acknowledged that the Buyer, at Buyer's expense, has the right to a home inspection, wood destroying insect inspection, radon inspection, environmental inspection, well water inspection, septic inspection, or any other inspection desired. All inspections must be completed within (ten) 10 business days after execution of this Addendum. If inspections are not completed by the deadline above, Buyer shall be deemed to have waived Buyer's right to inspections. In the event that Buyer's inspections reveal deficiencies that will cost in excess of \$3,500.00 to correct, as confirmed by written estimate from a licensed contractor, Buyer shall have the option to terminate this agreement, in which case all deposit monies shall be returned and neither party will have further obligation to each other. Buyer is responsible for turning on the water, electric, and other public services or utilities, if disconnected) for the inspections.
4. Buyer and Seller agree that this Addendum together with the Agreement of Sale shall constitute the entire agreement between the Buyer and Seller with respect to the sale of the subject property and that this Addendum supersedes any prior agreements, negotiations, understandings, or other matters, whether oral or written, with respect to the property referenced above. No alterations, modification, or waiver of any provision herein shall be valid unless in writing and signed by the Buyer and Seller.
5. Buyer and Seller agree that the Seller may cancel this agreement prior to the ending date of the contract period without advance notice to the Broker(s), and without payment of a commission or any other consideration if the property is conveyed back to the mortgage insurer or the mortgage holder.

6. The Buyer and Seller mutually agree that under no circumstances will this Agreement of Sale be assignable.
7. Buyer hereby authorizes the law offices of Rothamel Bratton, LLC to order title, at Buyer's expense, upon execution of this Addendum. Buyer understands that Seller's lender will immediately require a preliminary HUD-1 settlement statement and a copy of the Buyer's title report. There shall be no cost to Buyer for the title search in the event this short sale is not approved.
8. Buyer and Seller agree that they acknowledge that this short sale may be contingent upon the approval of the Agreement of Sale from one or more of the following: mortgage lenders, mortgage servicers, mortgage investors, the Federal Housing Authority (FHA), the Department of Veteran Affairs (VA), government agencies, homeowner association, condominium association, Internal Revenue Service (IRS), State or local tax authority, public services, judgment creditors, and/or mortgage insurance companies.
9. Buyer and Seller agree that if third party lien holder(s) consent to this sale, but Seller does not agree to the terms of the short sale approval, the Agreement of Sale may become null and void without payment, reimbursement of costs, or any other consideration to the Buyer. In the event the Agreement of Sale is terminated, Buyer's deposit shall be returned and neither party will have further obligation to each other under this agreement.
10. All Seller closing costs, including but not limited to realty transfer tax, real estate taxes, utilities, commissions, title company settlement fees, document preparation fees, and all other closing cost shall be paid by Seller's lien holder(s), subject to lien holder(s) approval.
11. If for any reason this short sale is not approved, Seller understands and acknowledges that there is a risk of losing the property through foreclosure and/or Sheriff sale. There is no guarantee that your lender(s) or lien holder(s) will release its lien for the proceeds offered. Consult an attorney for information regarding the foreclosure process and options available for homeowners in foreclosure.
12. A lien holder may require Seller to sign a promissory note for some or all of the remaining balance of the loan(s). Sellers shall hold harmless the broker(s), agent(s), office and all its employees or affiliates, attorney, and any other party to negotiations, should the Seller's lien holder(s) require a promissory note or if the lien holder(s) reserve its option to pursue a deficiency judgment. An attorney should be consulted before agreeing to sign a promissory note or for information regarding a deficiency judgment.
13. Credit reporting is in the sole discretion of the mortgage or lien holder(s). Agents, brokers and or outside parties involved in this transaction cannot control what damage a short sale may have on Seller's credit score. Seller represents that Seller has performed an independent evaluation regarding what impact short sale with have on Seller's credit report.
14. It is expressly agreed and acknowledged that Buyer and Seller have bargained independently without undue duress, restriction, influence, or monetary benefit by another party or external influence. This sale is an arm's-length transaction and was created on the open market between an unrelated Seller and Buyer. Seller shall not receive compensation in any manner from the sale of said property.
15. All dates and deadlines in the Agreement of Sale, and those deadlines set forth by Seller's lien holder(s), shall be of the essence.
16. Seller may cancel this agreement prior to the ending date of the listing period without advance notice to the broker, and without payment of a commission or any other consideration, if the property is conveyed to the mortgage insurer or the mortgage holder:

- 17.** The commission noted in the Agreement of Sale is subject to bank approval. The approved commission shall be shared equally between the cooperating brokers in this matter.
- 18.** Buyer and Seller understand that the mortgages and other liens on this property such as mortgages, judgments, taxes, homeowner or condominium association fees, as well as closing costs, including but not limited to brokerage commissions, realty transfer fee and attorney's fees may exceed the purchase price or net proceeds from the sale of this property. Therefore, Buyer and Seller acknowledge and agree that this contract is contingent upon approval of its terms and of a "short sale" from the Seller's lenders, judgment creditors, or other lien holders of a short sale, which means that said lien holders would release their liens on the property for less than the amount they are owed. Seller shall submit the Agreement of Sale to all third parties who have a lien against the property for their review and approval, but Seller cannot guarantee the approval or timeliness of rejection or acceptance by the lien holder(s). If the lien holders do not approve the short sale within ninety (90) days after the execution of this agreement, either party may cancel this contract, or the parties may agree to extend that deadline. If this contract is canceled, all deposit monies shall be returned to the Buyer and neither party shall have further obligation to each other.
- 19.** All other terms and conditions of the original Agreement of Sale shall remain in full force and effect. Where there is a conflict between the original contract of sale and this Addendum, this Addendum will supersede. The original Agreement of Sale is considered void without this attached addendum.

Witness:

Date:

_____, By: _____, SELLER

_____, By: _____, SELLER

_____, By: _____, BUYER

_____, By: _____, BUYER