SHORT SALE DISCLOSURE AND ADDENDUM

Property Address:____

This Addendum is hereby incorporated into and made a part of the AS-IS Contract for Sale and Purchase between Seller and Buyer for the Property referenced therein. In the event of any conflict between this Addendum and the Contract, the terms of this Addendum shall control.

1. Short Sale Approval: Buyer acknowledges that this transaction is a short sale and is contingent upon written approval by Seller's Lender. Buyer understands that the terms and conditions of the Contract are subject to the approval of Seller's Lender, including but not limited to the purchase price, closing costs, brokerage compensation, and any other terms required as a condition of approval. Buyer further acknowledges that Seller has no control over the review or approval process. Buyer and Seller acknowledge that Seller's Lender may require amendments to the Contract as a condition of granting written short sale approval.

2. Minimum Approval Period: Buyer agrees to allow Seller a minimum of one hundred twenty (120) days from the Effective Date of the Contract to obtain written short sale approval. Buyer shall not terminate the Contract during the one hundred twenty (120) day approval period, except by timely exercising Buyer's right to terminate during the seven (7) day Inspection Period.

3. Property Condition and Inspection: The seven (7) day Inspection Period shall commence on the Effective Date of the Contract. The Inspection Period shall not be extended, restarted, or begin upon issuance of short sale approval. Upon expiration of the seven (7) day Inspection Period, Buyer accepts the Property AS-IS, subject to the Contract and this Addendum. Seller shall submit the short sale package to Seller's Lender after the Inspection Period has expired and Buyer has not timely exercised Buyer's right to terminate the Contract.

4. Financing: This Contract shall be a cash transaction with no financing contingency. Buyer is solely responsible for obtaining any financing Buyer elects to use to complete the purchase. Buyer's inability to obtain financing shall not relieve Buyer of Buyer's obligations under the Contract or provide Buyer with the right to terminate the Contract.

5. Assignment: Assignment of this Contract is prohibited. The Buyer(s) named in the Contract shall be the same Buyer(s) who take title at closing.

6. Closing: Buyer shall close the transaction within thirty (30) days after receipt of written short sale approval.

7. Utilities: If utility services are not active at the Property, Buyer shall be solely responsible for activating any utility services required to complete inspections or other due diligence.

8. Closing Statement: Buyer acknowledges that Seller's Lender may require review and approval of the final settlement statement prior to closing. No closing shall occur until all lender requirements have been satisfied.

9. Seller Proceeds: Buyer acknowledges that Seller shall receive no net proceeds from the sale unless expressly approved in writing by Seller's Lender. Accordingly, Buyer understands that Seller is unable to provide credits, repairs, warranties, closing cost contributions, or other concessions.

10. Property Valuation: Buyer understands that Seller's Lender may require one or more appraisals, broker price opinions, or other valuations. If Seller's Lender determines that the Contract price does not reflect acceptable market value, Seller's Lender may require a higher purchase price or different terms before granting approval.

11. Brokerage Compensation: Buyer and Buyer's Brokerage acknowledge that Seller's Lender may approve, reduce, or otherwise determine the brokerage compensation to be paid as a condition of approving the short sale.

Any compensation agreement between the Listing Brokerage and the Buyer's Brokerage is expressly subject to Seller's Lender's approval.

The Buyer's Brokerage agrees to accept the compensation approved by Seller's Lender as payment in full from the Seller and Listing Brokerage, notwithstanding any separate compensation agreement between the Buyer's Brokerage and its Buyer. Any additional compensation agreed upon between the Buyer's Brokerage and its Buyer shall be solely the responsibility of those parties and shall not be the responsibility of the Seller or the Listing Brokerage.

12. Remaining Indebtedness: Seller acknowledges that Seller's Lender may require additional agreements or impose conditions relating to any remaining indebtedness as part of the short sale approval process. Seller understands that such matters remain solely between Seller and Seller's Lender.

13. Buyer Default: Except for Buyer's timely exercise of Buyer's right to terminate during the seven (7) day Inspection Period, any notice of termination delivered by Buyer during the one hundred twenty (120) day approval period, Buyer's failure to close the transaction after written short sale approval, or Buyer's failure, neglect, or refusal to perform Buyer's obligations under the Contract or this Addendum shall constitute a default by Buyer. Upon such default, Seller shall be entitled to retain the Buyer's deposit as liquidated damages.

Definitions: As used in this Addendum, the term Seller refers to all sellers involved in the short sale. The term Buyer refers to all buyers involved in the short sale. The term Lender refers to all lenders and lienholders involved in the short sale. The term Loan refers to all loans and liens involved in the short sale.

BUYER Signature and Date:____ BUYER Signature and Date:____

SELLER Signature and Date:____ SELLER Signature and Date:____

BUYER'S BROKERAGE: By: ____ Name: _________________________________ Title: ____________________