Scioto Valley Association of REALTORS®
For exclusive use of SVAR REALTOR® members

SHORT SALE ADDENDUM TO LISTING AGREEMENT

(Owners Authorization to Disclose Short Sale Information)

Property Address: _____

The following additional terms and disclosures are included as part of the listing agreement dated _____, between Property Owner(s) and Brokerage.

A short sale is a sale of real estate where the sales price is insufficient to pay the total of all liens and costs of sale; and where the owner is unwilling or unable to bring sufficient liquid assets to the closing to cure all deficiencies.

Generally, the owner cannot sell the property unless third parties agree to accept payment that is less than or "short of" the amounts actually owed. Such third parties may include mortgage lender, mortgage insurer, bankruptcy trustee, federal, state and local taxing authorities such as the IRS or State Tax Department (hereinafter collectively referred to as Lien Holders).

1. Owner acknowledges that there may be disadvantages to a short sale. Owner is advised to: explore options other than a short sale with Lien Holders, such as a loan modification or revised payment plan, refinance or entry into the Lien Holder's loss mitigation plan, if available; and to seek legal, tax and credit counsel regarding the consequences of a short sale.
2. Owner authorizes Brokerage to (a) disclosure that the Property is a short sale or pre-foreclosure property in the MLS in accordance with MLS rules and regulations, and in other marketing; (b) disclose in the MLS how any reduction in gross commission established in the listing agreement will be apportioned between the listing and cooperating brokers; (c) continue to market the property for sale according to MLS rules and regulations until Lien Holders approve the short sale; (d) provide comparables, broker price opinions, MLS and other data documenting current value of the Property.
3. Owner authorizes Brokerage and its agent to include a contingency for: (a) approval of the purchase price and all other items of the sales contract by Owner's Lien Holders; (b) Lien Holders agreement to accept a payoff which is less than the balance owed on the loan and/or lien and (c) Lien Holder's issuance of a release and satisfaction of the mortgages(s) and/or lien(s) upon Lien Holder's receipt of the reduced payoff amount(s).

This addendum amends the above-referenced listing agreement between Owner and Brokerage. All other non-conflicting provisions of that listing agreement remain in full force and effect. If Owner is composed of more than one person, I/we represent that those not signing, if any, have authorized my/our signing on their behalf. Receipt of a copy of this addendum is hereby acknowledged.

Accepted_____ _____

Brokerage Date Owner Date

By_____ _____

Salesperson Date Owner Date

Revised 03/2015