

SHORT SALE ADDENDUM

1 Buyer(s) _____
 2 Seller(s) _____
 3 Property Address or Tax ID #: _____
 4 _____ (the "Property")

5 As more fully described in OREF 027BUY Short Sale Summary for Buyers and OREF 027SEL Short Sale Summary for Sellers, a short sale is a
 6 real estate transaction in which the agreed-upon price for the Property is not sufficient to pay off the Seller's total costs and expenses necessary to
 7 close the transaction and convey marketable title to the Buyer. These costs and expenses may include such things as the loan balance, late fees,
 8 recorded liens, taxes, encumbrances, commissions, and other charges that would normally be paid from the Seller's gross proceeds of sale at the
 9 time of closing. ("Total Closing Costs"). As a result, the parties may experience significant time delays and other complications in this transaction
 10 while negotiating a reduction in the Total Closing Costs with a Seller's creditors. ("Creditor(s)") By signing below, Buyer and Seller agree this
 11 transaction is a short sale and acknowledge they have reviewed the Summary and have been advised by their respective real estate agents
 12 ("Agent(s)") to secure competent legal, tax, and credit advice, as necessary.

13 **1. THE CONTINGENCY:** This sale is contingent upon Seller obtaining written consent from the Creditor(s) permitting a reduction of the Total
 14 Closing Costs sufficient to close this transaction for the purchase price and convey marketable title to Buyer (the "Contingency"). All parties
 15 acknowledge, at the present time, the exact identities of the Creditor(s) and/or the exact amount of the Total Closing Costs may not be known. The
 16 Contingency shall be deemed to be satisfied if Creditor(s) give written consent to this transaction prior to the closing date upon such terms as Buyer
 17 and Seller agree in writing. However, if any of the following events occur, this transaction shall be deemed to be automatically terminated, and
 18 Buyer shall be entitled to a full refund of all deposit(s): (a) Either Buyer or Seller rejects any of the terms which the Creditor(s) impose as a condition
 19 to granting their consent to this transaction; (b) Creditor(s) consent upon terms satisfactory to both Buyer and Seller does not occur by 5:00 p.m. on
 20 _____; (c) Buyer, in Buyer's sole discretion gives written notice of termination at any time prior to Creditor(s)' consent; or
 21 (d) Creditor(s) consent upon terms satisfactory to both Buyer and Seller does not occur prior to the scheduled closing. Upon such termination under
 22 (a) - (d) above, all parties shall cooperate in promptly signing such documentation reasonably necessary to effect a complete termination of the
 23 transaction and refund/return of all deposits, notes, cash, or checks, if any.

24 **2. CONTINGENCY AND DEPOSIT DEADLINES:** Except for the agreed-upon closing date, which shall remain in effect unless jointly
 25 rescheduled in writing by Buyer and Seller, all performance or contingency deadlines contained in the Sale Agreement, including but not limited to
 26 those for the deposit of earnest money, financing, title, inspection, lead-based paint, and Seller's Property Disclosure (ORS 105.465-105.490) shall
 27 not commence until the first day after satisfaction of the Contingency occurs as described in Section 1, above. Notwithstanding the preceding, the
 28 following performance or contingency deadlines shall commence in accordance with the date(s)/time(s) contained in the Sale Agreement:
 29 _____ . Caution: If the Property is
 30 pre-1978 housing, the Lead-Based Paint Disclosure Addendum must be completed by Buyer and Seller and their Agent(s) prior to closing. Unless
 31 waived, the Buyer must be given an opportunity to conduct a lead-based paint assessment or inspection. See the Lead-Based Paint Contingency
 32 Period Section of the Sale Agreement. All parties acknowledge written Creditor(s) consent may never be issued, or if it is, there may be insufficient
 33 time for Buyer to complete all investigations and inspections prior to the scheduled closing date without rescheduling said date.

34 **3. WAIVER, MODIFICATION, AMENDMENT; CREDITOR MODIFICATION; DISPUTE RESOLUTION:** The Contingency is for the mutual
 35 benefit of Buyer and Seller and may not be unilaterally waived, modified, or amended, by one party, without the written consent of the other. Buyer
 36 and Seller acknowledge one or more of the Creditor(s) may require a change in the terms of this transaction before agreeing to any reduction of the
 37 Total Closing Costs. However, neither Buyer nor Seller, nor their respective Agent(s) or Firm(s) shall be legally required, as a party or fiduciary, to
 38 consent to any such proposed change of terms, even though the refusal to do so could mean this transaction will fail to close. Notwithstanding
 39 anything to the contrary contained herein, should there arise any "Claims" (as that term is defined in the Sale Agreement) under this Addendum
 40 between or among Buyer, Seller, or their respective Agent(s) or Firm(s), the matter shall be exclusively resolved in accordance with the alternative
 41 dispute resolution provisions contained in the Sale Agreement, even though the Contingency has not yet expired or been satisfied, removed,
 42 terminated, or waived.

43 **4. NO REPRESENTATIONS OR WARRANTIES; ASSUMPTION OF RISK:** Buyer and Seller acknowledge closing of this Short Sale transaction
 44 will be primarily based upon consent of the Creditor(s), and neither party nor their respective Agent(s) or Firm(s), have made any representations or
 45 warranties concerning the likelihood this transaction will successfully close. This Addendum shall not create any right of first refusal to Buyer. Any
 46 expenditure of time, money, or other consideration by Buyer or Seller prior to termination or expiration of the transaction shall be solely at their own
 47 risk, and neither shall have a claim against the other, or the other's Agent(s) or Firm(s), for such expenditure.

Buyer Initials ____ / ____ Date _____

Seller Initials ____ / ____ Date _____

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48 **5. RIGHTS OF PARTIES DURING CONTINGENCY:** Buyer understands: (a) The Property may remain on the market as an active listing (subject
 49 to existing MLS rules); (b) Seller may consider, accept and submit to the Creditor(s) other competing offers to purchase the Property with the
 50 understanding the Creditor(s) will make the final decision on which offer to accept if any; and (c) Creditor(s) may insist that regardless of the order
 51 in which received from Seller, all Short Sale offers will be reviewed before a final decision is made on which one to accept. Buyer acknowledges if
 52 one or more Creditor(s) instruct Seller or Seller's representatives, all offers of purchase are to be submitted promptly as received by Seller, and
 53 Seller may accept multiple offers without designating any subsequent offers to be in a "back-up" position. In such case, Seller shall not be legally
 54 required to sell the Property to any particular buyer except the one accepted by the Creditor(s) upon terms acceptable to Seller and said selected
 55 Buyer, and all remaining offers previously accepted by Seller shall be automatically terminated with no liability to Seller and with a full refund of their
 56 deposit(s) to the Buyer(s). During the period this Contingency remains open, Buyer and Seller shall have the right to verify, to their sole satisfaction,
 57 one or more of the Creditor(s) will, in writing, waive or reduce the Total Closing Costs in an amount sufficient to enable Seller to close this
 58 transaction for the Purchase Price and convey marketable title to Buyer.

59 **6. BUYER'S CONTACT WITH CREDITORS:** Without Seller's consent, Buyer or representatives have no authorization to contact any Creditor(s)
 60 regarding Seller's financial, personal, or confidential information for which any privacy rights may exist. If Seller agrees to permit Buyer or
 61 representatives to have direct contact with the Creditor(s) concerning or verifying a reduction of Seller's Total Closing Costs, Seller agrees to sign
 62 such documents as reasonably required by the Creditor(s) to authorize such contact.

63 **7. SHARING OF NON-CONFIDENTIAL INFORMATION:** Both parties acknowledge while final Creditor(s) consent is outside of their individual
 64 control, they nevertheless agree to timely provide to the other party and their Agent(s) or representatives, if any, such non-confidential information
 65 as they may actually acquire from the Creditor(s) regarding approval or disapproval of this transaction (including copies of written, faxed or email
 66 communications, such as but not limited to, Creditor's written consent, denial of consent, and conditions imposed upon consent to the short sale).

67 **8. ADDITIONAL PROVISIONS:** _____
 68 _____
 69 _____
 70 _____
 71 _____
 72 _____
 73 _____
 74 _____

75 Buyer _____ Date _____ a.m. _____ p.m. ←

76 Buyer _____ Date _____ a.m. _____ p.m. ←

77 Seller _____ Date _____ a.m. _____ p.m. ←

78 Seller _____ Date _____ a.m. _____ p.m. ←

79 Buyer's Agent _____ Seller's Agent _____