



TEXAS ASSOCIATION OF REALTORS®  
**SHORT SALE ADDENDUM**

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**ADDENDUM TO CONTRACT CONCERNING THE PROPERTY AT**

- A. This contract constitutes a "short sale" of the Property.
- B. "Short sale" means that:
  - (1) Seller's net proceeds at closing will be insufficient to pay the outstanding balance of the loan currently secured by the Property; and
  - (2) Seller requires:
    - (a) the approval of the lienholder to sell the Property under the terms of this contract; and
    - (b) the lienholder's agreement to:
      - (i) accept Seller's net proceeds in full satisfaction of Seller's obligations and liability under the loan; and
      - (ii) to provide Seller a release of lien against the Property in a recordable format.
- C. If Seller does not provide Buyer with evidence of the lienholder's approval and agreement as required under Paragraph B or on terms otherwise acceptable to Seller by \_\_\_\_\_ (date), Buyer may give written notice to Seller and this contract will terminate and the earnest money will be paid to Buyer. This contract will terminate and the earnest money will be refunded to Buyer if: (1) Seller does not provide the evidence of the lienholder's approval and agreement by the Closing Date; or (2) the lienholder withdraws its approval and agreement prior to closing and funding.
- D. "Seller's net proceeds" means the Sales Price less Seller's Expenses under Paragraph 12 of the contract and Seller's obligation to pay any brokerage fees under Paragraph 8 of the contract.
- E. If there is more than one lienholder or loan secured the property, this addendum shall be read in the plural.

\_\_\_\_\_  
Buyer

\_\_\_\_\_  
Seller

\_\_\_\_\_  
Buyer

\_\_\_\_\_  
Seller