SHORT SALES:
INFORMATION FOR SELLERS

In discussing Sellers' real estate needs with a broker, Sellers have disclosed that the sale of Sellers' property might require lien holder approval of a short sale, because the purchase price Sellers expect to receive for their property, net of the costs of sale, is or might be less than the amount of all obligations secured by liens on the property.

Sellers should consider the following information carefully:

(1) Alternatives to a short sale, including loan modification, refinancing, bankruptcy, foreclosure or deed in lieu thereof, might be available to Sellers.

(2) A short sale might negatively affect Sellers' credit rating or score.

(3) Unless the underlying obligation is non-recourse to the Sellers (in which case a creditor may satisfy an obligation only from the property/collateral and not from personal recourse to Sellers), the lien holder(s) are not obligated to release Sellers from any deficiency resulting from a short sale, and might require Sellers to agree to repay such deficiency or some part thereof. In some cases, even if the lien holder releases Sellers from such deficiency, Sellers might have income tax consequences from receipt of such "forgiveness of debt" income. Sellers' real estate broker is not a legal or tax advisor. Sellers should obtain such legal and financial counsel as Sellers feel is appropriate in connection with the potential consequences of the sale. Sellers are encouraged to retain legal counsel to connection with this transaction.

(4) Lien holders and lenders are not obligated to approve a short sale, are not always obligated to release Sellers from further liability if a short sale is approved, and may impose additional requirements on the consideration of a short sale. Sellers' broker will have little or no control over any such approval or over the time required to obtain necessary approvals.

(5) Short sale transactions frequently take much longer to consummate (sometimes many weeks or months) than other transactions. Consequently, Sellers understand that it is essential for Sellers to cooperate with their broker fully and to respond promptly to all requests to furnish information and to take other actions required of Sellers.

(6) Seller's broker is under no obligation to reduce the brokerage fee set forth in the listing agreement in order to obtain the approval of any lien holder to a short sale.

(7) A short sale does not change the seller's obligations under Virginia law to provide to purchasers a condominium resale certificate or property owners' association information packet. Sellers are encouraged to comply with these legal requirements, as failure to do so will generally afford purchasers a contract termination right.

(8) Competent representation - by real estate, tax and legal professionals - is important to the successful completion of a short sale.

SELLERS

_____ / _____ (SEAL)
Date Owner

_____ / _____ (SEAL)
Date Owner

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RE/MAX ASSURED PROPERTIES 943 GLENWOOD STATION LANE, SUITE 202 CHARLOTTESVILLE, VA 22901
Phone: 434.951-9244 Fax: 866-658-4371 JUDY SAVAGE blank

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