



SHORT FALL/SHORT SALE LISTING ADDENDUM

This is an addendum to the Residential Listing Agreement ("Agreement"), dated _____
on Property known as _____ ("Property"),
between _____ ("SELLER"),
and _____ ("Broker").

- 1. SHORT FALL/SHORT SALE LISTING.** Broker has advised SELLER that the proceeds of sale may not be sufficient to pay in full all loans and other debt or obligations that are secured by a lien(s), including any IRS liens, on the Property as well as Broker commissions and other costs of sale. Accordingly, in order to sell the Property, SELLER may choose to (1) deposit his/her own funds into escrow (Shortfall Sale) or (2) obtain the agreement of secured Lien Holder(s) to accept, as payment in full, less money than they are owed (Short Sale). SELLER acknowledges that as a consequence of this choice, the Lien Holder(s) may require him/her to pay back some or all of the shortage after the sale is complete. Broker has advised SELLER that other options, such as, but not limited to, negotiating a modification of existing loans or liens, refinancing, bankruptcy, foreclosure, or deed in lieu of foreclosure may be more appropriate for SELLER. Any sale of the Property will be contingent on Lien Holder(s) approval.
- 2. TAX CONSEQUENCES.** Broker has advised SELLER that if Lien Holder(s) agrees to accept less than full payment, the difference may result in taxable income to SELLER even though SELLER does not receive any cash proceeds from the sale. SELLER may also be taxed on the gain in value of the Property from the date of SELLER'S purchase to the date of sale, regardless of the amount of any existing loans or liens.
- 3. CREDIT CONSEQUENCES.** A Short Sale may have a negative impact on SELLER'S credit rating even if a foreclosure process has not officially begun or once begun, is not completed.
- 4. LIEN HOLDER(S) CONSIDERATIONS.** SELLER acknowledges that a Short Sale is subject to Lien Holder(s) approval. Lien Holder(s) is not obligated to accept a Short Sale. Lien Holder(s) may impose conditions prior to consideration or approval of a Short Sale, such as obtaining a new appraisal, or requiring SELLER to demonstrate hardship or provide copies of tax returns, pay stubs, assets, or other financial information. SELLER agrees to provide any Lien Holder(s) requested documents in a timely manner. Lien Holder(s) may inform the IRS or credit reporting companies of the payment shortage. Broker has no control over Lien Holder(s) decisions. Accordingly, SELLER agrees to hold Broker harmless for acts or omissions of Lien Holder(s).
- 5. BROKER AUTHORITY.** SELLER authorizes Broker to: (1) market the Property for sale, (2) contact Lien Holder(s) concerning Lien Holder(s) approval of a Short Sale and SELLER agrees to provide Broker any necessary information to assist in negotiation with Lien Holder(s), and (3) advertise in the MLS and other advertising medium that the Property transfer, sales price and payment of commissions are subject to Lien Holder(s) approval. If Lien Holder(s) will not cooperate, Broker may cancel this listing agreement.

		Initials
SELLER	SELLER	

**CAREFULLY READ THE TERMS HEREOF BEFORE SIGNING. WHEN SIGNED BY ALL PARTIES,
THIS DOCUMENT BECOMES PART OF A LEGALLY BINDING CONTRACT.
IF NOT UNDERSTOOD, CONSULT AN ATTORNEY BEFORE SIGNING.**

BROKERAGE

SELLER

DATE

LICENSEE ASSISTING SELLER

DATE

SELLER

DATE

Approved by Legal Counsel of the Kansas City Regional Association of REALTORS® for exclusive use by its REALTOR® members. No warranty is made or implied as to the legal validity or adequacy of this Contract, or that it complies in every respect with the law or that its use is appropriate for all situations. Local law, customs and practices, and differing circumstances in each transaction may dictate that amendments to this Contract be made. Last revised 10/16. All previous versions of this document may no longer be valid. Copyright January 2025.