

Pending approval by the Risk Management Committee on March 14, 2019

RECOMMENDATION TO THE EXECUTIVE COMMITTEE

FROM:

Risk Management Committee

RECOMMENDATION:

Approval of a revised Short Sale Agreement Notice.

BACKGROUND:

Currently, Arizona REALTORS® maintains both a residential Short Sale Addendum and a Commercial Short Sale Addendum. In support of the residential form, AAR also maintains an “Agreement Notice Pursuant to the Short Sale Addendum to the Residential Resale Real Estate Purchase Contract.” However, no corresponding commercial agreement notice exists.

Due to the fact that there is no Arizona REALTORS® commercial agreement notice, on March 14, 2019 the Risk Management Committee voted to revise the residential agreement notice to make it universally applicable.

In other words, the Risk Management Committee elected to revise the “Agreement Notice Pursuant to the Short Sale Addendum to the Residential Resale Real Estate Purchase Contract” so that it can also be utilized in conjunction with the Commercial Real Estate Purchase Contract. The name of the form has therefore been changed to “Agreement Notice Pursuant to the Short Sale Addendum to the Purchase Contract.”

BUDGET IMPACT:

Arizona REALTORS® will be required to pay zipForm \$100 to format the revised Agreement Notice and upload it to the zipForm software product for use by Arizona REALTOR® members. (Note - zipForm has not consistently billed Arizona REALTORS® for expenses of this nature.)

MOTION:

TO APPROVE FOR RELEASE ON OR ABOUT JUNE 1, 2019, THE ATTACHED REVISED FORM TITLED “AGREEMENT NOTICE PURSUANT TO THE SHORT SALE ADDENDUM TO THE PURCHASE CONTRACT.”

FOR MORE INFORMATION CONTACT:

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AGREEMENT NOTICE

PURSUANT TO THE SHORT SALE ADDENDUM

TO THE RESIDENTIAL RESALE REAL ESTATE PURCHASE CONTRACT

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Document updated:
February June 20129



The pre-printed portion of this form has been drafted by the Arizona Association of REALTORS® (AAR). Any change in the pre-printed language of this form must be made in a prominent manner. No representations are made as to the legal validity, adequacy and/or effects of any provision, including tax consequences thereof. If you desire legal, tax or other professional advice, please consult your attorney, tax advisor or professional consultant.



1. Contract dated: _____ , 20____
MONTH DAY YEAR
2. Seller: _____
3. Buyer: _____
4. Premises/Property Address: _____

5. Seller hereby delivers this Agreement Notice to Buyer pursuant to ~~lines 22-23 of~~ the Short Sale
6. Addendum to the Contract. Seller and Seller's creditor(s) have entered into a short sale
7. agreement pursuant to which creditor(s) have authorized Seller to sell the Premises/Property to
8. the Buyer for less than the loan amount(s) secured by the Premises/Property ("Short Sale Approval").
9. **OR**
10. Seller and Seller's creditor(s) have entered into a short sale agreement pursuant to which
11. creditor(s) have authorized Seller to sell the Premises/Property to the Buyer for less than the loan
12. amount(s) provided that certain Contract terms are modified ("Short Sale Approval"). Therefore,
13. this Agreement Notice to Buyer pursuant to ~~lines 22-23 of~~ the Short Sale Addendum to the
14. Contract shall be effective **only** when the attached AAR Addendum setting forth the modified
15. Contract terms is signed by Buyer and a signed copy delivered pursuant to ~~the Notice section 8m~~ of
16. the Contract and received by Broker ~~on behalf of Seller~~ named in the Contract ~~section 9a~~.
17. By signing below, Seller acknowledges having reviewed and approved the Short Sale Approval. Seller
18. further acknowledges having had the opportunity to retain independent third party professionals to
19. advise Seller as to the legal, credit and tax consequences, if any, associated with the terms and
20. conditions of the Short Sale Approval. Seller recognizes, acknowledges, and agrees that Brokers are
21. not qualified, nor licensed, to counsel Seller as to the legal, credit and tax consequences, if any,
22. associated with the terms and conditions of creditor's Short Sale Approval.

23. _____ MO/DA/YR ^ SELLER'S SIGNATURE ^ SELLER'S SIGNATURE MO/DA/YR