

**NOTIFICATION TO BUYER OF A POTENTIAL SHORT SALE**

**NSS**

This form recommended and approved for, but not restricted to use by, the members of the Pennsylvania association of REALTORS® (PAR)

1 **PROPERTY** \_\_\_\_\_  
2 **BUYER** \_\_\_\_\_  
3 **DATE** \_\_\_\_\_  
4

- 5 1. The Property may be subject to a Short Sale.
- 6
- 7 2. A Short Sale is a transaction in which the seller's proceeds are less than the amount necessary to pay off liens secured by the  
8 property. Examples of such liens include, but are not limited to, mortgages, home equity lines of credit, tax claims, homeowners'  
9 association/condominium fees, and legal judgments.
- 10
- 11 3. A Short Sale may require the approval of one or more third parties, unlike a traditional transaction which only requires the  
12 approval of the buyer and seller. In a Short Sale, after the buyer and seller have agreed on the terms of the Agreement of Sale,  
13 the seller may need to request the approval of the lender(s) or other lien holder(s) ("Creditor(s)").
- 14
- 15 4. In a potential Short Sale, Creditors can take an extended period to respond to a Short Sale request. In some cases, Creditors  
16 do not respond at all. Delays in Creditor approval can make it difficult to set a specific settlement date.
- 17
- 18 5. Creditors do not have an obligation to approve the terms of Buyer's offer to the seller. Creditors may add conditions or restrict-  
19 tions in accepting the offer. Common examples may include refusing to pay Buyer's closing costs or refusing to allow the  
20 seller to pay for repairs requested by Buyer. A buyer and seller are under no obligation to accept these conditions or restrictions  
21 from Creditors, although failure to accept them may result in termination of the Agreement.
- 22
- 23 6. Buyer should consider making Buyer's offer contingent upon approval by Creditors and should retain the right to terminate at  
24 a specified time in the Short Sale process. Buyer is advised that a seller may elect to consider additional offers from other buyers  
25 until Creditor approval is obtained.
- 26

27 **Buyer is advised to seek professional legal and financial advice before making a Short Sale offer.**

28  
29 **WITNESS** \_\_\_\_\_ **BUYER** \_\_\_\_\_ **DATE** \_\_\_\_\_

30 **WITNESS** \_\_\_\_\_ **BUYER** \_\_\_\_\_ **DATE** \_\_\_\_\_

31 **WITNESS** \_\_\_\_\_ **BUYER** \_\_\_\_\_ **DATE** \_\_\_\_\_

