

Contract Guide

when buying or selling real estate



2014-2015

Suggested Dates and Timelines

Item No.	Reference	Event	Suggested Date or Deadline
1	§ 4.3	Alternative Earnest Money Deadline	If not delivered with contract, 2-3 days after MEC (same for SS).
Title			
2	§ 8.1	Record Title Deadline	7-10 days after MEC (same for SS).
3	§ 8.2	Record Title Objection Deadline	7-10 days after item #2 (same for SS).
4	§ 8.3	Off-Record Title Deadline	2-3 days after date in item #2 (same for SS).
5	§ 8.3	Off-Record Title Objection Deadline	7-10 days after item #4 (same for SS).
6	§ 8.4	Title Resolution Deadline	10-15 days after MEC.
7	§ 8.6	Right of First Refusal Deadline	Listing Broker should furnish date for Right of First Refusal, if applicable (same for SS).
Owner's Association			
8	§ 7.3	Association Documents Deadline	7-10 days after MEC (same for SS).
9	§ 7.4	Association Documents Objection Deadline	Same as Title Objections Deadline (item #3) (same for SS).
Seller's Property Disclosure			
10	§ 10.1	Seller's Property Disclosure Deadline	Upon MEC or 1-2 days after MEC (same for SS).
Loan and Credit			
11	§ 5.1	Loan Application Deadline	1-3 days after MEC (use last date Seller has to accept offer) (same for SS).
12	§ 5.2	Loan Objection Deadline	This date is the date that Buyer can object to loan.
13	§ 5.3	Buyer's Credit Information Deadline	Only Owner Carry or Assumption. (10 days- 2 weeks after MEC).
14	§ 5.3	Disapproval of Buyer's Credit Info Deadline	Seller to seek expert advice (5-7 days after date in item #13).
15	§ 5.4	Existing Loan Documents Deadline	Used only with an Assumption (3-5 days after MEC).
16	§ 5.4	Existing Loan Documents Objection Deadline	5-7 days after date in item #14.
17	§ 5.4	Loan Transfer Approval Deadline	Used only with qualifying assumption (4-6 weeks after MEC).
18	§ 4.7	Seller or Private Financing Deadline	1-3 days after MEC (use last date Seller has to accept offer)
Appraisal			
19	§ 6.2	Appraisal Deadline	New Conventional/Other loan only. If FHA or VA, insert FHA or VA (8-10 days before item #11) (10-15 days after SSA)
20	§ 6.2	Appraisal Objection Deadline	New Conventional/Other loan only. Not required if FHA or VA. (No later than 5-7 days before Loan Conditions Deadline in item #11)
Survey			
21	§ 9.1	Current Survey Deadline	Survey/ ILC, and review. Required on new construction (same for SS).
22	§ 9.2	Current Survey Objection Deadline	1-3 days after date in item #20 (same for SS).
23	§ 9.3	Current Survey Resolution Deadline	5 days after date in item # 22
Inspection and Due Diligence			
24	§ 10.2	Inspection Objection Deadline	ASAP. 7-10 days after MEC (5-7 days after SSA)
25	§ 10.3	Inspection Resolution Deadline	3-7 Days after date in item #24 (same as SS)
26	§ 10.5	Property Insurance Objection Deadline	ASAP. 10-15 days after MEC (5-7 days after SSA)
27	§ 10.6	Due Diligence Documents Delivery Deadline	ASAP. 3-7 days after MEC (3-7 days after SSA)
28	§ 10.6	Due Diligence Documents Objection Deadline	(7-10 days after date in item #27) (same for SS)
29	§ 10.6	Due Diligence Documents Resolution Deadline	3-7 days after date in item 28
30	§ 10.7	Conditional Sale Deadline	Usually 3-6 weeks after MEC.
Closing and Possession			
31	§ 12.3	Closing Date	Usually 3-6 weeks after MEC (same for SS).
32	§ 17	Possession Date	Be careful, parties may agree to close earlier than date in item #31 (Ex. Date of Delivery of Deed (DODD)),2 days after DODD (same for SS)
33	§ 17	Possession Time	If a time of day is not stated, then Seller has until midnight of the date in item #31 (same for SS).
34	§ 28	Acceptance Deadline Date	Last date Seller can accept offer (See MEC) .
35	§ 28	Acceptance Deadline Time	If no time is stated, the offer remains open unless Buyer withdraws, until midnight of the date in item #31 (same for SS).

Best Practice Guidelines

Item No.	Reference	Event	Best Practices
1	§ 4.3	Alternative Earnest Money Deadline	Earnest money should be delivered with MEC.
2	§ 8.1	Record Title Deadline	Set date allowing enough time for the title company to research the title records.
3	§ 8.2	Record Title Objection Deadline	Set date allowing enough time for Buyer to seek legal counsel.
5	§ 8.3	Off-Record Title Objection Deadline	Set date allowing enough time for buyer to seek legal counsel.
8	§ 7.3	Association Documents Deadline	Listing Broker should obtain the Association Documents when the property is listed as it may be challenging to obtain these documents by the Association Documents Deadline.
12	§ 5.2	Loan Objection Deadline	Dependent on transaction. This is the date that buyer can object to loan.
13	§ 5.3	Buyer's Credit Information Deadline	Set date allowing enough time for Buyer to gather pertinent information.
14	§ 5.3	Disapproval of Buyer's Credit Info Deadline	Set date allowing enough time for Seller to seek expert advice about credit.
21	§ 9.1	Current Survey Deadline	Set date allowing enough time to get survey/ILC and review for problems.
25	§ 10.3	Inspection Resolution Deadline	Seller may need to get bids regarding buyer requests for repair or replacement.
26	§ 10.5	Property Insurance Objection Deadline	Buyer should contact insurance agent immediately.
28	§ 10.6	Due Diligence Documents Objection Deadline	Set date allowing enough time for Buyer to seek legal or other expert counsel.
31	§ 12.3	Closing Date	Depends on transaction. If FHA payoff, avoid last day of month. SS lender usually states closing must be 20-30 days after short sale approval.
34	§ 28	Acceptance Deadline Date	Buyer can withdraw offer at any time prior to acceptance and communication of acceptance.

Circumstances in a transaction may vary. Suggested Dates and Deadlines are for informational purposes only. When submitting a counteroffer, consider the necessary dates that will need to be adjusted. Brokers are encouraged to consult with managing brokers for final dates as well as any contract issues.

MEC - Mutually Executed Contract. Date that the contract is signed by all parties including counteroffers.

SS - Short Sale. Seller's property is worth less than the encumbrances against it.

SSA - Short Sale Acceptance. Acceptance of short sale by Seller's lender.

Homeowner's Association Documents:

Title Company is only required to deliver documents that are recorded: Declarations, Party Wall Agreements. Bylaws, Rules and Regulations, Six Months Minutes of Owners and Director's Meetings, Annual Balance Sheet, Annual Income and Expense Statements, Annual Budgets are not recorded and must be obtained from the Homeowner's Association by the Seller. Best Practice is for the listing broker to obtain the Association Documents when the property is listed as it may be challenging to obtain these documents by the Association Documents Deadline.

Due Diligence:

Research and analysis done in preparation for a real property transaction. As the Contract to Buy and Sell Real Estate (Residential) is an AS IS contract, the onus is on the Buyer to inspect the property and to determine whether the property suits the Buyer's wants, needs, and aspirations, including services to the property. Accordingly, the Inspection Objection Deadline is a very important date.