

Syllabus for Contingency Agreement Webinar

1. The nature of Contingency Agreements
 - Risk for buyers of having to sell before closing on purchase
 - Risk for sellers of having transaction termination without recourse of earnest money
2. Contingency Deadline & Notice Period Explanation
3. Alternative One Explanation
4. Alternative Two Explanation
5. Notice to Buyer that seller has received another offer
 - Using the appropriate form of notice
 - How much time for the Notice Period
 - Circumstances under which buyer can legitimately select Alternative One after receiving notice from seller
 - Termination if buyer does not select either Alternative One or Alternative Two
6. Timelines for Contingencies
 - When will the buyer perform inspections and review title report?
 - Benefits/Risks to completion immediately upon offer acceptance
 - Benefits/Risks to completion after Contingency removal
 - Buyer is obligated to deposit earnest money upon offer acceptance
 - Buyer is obligated to fulfill disclosure contingency upon receipt after offer acceptance
7. Timelines for Closing & Possession
 - Buyer may need closing & possession timelines to be altered based upon when they receive an acceptable offer on their current home
 - Many buyers will put an extended date on the sale agreement, with the intent to tighten it up after an offer is received on their current property
8. Notice to Seller
 - Used when the buyer receives an offer on their current property and needs to notify seller of their selection of Alternative One or Alternative Two
 - This is the appropriate form and speaks directly to the addendum. Don't go rogue and make up your own form on a blank addendum
9. Notice to Buyer
 - Used to notify buyer of the seller's receipt of another offer on the contingent subject property
 - Buyer must select either Alternative One or Alternative Two. Note, they can only select Alternative One if they have accepted an offer on their current home.
 - If buyer cannot select Alternative One or Alternative Two, the transaction will terminate.