

Changes to the Real Estate Purchase Contract – April 2022

From the Greater Hartford Association of REALTORS® blog

Paragraphs 4(a) and 6 were modified to clarify when the deposits are due.

Paragraph 4(a):

Buyer shall make the following deposit, by personal check, cashier's check or certified funds, subject to collection, upon receipt of this fully executed Contract, but no later than three (3) calendar days thereafter. Deposit to be applied to the total purchase price. If this deposit is not paid by Buyer by the stated time, Seller at Seller's sole discretion shall have the right to declare Buyer to be in default and terminate this Contract by written notice to Buyer, and Seller shall thereafter be relieved of all obligations hereunder:

Paragraph 6:

Time is of the essence was removed and replaced with, "If any deposit payable under this Contract is not paid by Buyer by the stated time, then Seller at Seller's sole discretion shall have the right to declare Buyer to be in default and terminate this Contract by written notice to Buyer, and Seller shall thereafter be relieved of all obligations hereunder."

Additionally, the statement "and if such failure shall continue for a period of three (3) calendar days thereafter, then until such time as Buyer makes such deposit(s) Seller shall have the right to (a) declare Buyer to be in default and (b) terminate this Contract" was removed to end any confusion that the Buyer had an additional 3 days to submit the 2nd deposit.

Section 5 has been modified to state:

Buyer will provide Seller and Broker, not later than the Mortgage Contingency Date, with a copy of any written commitment for a Mortgage obtained by Buyer including all conditions contained therein.

And the following statement was modified to include the "initial" lender verification of employment:

If Buyer obtains a written commitment but such commitment contains any of the following conditions and such condition(s) has/have not been satisfied on or before the Mortgage Contingency Date: appraisal, initial lender verification of employment, lender verification that Buyer has sufficient funds to close, lender approval of Buyer's creditworthiness, or if applicable, lender approval of common interest community; then Buyer may terminate this Contract by providing Seller and Broker, not later than the Mortgage Contingency Date, with written notice of Buyer's inability to obtain such commitment.