

Property Address: _____ Sale of Buyer's Property Contingency



**RIDER
REAL ESTATE PURCHASE CONTRACT
Greater Hartford Association of REALTORS®, Inc.**

This rider should be used when you have a buyer who:
1) must sell his/her current property in order to purchase the next home, and
2) already has taken a deposit on his/her current property but there are contingencies in that contract that must be met.

SALE OF BUYER'S PROPERTY CONTINGENCY (UNDER CONTRACT)

Buyer represents that Buyer has entered into a contract dated _____
to sell Buyer's property located at _____
with a Contract closing date of _____.

The date that all parties have signed a real estate purchase contract on the buyer's current home.

The address of the buyer's home that is being sold.

The closing date noted in the real estate purchase contract for the buyer's current home.

Buyer shall provide Seller with written notice that the contingencies contained in the above referenced contract have been satisfied by _____ (time being of the essence). If such contingencies have not been satisfied on or before such date, then Buyer may terminate the Contract by providing Seller and Broker with written notice of Buyer's election to so terminate.

In this paragraph, you must put a date by which your buyer has to notify the seller of the home he/she is attempting to buy that all contingencies related to the sale of his/her current home have been met. In most cases, this date will be the date by which the buyer of your buyer's home has to have mortgage commitment. Some realtors extend this date out a bit just in case there is a delay with the mortgage approval on the sale of their buyer's home and as further protection for the buyer.

If the above referenced contract is in default or terminated on or before the contingency date stated above, Buyer shall notify Seller of such default or termination in writing within twenty-four (24) hours and either Seller or Buyer may terminate the Contract by written notice to the other within seven (7) days thereafter.

The next paragraph specifies that if anything should go wrong with the sale of your buyer's home and that contract is terminated, your buyer must provide written notice to the seller of the house he is buying within 24 hours. The seller and your buyer then have 7 days to terminate their agreement.

If Buyer does not provide such written notice or elect to so terminate, then this contract will remain in full force and effect free of this property sale contingency, unless Seller, within seven (7) days from the date set forth in the previous paragraph, gives written notice to Buyer and Broker that Seller has elected to terminate the Contract. If either party so terminates this contract, then all deposits will be returned to Buyer, and, except as provided in paragraph 17 of the Contract, the obligations of the parties under this Contract shall end.

It is important to note:
1) If your buyer does not provide written notice that his/her buyer has terminated, they are essentially stating that they can close without having to sell. If they cannot perform, their deposit is in jeopardy.
2) On the other hand, if either party terminates in writing as a result of your buyer losing the sale on his house, all deposit money is returned to your buyer.

Note that the Contract associated with this Rider remains in full force and effect as a valid and binding agreement unless and until it is terminated in accordance with the provisions of this Rider. As a result, any additional offers received while a Contract including this Rider is in effect may only be considered to be back-up offers.

The last paragraph in bold was added in to make sure any seller signing this rider understands that he/she cannot continue to market their home as active nor can they accept any other offers except as "back-up offers."

BUYER: _____ DATE: _____

BUYER: _____ DATE: _____

SELLER: _____ DATE: _____

SELLER: _____ DATE: _____

When sellers accept this rider, they are placing their house under deposit with either "show" or "deposit" status in the MLS.