

# January 2007 Revisions to MAR's Standard Forms

**12 Forms were revised and all have January 2007 revision dates on the bottom.**

**ADDENDUM.** Signatures lines rather than lines for only initials

## **Form 1. Contract for the Sale & Purchase of Real Estate**

- Rewrote Clause 2: Loan and Insurance Contingency to provide remedies for non-compliance
- Deleted lines at bottom of each page for initials.
- Rewrote Earnest Money Clause to add requirement to interplead
- Clarified WDIR and Leasehold Transfer Fee to Costs of Sale to Clause 5
- Clarified closing clause to indicate on \_\_\_\_\_date or before if mutually agreed upon by parties....rather than "closing on or before \_\_\_\_\_."
- Added "taxes" to list of items to be prorated and current at closing
- Added Assignment of Lease to Title and Conveyance clause
- Totally revised Breach of Contract Clause to clarify remedies
- Totally revised Disclosures and Inspections Clause giving option for plumbing, heating, cooling and electrical to be in working order at closing rather than having that as an affirmative statement.
- Totally revised Damage by Fire, etc clause clarifying remedies in the event damage occurs
- Added a statement to Agreement of the Parties indicating that the contract is not assignable without the Seller's permission.
- Added date and time to acceptance and rejection signature boxes on the last page

## **Form 2 Lots and Land Contract**

- Added Interplead requirement to Earnest Money clause as is in Form 1
- Closing on \_\_\_\_\_ or before if mutually agreed upon by parties
- Rewrote Breach of Contract Clause
- Added date and time to acceptance and rejection signature boxes on last page

## **Form 3 Lease Agreement**

- Added a line for lessee to indicate the names of all the people who will be occupying the property.

## **Form 4 Listing Agreement**

- Added line in MLS paragraph for listing broker to disclose how and how much he compensates cooperating brokers as is required by the REALTOR Code of Ethics (Standard of Practice 1-12)
- Added a line to Compensation Clause indicating that listing broker can collect commission in the event the seller prevails in a suit for specific performance if buyer breaches contract

- Revised Earnest Money clause to indicate that if the Buyer's earnest money is forfeited ½ of the deposit shall be retained by or paid to the Listing Broker...not split between listing and selling brokers as was indicated previously.
- Added item to Clause 6 giving seller authority to determine whether or not he will allow the listing broker to disclose to buyers and cooperating brokers the existence of offers on the property as is required by Standard of Practice 1-15 of the Code of Ethics. NOTE: Listing agents should be able to describe to the seller the pros and cons of disclosing the existence of offers so that the seller can make an informed decision...on one hand, the seller might get a higher offer from a buyer who really wants the property; on the other hand he may lose a buyer who doesn't want to compete with another buyer.
- Added a box for the seller to check regarding offering subagency or not.

**Form 7. Home Inspection Addendum.** NEW form entirely

**Form 8. Buyer Rep Agreement**

- Numbered lines of form
- Clarified Client Agrees section

**Form 14. Seller's Counter**

- Numbered lines of form
- Increase space for writing terms
- Added date and time lines for acceptance and rejection

**Form 14A Buyer's Counter**

- Numbered lines
- Added date and time on signature lines

**Form 17 Pre-Closing Addendum**

- Numbered lines
- Corrected a misspelled word

**Form 18. Post-Closing Addendum**

- Numbered lines
- Clarified time when buyer must perform walkthrough...immediately prior to taking possession

**Form 21 Buyer Authorization to Make Repairs**

- Numbered lines
- Added line requiring buyer to pay all third parties for labor prior to or at closing

**Form 28. WAS Mold Disclosure...it was deleted and a new Mandatory Arbitration Addendum was put in its place.**

Mold is listed on the Property Issues Addendum as a hazard that might require inspections. The Mandatory Arbitration Clause was removed from the face of the

Purchase Agreement and put on a separate Form so that the Agents can sign the agreement.