Maryland REALTORS® Contracts for the Newly Licensed

Contract law review

Legal Definition of a Contract _____

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Types of Contracts_____

Employment Contracts_____

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Contracts between the Parties _____

_____

Unimproved Contract _____

_____

The Offer – Basics of Preparing an Offer

Before preparing an offer

What was accomplished during buyer consult? _____

_____

Consumer Notice to Buyer and other disclosures_____

_____

CMA – cooperating agent vs buyer agent_____

_____

Research Public Records_____

Definition of "offer" _____

_____

Termination or withdraw of offer_____

_____

Revocation_____

Lapse of Time Requirements_____

_____

Offer details 1. Property description 2. Price 3. Settlement Date 4. Financing Terms
5. Name of Parties _____

_____

Counteroffer _____
Acceptance _____
Acceptance communicated to the offeror_____
Delivery is the communication of acceptance which may be accomplished by acts as well as by words _____
Date of Contract Acceptance _____
Date of Ratification _____
Essential elements of a sales contract: Offer and Acceptance, Mutual Assent, Material Terms, Consideration, Legally Competent Parties, Legal Purpose

_____

_____

Multiple offers_____

_____

Validity of Contracts

VALID _____

_____

VOID _____

_____

VOIDABLE _____

_____

UNENFORCEABLE _____

Statute of Frauds - Requires that certain kinds of contracts such as real estate contracts be in writing, contain the signature of the party to be charged and the essential terms to be enforceable in a court of law _____

_____

COMAR Code of Ethics_____
Equitable Title - The real estate contract is formed, buyer does not yet have legal title to the land (title transfers when deed is properly executed and recorded). However, buyer acquires an interest in the land. _____

Assignment or Substitution of parties _____

Discharge of Contracts

Contract is discharged when the agreement is terminated _____

_____

Parties performed _____

Default _____
Mutual Agreement _____
Unilateral Releases _____

Breach of Contract

A violation of any of the terms or conditions of a contract without legal excuse

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Damages - Liquidated Damages _____

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Equitable Remedy - A species of relief sought in a court with equity powers as in the case of a person seeking an injunction or specific performance _____

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Specific Performance _____

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Contingency _____

_____

Additional conditions that must be satisfied before a sales contract is fully enforceable
Difference Between Default and Failure to Satisfy Contingency _____

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Notice of Termination/Release - What's the difference between a notice of termination and a release? _____

Unilateral Notice of Termination vs. Mutual Release of Obligation Under Contract

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Statute of Limitations on Breach of Contract - The statute of limitations on breach of contract claims in Maryland is 3 years_____

Amendment/Modification _____
Time is of the Essence _____
Unauthorized Practice of Law - You must be a licensed attorney to practice law in Maryland
Let the parties or the attorneys draft amendments and addenda _____

_____

Disclosures

Disclosure and Disclaimer_____

On Either Form w/ latent defects _____

_____

Rescission rights _____

Form is 4 Pages! _____

Exempt transactions _____

Federal Lead-based Paint _____

Lead Paint - Disclosure and Pamphlet – RRP _____

_____

Agency Disclosure _____

Material Facts _____

_____

The Maryland REALTORS® Contract and Addenda

Access to contracts and forms _____

Payment Terms _____

Financing - Loan Details "TBD" - "Market" - "Not to Exceed" _____

_____

As Is Transaction _____

Does buyer have the right to do a walkthrough? _____

_____

What kinds of inspections can buyer conduct? _____

_____

Property Inspection Addendum and Notice

Negotiation process - Can the seller offer a repair credit? _____

_____

First-Time Buyer - What is the Law? _____

_____

Revised Contract Provisions _____

HOA/Condo Docs. _____

Default - Mediation _____

_____

Computation of Days _____

Earnest Money Deposit _____
What if a title company holds the deposit? _____

_____

Release of Deposit Agreement _____

Compensation to Subagent/Buyer Agent

MLS Compensation _____

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Negotiation of compensation at time of showing or offer _____

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Listing Broker Unilaterally Reduces Offer of Compensation After Offer is Submitted _____

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Forms Updates and Q & A

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