7 Terms to Watch for in a Purchase Contract

- 1. **The closing date**. See if the date the buyer wants to take title is reasonable for you.
- 2. **Date of possession**. See if the date the buyer wants to move in is reasonable for you.
- 3. **The earnest money**. Look for the largest earnest-money deposit possible; since it is forfeited if the buyer backs out, a large deposit is usually a good indication of a sincere buyer.
- 4. **Fixtures and personal property**. Check the list of items that the buyer expects to remain with the property and be sure it's acceptable.
- 5. **Repairs**. Determine what the requested repairs will cost and whether you're willing to do the work or would rather lower the price by that amount.
- 6. **Contingencies**. See what other factors the buyer wants met before the contract is final—inspections, selling a home, obtaining a mortgage, review of the contract by an attorney. Set time limits on contingencies so that they won't drag on and keep your sale from becoming final.
- 7. **The contract expiration date**. See how long you have to make a decision on the offer.