

WHAT THE DATES MEAN

When a real estate purchase is made there are an assortment of dates all parties to the contract must comply with.

The first important date is the Open for Acceptance Date. This is the time allotted for the Seller to accept the offered price and terms the Buyer has made on the offer. If the Seller doesn't want to accept the offer they usually make a counter offer to the Buyer. When they counter offer they often change the Open for Acceptance Date so that the Buyer has enough time to consider the counter offer. On this busy market the time allowed on the Open for Acceptance Date is commonly one day or less.

The next date Buyers and Sellers are concerned with is the Subject Removal Date. Sellers can have subject conditions on their sale but it is usually the Buyer who has the subject conditions. On each of those conditions there needs to be a deadline. If the Buyer fails to remove their conditions by that Subject Removal Date deadline then the contract becomes null and void. Of course the Buyer is legally obligated to make all reasonable efforts to remove their conditions in a timely manner. In other words, a Buyer cannot just allow the time to run out because they've changed their minds about the purchase and are just looking for a way to get out of the contract.

The next date of importance is the Completion Date. This is also known as the closing date. Be sure not to confuse this date with the possession date. What happens on the completion date is the title of the property goes from the Sellers' name to the Buyers' name. The Seller (or the Sellers' solicitor) receives the money from the sale on that same date. This money includes all the Buyers' down payment and mortgage monies. Most commonly the Completion Date precedes the possession date by one or two days.

The Possession Date is the final day in the sequence of the transaction dates. This is the day that the Buyer is entitled to receive the key to the home and to take physical possession of the property.

One other date is always present on a Contract of Purchase and Sale and that is the Adjustment Date. The Adjustment Date is the date on which the Buyer assumes the full responsibility of all property taxes, water, sewer and garbage bills, strata fees where applicable, local improvement rates, levies, etc. Usually the adjustment date coincides with the possession date. Sometimes it's the same as the completion/closing date. Either scenario is acceptable as long as all parties to the contract are in agreement.

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