



What does it mean if the second box in the “Settlement Date” section of the Agreement to Amend Contract isn’t checked?

Release Date: 09/24/2020

Will Martin, Martin & Gifford, PLLC

QUESTION: We are having a friendly difference of opinion in my office about using the Agreement to Amend Contract (Form 4-T) to revise the Settlement Date in a contract, and the effect of the parties *not* checking the second box under “Settlement Date.” Most of our agents think the 14-day delay period in paragraph 12 of the Offer to Purchase and Contract (Form 2-T) applies to the new Settlement Date. However, a few believe that if the second box isn’t checked, neither party is permitted to delay for any period of time beyond the new Settlement Date. Their reasoning is that in leaving the second box unchecked, the parties are in essence agreeing that neither of them has the right to delay Settlement and Closing. If they want to agree to any period of delay, they must check the second box, in which case there could be a maximum delay of up to four days. Who is right?

ANSWER: If the parties amend the Settlement Date on Form 4-T and do not check the second box, the 14-day delay period applies to the new Settlement Date. Paragraph 12 of Form 2-T clearly states that the 14-day permitted delay period applies to any amended Settlement Date agreed to in writing by the parties. The fact that the “Settlement Date” section of Form 4-T includes an option to limit the permitted period of delay to 4 days does not mean that there is no permitted delay beyond the new Settlement Date if that option is not selected. Form 4-T provides that “[a]ll terms and conditions of the Contract not specifically amended herein shall remain in full force and effect.” Thus, the language in paragraph 12 that is not specifically modified remains in effect. The non-selection of the optional second box in the “Settlement Date” section of Form 4-T does not modify the 14-day delay period provided for in paragraph 12 of Form 2-T.

NC REALTORS® provides articles on legal topics as a member service. They are general statements of applicable legal and ethical principles for member education only. They do not constitute legal advice. The services of a private attorney should be sought for legal advice.

© Copyright 2020. North Carolina Association of REALTORS®, Inc. This article is intended solely for the benefit of NC REALTORS® members, who may reproduce and distribute it to other NC REALTORS® members and their clients, provided it is reproduced in its entirety without any change to its format or content, including disclaimer and copyright notice, and provided that any such reproduction is not intended for monetary gain. Any unauthorized reproduction, use or distribution is prohibited.