



Checklist for Buying or Selling a Home

By: Trev E Peterson

Whether you are buying or selling a home, you should develop a checklist of issues to consider in developing the purchase contract. These considerations are relevant whether one or both of the parties are represented by a realtor, or whether the home is a "For Sale By Owner" ("FSBO") transaction. For an explanation of the features in a typical home purchase contract, see my article on this website entitled: "The Home Purchase Agreement." For a description of the disclosure requirements under Nebraska law for Sellers, see my article on this website entitled: "Home Sale Disclosure Requirements in Nebraska."

As with all articles on this website, the contents of this article are not intended as legal advice for any specific legal problem. Nothing in this article is intended to create an attorney-client relationship between the author and the reader. The author is licensed to practice law in Nebraska only, and real estate law, while similar, varies from state to state. If you are buying or selling a home in a state other than Nebraska, you are encouraged to consult with an attorney licensed in the state in which the real estate is located.

Feel free to print and use the checklist to organize your thoughts when buying or selling a home.

1. Sellers' names (first, middle initial and last), notice address (if different from the property address), e-mail address, phone and fax numbers and marital status:
2. Sellers' realtor (name, address, e-mail, phone and fax numbers), if any:
3. Sellers' attorney (name, address, e-mail, phone and fax numbers), if any:
4. Buyers' names (first, middle initial and last), notice address, e-mail address, phone and fax numbers and marital status:
5. Buyers' realtor (name, address, e-mail, phone and fax numbers), if any:
6. Buyers' attorney (name, address, e-mail, phone and fax numbers), if any:
7. How the Buyers wish to take title to the home: joint tenancy; tenants in common.
8. Street address of home:
9. Legal description of home (usually in the form of Lot ____, Block ____, _____ subdivision, _____ (city), _____ County, Nebraska).
10. Purchase price.

11. Down payment or earnest money deposit.

12. Escrow closing desired?

a. Any title company preference or prohibition?

b. Who pays? Buyer/Seller/Split

13. Contingencies:

a. Financing?

b. Sale of Buyers' home?

c. Purchase of replacement home by Seller?

d. Other contingencies? Such as the ability of the Buyers to build onto the house or obtain a zoning change.

e. Waiving contingencies? Normally, if Sellers get an offer without the contingency, the Buyers have a limited period of time (such as 24 hours) to waive the contingency.

14. Inspections (what is desired; who pays; limit on repair liability; time limit):

a. Termite (usually required for a loan) (Buyer/Seller pays)

Dollar limitation on repair liability:

b. Heating/Air conditioning ("HVAC") (Buyer/Seller pays)

Dollar limitation on repair liability:

c. Whole house (usually includes termite, HVAC, roof, electrical, plumbing)
(Buyer/Seller pays)

Dollar limitation on repair liability:

d. Roof (Buyer/Seller pays)

Dollar limitation on repair liability:

e. Electrical (Buyer/Seller pays)

Dollar limitation on repair liability:

f. Plumbing (Buyer/Seller pays)

Dollar limitation on repair liability:

g. Survey (Buyer/Seller pays)

Dollar limitation on repair liability:

h. Environmental (lead based paint; asbestos; radon; mold)
(Buyer/Seller pays)

Dollar limitation on repair liability:

i. Other

Dollar limitation on repair liability:

15. Allocation of expenses/prorations:

a. Title insurance premium (usually split; Buyers pay for lender policy or any endorsements required by their lender).

b. Escrow closing costs (usually divided).

c. Inspections (normally Sellers pay for termite inspection; Buyers pay for any inspections requested by Buyers; Sellers pay for repairs up to repair cap).

d. Real estate taxes (normally Sellers pay for prior year; pro rate to closing date).

e. Special assessments (Sellers can pay for all or just for the installments due prior to closing).

f. Recording deed (normally Buyers pay for recording the deed).

g. Transfer tax (Sellers normally pay; can be allocated to Buyers).

h. Professional fees (parties normally pay for their own attorneys; realtors).

16. Closing date/possession date (normally the same date; if possession date is after the closing date, be sure that the Buyers are tied to a specific date to vacate the property).

17. Personal property issues (normally listed; be sure that any special items—such as the decorative rock in the front yard or the special light fixture—that are to be removed are identified).

18. Special repair items:

a. Carpet cleaning? (If represent Sellers, then cap the expense and provide a credit at closing; let Buyers arrange for cleaning).

b. Carpet/vinyl replacement? (Same comments as above).

c. Painting (Same comments as above).

d. Complete an unfinished remodeling project?

19. Preclosing walk through? If repair items are identified; Sellers should request a preclosing walk through to give the Buyers a final chance to approve the remodeling projects.

20. Assignment provisions. Do the Sellers care if Buyers assign the contract?

21. Default provisions:

a. Sellers: If Sellers default; what is the remedy—normally Buyers can force Sellers to close.

b. Buyers: Forfeiture of earnest money; is that the sole remedy?
Forfeiture of earnest money, plus other damages.

This checklist is intended to focus the attention of the parties on the technical portions of the purchase agreement. The checklist is not a complete list of every possible issue that can arise in the negotiation of the purchase or sale of a home. Completion of the checklist is valuable initially for the buyers and sellers to focus their attention to specific issues involved in most real estate transactions and ultimately is valuable for the attorney drafting the purchase agreement. Most items are subject to negotiation between the parties and while local custom may provide guidance in how to allocate costs between the parties, the parties are not required to comply with local custom. Buyers and Sellers are encouraged to consult with a competent real estate attorney to complete the purchase agreement.

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