



# EARNEST MONEY

## WHAT IS IT?

Earnest money is a specific form of security deposit made in real estate dealings to demonstrate that the applicant is serious and willing to complete the transaction.

## WHAT IS THE MINIMUM AMOUNT OR STANDARD FOR EARNEST MONEY?

While there is no minimum required or standard amount, our agents will typically recommend 1% of asking price.

## IS EARNEST MONEY ACTUALLY REQUIRED FOR A VALID REAL ESTATE CONTRACT?

No, although it is recommended for a stronger offer, and it is customary in our market.

## WHEN IS EARNEST MONEY DUE?

Per our contract, Earnest Money is due within 4 days of acceptance.

## IF THE BUYER SIGNS A PROMISSORY NOTE, WHEN MUST IT BE REDEEMED?

Per our contract, Promissory Notes must be redeemed within 4 days of acceptance.

## WHAT DO YOU DO IF THE BUYER DOES NOT REDEEM THE PROMISSORY NOTE IN TIME?

You are obligated by Ohio Law to notify the listing agent if the Earnest Money has not been deposited within 4 days of acceptance.

## CAN THE PROMISSORY NOTE REDEMPTION DATE BE EXTENDED?

The Promissory Note redemption date can be extended only if agreed upon in writing by both parties with a signed addendum.

## IF THE BUYER DOES NOT REDEEM THE NOTE IN TIME, IS THE CONTRACT NULL AND VOID?

No. If the buyer does not redeem the Note in time, the buyer is in breach of the contract, but not null and void.

