

# EARNEST MONEY & OPTION FEE DELIVERY DATE.

## Sample Timeline

(PER TREC CONTRACT FORM 20-16, EFFECTIVE 11/08/2021)

### HOW TO MEET THE EARNEST-MONEY DEADLINE

The One to Four Family Residential Contract (Resale) (TAR 1601, TREC 20-16) now has a strict three-day deadline to deliver earnest money. Unlike other deadlines in the contract, though, if the deadline falls on a weekend or legal holiday, the deadline is extended to the next business day. Here are three scenarios that show how to determine the earnest money deadline.

#### Sample 1: NO WEEKENDS OR HOLIDAYS FALL ON THE THIRD DAY

SUN	MON	TUE	WED	THU	FRI	SAT
CONTRACT EFFECTIVE DATE	DAY 1	DAY 2	DAY 3 Earnest money must be delivered by end of the day.			

#### Sample 2: WEEKEND AND LEGAL HOLIDAY FALL ON THIRD DAY

SUN	MON	TUE	WED	THU	FRI	SAT
			CONTRACT EFFECTIVE DATE	DAY 1	DAY 2	Deadline for earnest money extended to next business day.
Deadline for earnest money extended to next business day.	LEGAL HOLIDAY Deadline for earnest money extended to next business day.	DAY 3 Earnest money must be delivered by end of the day.				

#### Sample 3: LEGAL HOLIDAYS & WEEKEND DAYS ON DAYS 1 & 2 DO NOT EXTEND THE DEADLINE

SUN	MON	TUE	WED	THU	FRI	SAT
				CONTRACT EFFECTIVE DATE	DAY 1 LEGAL HOLIDAY Since this is not Day 3, this legal holiday still counts as Day 1.	DAY 2 Since this is not Day 3, this Saturday still counts as Day 2.
Deadline for earnest money extended to next business day.	DAY 3 Earnest money must be delivered by end of the day.					