

## COVID 19 Clause for MAR Buy-Sell Agreements

The Forms Screening Group of the Montana Association of REALTORS® (MAR), with the assistance and advice of MAR legal counsel, has approved a clause for MAR members to use in any MAR buy-sell agreement. This clause is not required. It is a clause designed to address concerns that parties may have due to potential transactional delays related to the Coronavirus (COVID-19) pandemic.

The best place to insert the clause is probably in Additional Provisions of the applicable buy-sell agreement (e.g. lines 239-260 of the Residential Buy-Sell Agreement). Alternatively, if more room is needed, the clause can be added into the Addendum Between Parties for Additional Provisions form and said addendum included as part of the buy-sell agreement. The clause is below with some brief instructions that follow.

Buyer and Seller acknowledge that the current Coronavirus (COVID-19) pandemic is affecting real estate transactions in unprecedented ways. If complying with the terms of the Agreement is not possible or practical as a result of unforeseen circumstances related to COVID-19, including but not limited to: the declaration of a state or national emergency; voluntary or mandatory quarantines; business or government closures to combat COVID-19; COVID-19 related travel restrictions that directly impact Seller's or Buyer's ability to perform under the Agreement; or anything of the like causing Buyer or Seller to be unable to perform their obligations under the Agreement, Buyer and Seller agree as follows:

\_\_\_\_\_ All performance dates and deadlines set forth in the Agreement, **except for the closing date**, shall be automatically extended by *insert number or N/A* days.

\_\_\_\_\_ The closing date as set forth in the Agreement shall be automatically extended by *insert number or N/A* days.

**Instructions** – The parties can choose one of three options as follows by placing an “X” in the appropriate area.

- a. All dates except closing (e.g. inspection, title, insurance, etc.) are extended (*sample additions in red. Number of days to insert should be decided by parties*):

~~\_\_\_\_\_~~ **X** \_\_\_\_\_ All performance dates and deadlines set forth in the Agreement, **except for the closing date**, shall be automatically extended by **30** days.

\_\_\_\_\_ The closing date as set forth in the Agreement shall be automatically extended by **N/A** days.

- b. Only the closing is extended (*sample additions in red. Number of days to insert should be decided by parties*):

\_\_\_\_\_ All performance dates and deadlines set forth in the Agreement, **except for the closing date**, shall be automatically extended by **N/A** days.

~~\_\_\_\_\_~~ **X** \_\_\_\_\_ The closing date as set forth in the Agreement shall be automatically extended by **30** days.

- c. All dates are extended (*sample additions in red. Number of days to insert should be decided by parties*):

~~\_\_\_\_\_~~ **X** \_\_\_\_\_ All performance dates and deadlines set forth in the Agreement, **except for the closing date**, shall be automatically extended by **30** days.

~~\_\_\_\_\_~~ **X** \_\_\_\_\_ The closing date as set forth in the Agreement shall be automatically extended by **30** days.

If MAR members have questions please contact the Legal Hotline at 406-543-6646.