

COVID-19 Form Questions & Answers

In response to the COVID-19 pandemic, Tennessee REALTORS® has released a new form, RF679, COVID-19 Amendment/Addendum. (*A video tutorial of how to use the form is available [HERE](#).*) Since its release, our Legal & Ethics Hotline has received several questions about the form and navigating other COVID-19 issues. Here are answers to those questions:

When extension begins?

Q: If I enter "14 days" on line 17 of the COVID-19 Amendment, when does that 14-day extension begin? Does it begin the day the notification is received, or does it give you 14 days after the specific performance deadline expires on the purchase and sale agreement?

A: It would extend all performance deadlines by 14 days, meaning 14 days beyond the deadline expiration. So, if you received the notification on April 1, but the inspection timeframe didn't expire until April 6, the inspection timeframe would be extended 14 days from April 6. The same applies to all other performance deadlines in the contract.

One extension or multiple?

Q: Can the buyer ask for 14 days and then the seller also (later) ask for 14 days due to an event? Or is it one extension per contract regardless of who invokes it?

A: The intention is for the extension to be used once and only once.

All deadlines extended?

Q: Does the extension apply to just the roadblock that causes you to ask for it, or does it apply to all deadlines that come after that?

A: All performance deadlines. If you only need to extend one deadline and don't foresee any others being affected, use an amendment to extend just that deadline.

Closing date roll over?

Q: What if you extend 14 days and it turns out the closing date then falls on a weekend—do you get an extension until Monday or must you close Friday?

A: The closing date is a deadline which does not roll over; therefore, in this case, you would need to close on the Friday beforehand.

Proof required?

Q: What sort of proof can you ask for when an extension is requested?

A: The form itself does not address asking for documentation. The other party can always ask to see something, but the form does not require proof be sent with the notification.

COVID-19 layoff?

Q: If a loan is denied because of a layoff due to COVID-19, how can we resolve this issue?

A: If a buyer is unable to obtain financing because of a recent layoff due to COVID-19, then the financing contingency would kick in. The buyer could terminate the contract due to loan denial, and they would be entitled to a refund of the earnest money.