

# How to Meet the New Earnest-Money Deadline



The One to Four Family Residential Contract (Resale) (TAR 1601, TREC 20-14) 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 the three scenarios that show how to determine the earnest money deadline.

Example #1 ————— No weekends or holidays fall on the third day

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
Contract Effective Date	Day 1	Day 2	Day 3 Earnest money must be delivered by end of day.			

Example #2 ————— Weekend and legal holiday fall on third day

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
			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 day.				

Example #3 ————— Legal holidays and weekend days on Days 1 and 2 do not extend the deadline

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
				Contract Effective Date	Day 1	Day 2
Deadline for earnest money extended to next business day.	Day 3 Earnest money must be delivered by end of day.					