

Let's Talk Earnest Money



If your buyer is being asked to use a title company to hold Earnest Money please note:

- **EM (Earnest Money) of \$500 or less can be a personal check**
- **EM between \$500 to \$9,999 should be a wire or cashier's check**
- **EM over \$10,000 MUST be a wire!!**

Escrow Agreement Required- We will require an Escrow Agreement to be signed by both the Buyer and Seller. The language in the Purchase Agreement does not fully cover us in the event there is a dispute concerning EM. In the event the transaction is terminated or a dispute arises, we may not release the funds until the both parties sign the release or a court order is issued.

In some cases we may accept personal checks less than \$9,999
BUT a cashier's check is preferred because:

Insufficient Funds & Fees - Title companies and customers get charged NSF fees and until funds are cleared, technically, no EM has been made as required per the Purchase Agreement.

Early Termination of Contract - If the transaction is cancelled, personal checks cannot be refunded until the funds have cleared which could take up to 14 days. So, if the buyer needs their funds to submit another offer, their funds may not be available as per Indiana Good Funds Law.

Quick Close Desired - If the parties desire to close within 14 calendar days of depositing EM, submitting with a personal check may delay closing. We can not close until the bank verifies the funds have cleared.