

What Is a Contingent Offer?

How It Changes the Experience for Buyers, Sellers and the Sale Timeline

If you've been browsing real estate listings, you've likely seen the word "contingent." It can be confusing — does it mean the home is sold, or still available?

A contingent offer means the seller has accepted a buyer's offer, but the sale depends on certain conditions being met. Until those conditions are satisfied, the transaction isn't fully secure.

COMMON TYPES OF CONTINGENCIES

Most real estate contracts include contingencies that protect the buyer during key stages of the process. These clauses give the buyer the right to cancel the deal without penalty if specific requirements aren't met.

Common contingencies include:

- Inspection contingency — Allows the buyer to negotiate or withdraw if the home inspection reveals major issues
- Financing contingency — Protects the buyer if their mortgage loan isn't approved
- Appraisal contingency — Allows renegotiation if the home appraises for less than the purchase price
- Home sale contingency —



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Makes the purchase dependent on the buyer selling their current home

During the contingency period, the buyer typically completes inspections, finalizes financing and reviews disclosures. Once those conditions are satisfied — or waived — the contract moves closer to closing.

If a contingency isn't met, the deal may fall apart. When that happens, the home can return to active status on the market.

WHAT IT MEANS FOR OTHER BUYERS

For sellers, accepting a contingent offer is a balancing act. The offer may be strong, but contingencies introduce uncertainty. That's why some sellers continue to show the home or accept backup offers while contingencies are being resolved.

For other buyers, a contingent listing isn't always off-limits. In some markets,

you can submit a backup offer that would take effect if the first contract falls through.

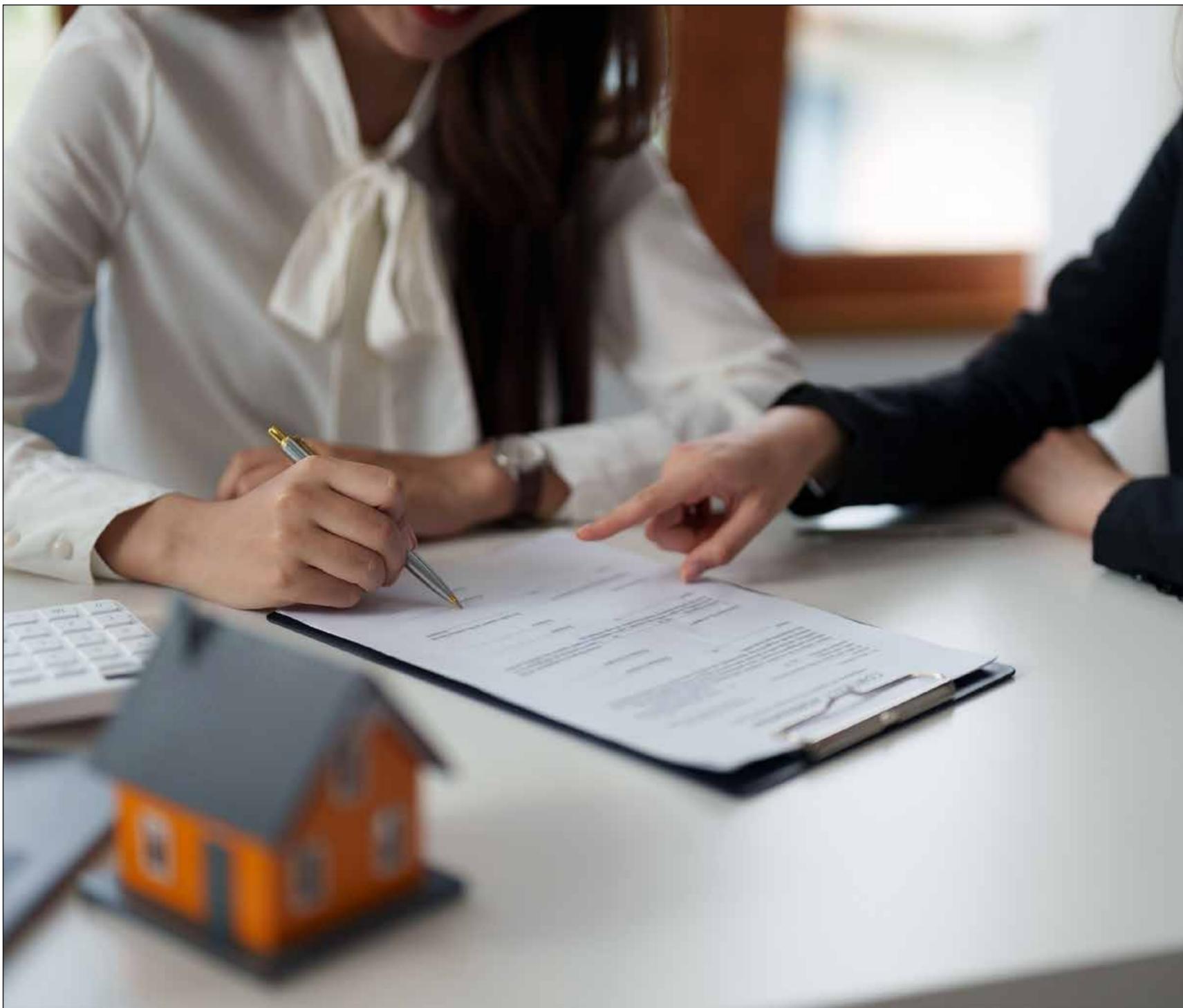
The length of the contingency period matters. Inspection contingencies may last 7 to 10 days. Financing contingencies often extend several weeks. The longer the timeline, the more uncertainty exists.

In competitive markets, buyers sometimes waive contingencies to strengthen their offer. While this can make an

offer more attractive, it also increases risk — especially if financing or appraisal issues arise later.

Understanding contingent status helps buyers manage expectations and helps sellers evaluate risk. It's not a guarantee of closing — but it's a critical step toward it.

A contingent offer represents progress, not finality. Until the conditions are cleared, the deal remains in motion.



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REAL ESTATE 101



HOMESWISE GLOSSARY

Contingent Doesn't Mean Sold

A home listed as contingent is under contract, but the deal can still fall through if the buyer's conditions aren't satisfied.

Contingent Status: Contingent status means a seller has accepted an offer, but certain conditions — called contingencies — must be met before the sale becomes final.

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