

# Ensuring Safe Property Transactions

## DEED OF SALE - SELLER READINESS CHECKLIST

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### Purpose

This checklist confirms whether a seller is ready to execute a Deed of Sale without leaving residual exposure. It is not a guide to selling property, It is a release-control document to ensure a clean exit.

### A. Payment Security Confirmation

- Cleared funds verified (for cash transactions), **or**
- Buyer's loan formally approved and Letter of Guarantee (LoG) issued (for bank-financed sales)
- Deed of Sale payment declaration aligns with Registry of Deeds practice.
- No Deed of Sale signed in anticipation of future loan approval.
- Title and critical documents released only through controlled, coordinated handover.

### B. Liability Cutoff and Risk Allocation

- Seller warranties limited to disclosed matters only.
- Property condition accurately disclosed prior to signing.
- "As is, where is" acceptance documented where applicable.
- Responsibility for taxes, due, and utilities clearly allocated.
- No open-ended obligations surviving execution and turnover.

### C. Turnover and Exit Conditions

- Possession and turnover date clearly stated.
- Condition of property at turnover documented.
- Utility accounts and association obligations transitioned.
- Cutoff date for seller responsibility clearly defined.
- No post-sale operational or financial exposure remains.

### D. Tax and Reporting Readiness

- Correct tax classification confirmed (Capital Gains Tax or Creditable Withholding Tax)
- Declared consideration consistent and defensible.
- Real property taxes and association dues are confirmed current as a condition to signing.
- Timeline for tax payment and clearance understood.
- Supporting documents prepared for BIR and LGU filing
- No unresolved tax issues that could delay title transfer.

## Final Release Control

**If any item above is unresolved, delay execution until exposure is closed.**

Once notarized, a Deed of Sale:

- Triggers tax liabilities
- Shifts leverage
- Limits corrective options

This checklist is an exit-risk control tool. Use it before signing—not after problems surface.

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Prepared for seller- side risk management in Philippine property transactions. Illustrative checklist only.  
Clause placement and requirements vary by transaction.