

SavvyPrebuy “Punch List” for Conditional Purchase/Sale Agreements

Prior to commencing a prebuy examination, you will have made an offer on the aircraft that was accepted by the seller and entered into a written **Conditional Purchase/Sale Agreement** with the seller in which you agree to purchase the aircraft at the agreed-to price. You need to make sure that this agreement you make with the seller:

- Allows adequate time for you to schedule and conduct the prebuy examination, review the prebuy findings, and make your decision whether or not to purchase the aircraft. It should give you an absolute minimum of 15 day to accomplish this, preferably 30 days.
- Allows you to have the prebuy examination conducted by any shop or mechanic you choose within a reasonable distance of the aircraft’s location. A good definition of “reasonable distance” would be “no more than one hour of flying time.”
- Defines what your options are once the prebuy examination has been performed and you have reviewed the discrepancy list and repair estimates from the prebuy shop. Those options should include:
 - purchase the aircraft at the agreed-to price;
 - purchase the aircraft at a negotiated price reduction sufficient to cover the cost of remediating any serious discrepancies uncovered by the prebuy examination; or
 - reject the aircraft and walk away.
- Defines the circumstances under which your initial deposit is refunded or forfeited if you reject the aircraft and walk away. You should require that your initial deposit is refunded if you walk away “for good cause” because the prebuy examination uncovered one or more discrepancies serious enough to make the airplane unacceptable to you.

Every agreement is different, so it’s important for you to read the agreement carefully before you sign it.