



Missouri REALTORS® Forms Instruction Manual

*“Inspection Notice” (MSC-2050N) and
“Inspection Notice Response # _____” (MSC-2050NR)
(rev. 12/02/2024)*

NOTE

Missouri REALTORS® (the “Association”) standard forms do not contain an “Expiration Date”. Accordingly, our forms do not “automatically expire” at the end of each calendar year. The Association’s forms are, however, *continuously* updated to reflect changes in the law, regulations and real estate industry and marketplace, and to otherwise generally improve them, to assist you in completing your transactions.

Make sure you use only current approved standard forms, by using only approved vendors and always first checking the current Master Forms Index, which is published under “Risk Management/Standard Forms” tab on our website (www.missourirealtor.org). Please check the website regularly, as well as *The Landing*, *Keeping it Legal* videos, and other Association resources, to keep up with the latest standard forms and related issues.

If you have any questions or comments about access to Missouri REALTORS® standard forms, please contact Tracey Yost (tracey@morealtor.com).

You can also call **Legal Line at 573-447-5278** for any other questions or comments!

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DISCLAIMER

THIS INSTRUCTION MANUAL IS PROVIDED SOLELY AS AN INSTRUCTIONAL GUIDE AND REFERENCE TOOL FOR INFORMATIONAL PURPOSES ONLY. THIS MANUAL DOES NOT REPLACE THE CONTRACTUAL PROVISIONS OF ANY DOCUMENT DISCUSSED HEREIN AND IS NOT INTENDED TO AND DOES NOT CONSTITUTE A LEGAL OPINION OR FORMAL INTERPRETATION OF ANY PROVISION, ALL OF WHICH IS EXPRESSLY DENIED.

IF YOU OR ANY OF YOUR CLIENTS DESIRE SPECIFIC OPINIONS OR ADVICE ABOUT YOUR OR THEIR LEGAL RIGHTS AND LIABILITIES UNDER ANY DOCUMENT OR PROVISION, YOU SHOULD CONSULT WITH YOUR OWN PRIVATE ATTORNEY AND ADVISE YOUR CLIENTS TO DO THE SAME.

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INTRODUCTION

Each year, a great amount of time and effort is expended to improve the library of “standard form” sale contracts and other transactional and business-related documents used by Missouri REALTORS®. The Missouri REALTORS® Instruction Manual is a multi-part series of instructional guides and was created to serve as an educational resource for all REALTORS®, and to help them assist their clients.

The use of standard forms serves to reduce conflicting operating practices and procedures. It also facilitates efficient interaction among brokerage companies throughout Missouri and reduces potential liability. At the same time, our standard forms are designed to provide REALTORS® with the ability to reasonably customize and tailor details of each transaction, to address the particular facts and circumstances presented, consistent with the needs and desires of the parties they represent.

We hope this guide is helpful to all REALTORS®. This Part of the Manual addresses all substantive changes made to our forms “*Inspection Notice*” (MSC-2050N) and “*Inspection Notice Response # ____*” (MSC-2050NR) over the last few years. Other Parts of the Manual cover the additional forms, commonly used in transactions utilizing the Contract and can be found [here](#).

Updates to this Manual are posted on www.missourirealtor.org (select the “Forms” icon, or “Standard Forms” under the “Risk Management” tab) as they are made. All hypotheticals set forth are for educational purposes only. These documents must not be provided to non-members, unless a REALTOR® member is involved either personally or professionally in the transaction or as otherwise permitted pursuant to the MR “[Forms Terms and Conditions of Use](#)”. Doing so puts you in violation of copyright laws and diminishes the value of membership in the Missouri REALTORS®.

Special thanks go out to ALL Standard Forms Committee members for their hard work and efforts in reviewing and improving all of *your* Association’s standard forms.

For additional information, see our “[Standard Forms](#)” tab on our website for a dedicated webpage, which summarizes all new and revised forms each year (and includes “clean” & “redlined” versions showing all changes made), and our [Keeping It Legal](#) videos page. As always, your comments and questions are welcomed, and to that end you can submit comments and revisions by [clicking here](#).

INSPECTION NOTICE (MSC-2050N)

This Notice (and its “Response” form) is designed to coordinate with and implement the procedures set forth in §7 of the Residential Sale Contract (RES-2000), Vacant Land and Lots Sale Contract (LND-2000), and Farm and Land Sale Contract (FRM-2000) regarding inspections of the Property. (*Note: COM-2050N should be used with COM-2000 and NHC-2050N should be used with NHC-2000. These forms operate in a similar fashion, but use the different terms/timeframes from those forms.*). The particulars of this Notice and the Response (MSC-2050NR) forms are discussed below.

Numbers listed below correspond to line numbers set forth in the forms.

NOTE: This Manual includes active links throughout. When using the digital version of this Manual, click on any Section Heading within the Manual to be brought to that corresponding Section or Line # within the attached form. Likewise, click on any Section Heading within the attached form to return to that portion of the Manual.

General Notes: All entries on the blank lines of all form documents should be printed or typed. If any change is made to the preprinted (typed) language on a standard form, EACH change must be initialed and dated by ALL parties. *See e.g., 20 CSR 2250-8.100(3) for contracts, and 20 CSR 2250-8.090(4)(c) for brokerage service agreements.*

NOTE	<p>The “<i>Note</i>” below the caption of the form indicates that this form may “amend” the terms of the Contract if delivered and/or signed by the parties. Other Missouri REALTORS® forms have this language included as well when the form itself “acts as an amendment” and no additional/separate amendment is needed to memorialize a change in terms (e.g., MSC-2020N “Appraisal Notice”).</p> <p>NOTE: Common practice in the industry may be to also do an amendment to the contract as the lending and title industries do not want/need the full Inspection Notice as part of their files/paperwork. The parties are still free to enter into a separate amendment that memorializes the agreement reached via the Inspection Notice if they wish. However, caution should be used when doing so to avoid duplicating obligations the parties owe under the contract, or creating an ambiguity as to what the parties have agreed to. Further, as an amendment requires all parties to agree, in cases where the parties will not sign a separate amendment, the agreed upon Inspection Notice is sufficient to effectuate the changes.</p>
Lines 1-3	<p>This Notice is meant to be used in connection with §7 of MR Residential/Land/Farm sale Contract (e.g., RES-2000); therefore, the blanks on Line 2 should be completed with the address of the Property which the Buyer submitted an offer on. This helps “tie” the Notice into the Contract in the event the documents are executed in different counterparts.</p>



Inspection Notice

This document has legal consequences. If you do not understand it, consult your attorney.

All defined terms of the Contract carry over to this Inspection Notice ("Notice"). This Notice is an amendment to the Contract with respect to any agreed upon terms herein if signed by both Buyer and Seller, and to the extent not specifically amended hereby, the terms of the Contract remain in full force and effect; but in the event of any inconsistency between the terms hereof and the terms set forth in the Contract, the terms hereof control.

Note: This Notice must be delivered to Seller prior to expiration of the Inspection Period. Buyer may not send this Inspection Notice if inspection rights were waived in the Contract.

1 This Inspection Notice is given pursuant to the terms of the Contract regarding Property located at:

2 _____ MO _____
3 Street Address City Zip Code County

4 Check box if additional signatures are needed and attach Additional Signature Page (MSC-5070).

5 **PART A: BUYER'S NOTICE TO SELLER.** Buyer chooses the following option: (check one)

6 1: Buyer is satisfied with all inspections. Delivery of the results of any inspection report(s)/Specialist Report(s) is not required.
7 (Inspection contingency is resolved)

8 2: Buyer requests satisfaction of the following unacceptable conditions (prior to the scheduled Closing Date unless otherwise
9 specified below), and/or a monetary adjustment be provided at Closing, as specified below. Relevant portion(s) of the
10 inspection report(s)/Specialist Report(s) are attached. (Attach additional page(s) if necessary)

11 _____
12 _____
13 _____
14 _____
15 _____
16 _____
17 _____
18 _____
19 _____
20 _____

21 Note: A monetary adjustment may affect the terms of the Buyer's loan.

22 3: Note: Buyer cannot select this Option if inspection rights were limited in the Contract.
23 Buyer terminates the Contract. The Earnest Money is to be returned to Buyer, subject to §8 of the Contract. Relevant
24 portion(s) of the inspection reports(s)/Specialist Report(s) is attached. You are requested to sign and return the attached
25 Mutual Release (MSC-4050) to Buyer.

26 _____
27 BUYER Date BUYER Date
28 Print Name Print Name

29 **PART B: SELLER'S RESPONSE TO BUYER'S NOTICE:**

- 30 Option B1: Seller will satisfy all items listed above. (The Inspection contingency is resolved.)
31 Option B2: Seller declines to satisfy any of the items listed. (The Contract will automatically terminate unless Buyer timely
32 delivers a Capitulation Notice to Seller pursuant to the Contract. Part C of MSC-2050NR may be used for this purpose.)
33 Option B3: Seller will not correct all items listed above in Part A2 and makes a counter proposal. (Use Form MSC-2050NR
34 "Inspection Notice Response".)

35 _____
36 SELLER Date SELLER Date
37 Print Name Print Name

INSPECTION NOTICE RESPONSE # (MSC-2050NR)

The “Inspection Notice Response” form should be utilized in situations where MSC-2050N has run its course without resolution of all items objected to, but the parties wish to continue negotiations. As noted above, there is no limitation (other than patience and time constraints) on the number of proposals a party can make in an effort to reach an agreement on inspection matters. It is important to remember, however, that (unless a different timeframe is set forth at §7 of the Contract) the parties only have a **total** of 10 days after Seller’s receipt of the initial Inspection Notice to reach an agreement.

NOTE	The “Note” below the caption of the form indicates that this form may “amend” the terms of the Contract if delivered and/or signed by the parties. Other Missouri REALTORS® forms have this language included as well when the form itself “acts as an amendment” and no additional/separate amendment is needed to memorialize a change in terms (e.g., MSC-2020N “Appraisal Notice”).
Lines 1-3	This Response is meant to be used in connection with §7 of MR Residential/Land/Farm sale Contract (e.g., RES-2000); therefore, the blanks on Line 2 should be completed with the address of the Property which the Buyer submitted an offer on. This helps “tie” the Notice into the Contract in the event the documents are executed in different counterparts.
Line 4	Check the box on Line 4 if additional signatures are required and won’t fit in the space provided. Attach the Additional Signature Page (MSC-5070) if this box is checked.
Line 5-7	Similar to the Counter Offer form (MSC-2040), the parties are reminded that any terms agreed to in a previous Inspection Notice (or Inspection Notice Response) must be included in the current Inspection Notice Response (carried forward), along with any new proposed terms to be included in the final resolution agreed upon. Only the terms in the current Inspection Notice Response, along with the unchanged terms of the Contract (and its attachments), constitute the new Response.
Lines 8-18	Part A should be completed when Seller is responding with Option B3 of the Notice or when the appropriate party (Seller/Buyer) is responding with a counter proposal to the previous Inspection Response.
PART A Line 8	The appropriate box on Line 8 should be checked to indicate which Party is providing the Response.
Lines 11-18	The party providing the Response should then specify the terms it is willing to provide as a resolution to the Inspections contingency in the blank lines provided at Lines 11-18 . <i>Note:</i> All repairs agreed to are to be performed by Seller in a workmanlike manner, at Seller’s expense, prior to or as of Closing. If the walk-through establishes that such repairs have not been timely or properly performed, and

<p>Line 19</p> <p>Lines 20-22</p>	<p>a mutually acceptable extension of the Closing Date or other resolution is not reached, then while the Contract provides in this regard that Closing does not relieve Seller of any obligation to complete repairs agreed upon or required by the Contract (<i>see discussion of §17 of the RES-2000 Instruction Manual</i>), REALTORS® should encourage their clients to seek legal advice. In any event, a “punch-list” identifying all items still desired to be completed post-closing should be prepared.</p> <p>Per the “<i>Note</i>” at Line 19, Buyer should be aware that a monetary adjustment in lieu of repairs <u>may</u> affect the terms of Buyer’s loan.</p> <p>The party providing the Response should then sign and date at Line 20 and print its name at Line 22.</p>
<p>PART B</p> <p>Line 23</p> <p>Line 24</p> <p>Line 25</p> <p>Line 27</p>	<p>Part B should be completed by the appropriate party (Seller/Buyer) to acknowledge the receipt of the previous Inspection Response and respond to that Response. Similar to the Inspection Notice, it provides the responding party with three (3) options to select from.</p> <p>The appropriate checkbox on Line 23 should be checked to indicate which party is responding to the Response that was provided.</p> <p>The checkbox on Line 24 should be checked when the responding party agrees to all the terms set forth in Part A of the previous Inspection Notice Response, thereby resolving the contingency.</p> <p>The checkbox on Line 25 should be checked when the responding party does not agree to the terms set forth in Part A of the Inspection Notice Response, but it wishes to make a counter proposal. In which case, a new Inspection Notice Response form (appropriately numbered) should be provided.</p> <p>The checkbox on Line 27 should be checked when the responding part does not agree to the terms set forth in Part A of the Inspection Notice Response and does not wish to make a counter proposal. At this point, the responding party may submit a Mutual Release (MSC-4050) with the Inspection Notice Response in an attempt to terminate the contingency. However, if there is still time in the Resolution Period, the other party may wish to continue negotiating and may once again respond with an Inspection Notice Response in hopes of salvaging the Contract.</p> <p>Even if a new Inspection Notice Response is not submitted, either party may still be able to save the deal by “capitulating” (discussed below in Part C).</p>



Inspection Notice Response # _____

This document has legal consequences. If you do not understand it, consult your attorney.

All defined terms of the Contract carry over to this Inspection Notice Response ("Response"). This Response is an amendment to the Contract with respect to any agreed upon terms herein if signed by both Buyer and Seller, and to the extent not specifically amended hereby, the terms of the Contract remain in full force and effect. In the event of any inconsistency between the terms hereof and those set forth in the Contract, the terms hereof control.

1 This Response is given pursuant to an Inspection Notice provided per the terms of the Contract on Property located at:

2 _____ MO _____
3 **Street Address** **City** **Zip Code** **County**

4 **Check box if additional signatures are needed and attach Additional Signature Page (MSC-5070).**

5 **Any terms agreed to in a previous Response must be included in this Response along with any new proposed changes.**
6 **Only the terms contained in this Response, together with remaining unchanged terms of the Contract (including any**
7 **addenda or riders attached thereto), constitute this new Response.**

8 **PART A.** **Seller** **Buyer** hereby responds as follows:

9 Seller will satisfy Buyer in the following manner prior to the scheduled Closing Date unless otherwise specified below: (*Attach*
10 *additional page(s) if necessary.*)

11 _____
12 _____
13 _____
14 _____
15 _____
16 _____
17 _____
18 _____

19 **Note: A monetary adjustment may affect the terms of Buyer's loan.**

20 _____ **Date** _____ **Date** _____
21 **SIGNATURE** **SIGNATURE**
22 *Print Name* *Print Name*

23 **PART B.** **Seller** **Buyer** acknowledges receipt of the above Response and responds as follows: (*check one*)

- 24 1: Accepts the Response in Part A. above. (*Inspection contingency is resolved*)
- 25 2: Does not accept the Response in Part A. above, but makes a new counter proposal. (*See attached Inspection Notice*
- 26 *Response No. _____, MSC-2050NR*)
- 27 3: Does not accept the Response in Part A. above and does not make a counter proposal. Please Capitulate at Part C
- 28 below, or sign and return the attached Mutual Release (MSC-4050).

29 _____ **Date** _____ **Date** _____
30 **SIGNATURE** **SIGNATURE**
31 *Print Name* *Print Name*

32 **PART C: CAPITULATION.** *Either party may sign below to resolve the Inspection contingency within the "Resolution*
33 *Period" pursuant to the terms of the Contract even if earlier negotiations have failed.*

34 **Buyer** accepts the Property without satisfaction of any conditions originally objected to. (*Inspection contingency is resolved.*)

35 _____ **Date** _____ **Date** _____
36 **BUYER** **BUYER**
37 *Print Name* *Print Name*

38 **Seller** will satisfy all items listed in the Inspection Notice. (*Inspection contingency is resolved.*)

39 _____ **Date** _____ **Date** _____
40 **SELLER** **SELLER**
41 *Print Name* *Print Name*

Approved by legal counsel for use exclusively by members of the Missouri REALTORS®, Columbia, Missouri. No warranty is made or implied as to the legal validity or adequacy of this Response, or that it complies in every respect with the law or that its use is appropriate for all situations. Local law, customs and practice, and differing circumstances in each transaction, may each dictate that amendments to this Response be made.