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# The Smartest Clause I Ever Added to a Domain Deal

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Every now and then a domain comes along that feels a little different. Not just valuable or brandable or clean, but special. You know exactly what kind of founder should use it. You know what industry it fits. You can picture the logo. You can almost picture the exit.

I sold one of those recently. A name I genuinely liked. In fact, I liked it enough that I did something I've never talked about publicly before. I added a clause to the agreement that gave me the first right of refusal if the buyer ever tried to sell it during the next five years.

I'm not going to tell you which domain it was, not yet, anyway. But if this actually works and I get the opportunity to reacquire it, I'll write about the whole thing. The negotiation, the numbers, everything. For now, I want to talk about why more domain investors should consider doing this if you haven't already, especially if you have a name you believe in but also have an offer that makes sense today.

## The basic idea

You can take the money, let the buyer build on it, and still keep a door cracked open in case the company folds or pivots or decides the domain no longer fits.

After interviewing hundreds of founders and tracking thousands of businesses over the years, I can tell you with absolute confidence that most startups do not make it. There's no judgment in that—it's just reality. Ideas shift. Teams break apart. Funding dries up. A name that was once essential becomes a liability they want to unload.

A first right of refusal turns that reality into an advantage.

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## How the clause actually works

The structure is simple. The buyer owns the domain outright. They can build on it, redirect it, rebrand around it, whatever they want. But if they decide to sell it before the five-year mark, they have to give me the chance to buy it back before they sell it to anyone else.
I don't control their price. I don't get veto power over who they sell to. But they can't accept an offer without giving me the opportunity to match it first.

Here's basically what I put in there:

> *If the Buyer receives a bona fide offer from a third party to purchase the domain name within five years of the Effective Date, and the Buyer intends to accept that offer, the Buyer must first provide written notice to the Seller that includes the full terms of the proposed sale. The Seller shall have ten business days to elect to repurchase the domain under the same terms and conditions. If the Seller declines or does not respond within the ten-day period, the Buyer may proceed with the sale on the disclosed terms. This clause shall expire five years from the Effective Date.*

The important parts:

- The offer must be real (not just them testing if I'm interested)
- They have to show me the actual terms

- I get ten business days to match it
- If I pass, they're free to sell
- The whole thing expires after five years

It's straightforward. My lawyer didn't even blink when I asked for it.

## Why I wanted this

There are two reasons I added this clause, and I'm not sure which one is more important.

The first is emotional. I don't get attached to most names. They come in, they go out, the market moves on. But when you hold a name that checks every box and you know it could command much more later, it's hard to let it go completely. If the buyer's business dissolves two years from now, I want the email. I want the chance to bring the name home without having to outbid some random investor who saw it hit the expired auctions list.

The second reason is strategic. A domain with a strong story gains value as it ages in the hands of a real business. When a founder uses the name in production, raises funding, builds awareness—even if the company eventually fails—the domain comes back with a track record. That's legitimately valuable.

By securing the first right of refusal, I protect my upside without losing my liquidity. I get the sale today and keep the optionality tomorrow. That combination is rare in domain deals, but it's incredibly useful when you know the lifecycle of most early-stage companies is fragile.

## Why the buyer agreed to it

I thought they might push back. Honestly, I expected some version of "why would we agree to that?" But they didn't care. In fact, I think it helped close the deal.

Here's why I think it worked:

It signals confidence. When a seller is willing to part with a domain but still wants the option to buy it back later, that tells the buyer they didn't just purchase a random string of characters. There's genuine market confidence behind it.

It also lowers perceived risk. Buyers sometimes fear they're overpaying, especially if they're stretching for a premium name. The clause gives them a clean exit path if things don't work out. They don't have to worry about shopping the domain to the open market or dealing with lowball offers from vultures. They just notify me, and the decision is simple: I match the offer or I decline.

For a founder who's trying to make a hundred other decisions, removing friction from a future domain exit probably felt like a bonus, not a restriction.

## Why this makes sense given startup reality

Because I talk to so many founders, I see what most domain investors don't. You see the success stories—the companies that scale, the brands that stick, the domains that become household names. I see the full spectrum. That includes the founders who quietly wind down their businesses, the teams that run out of money before product-market fit, and the companies that disappear after a rebrand nobody asked for.

A domain tied to a failed project isn't dead. It's just cycling back into the market. And if you liked it once, you might like it even more after it's been validated in the real world—after it's had traffic, maybe some press mentions, maybe even investor interest.

A first right of refusal is the simplest way to prepare for that possibility.

## What the future holds

This is the first time I've ever structured a deal this way. I might never hear from the buyer again. They might build a massive company and I'll watch from the sidelines as the domain I sold for mid-four figures turns into something worth six. That's fine. I took my profit.

But if the stars align, if the business pivots or folds or simply outgrows the name, I'll get an email. And I'll have a choice.

That's worth something.

It's a small clause, but it reflects a larger philosophy I've been thinking about more. When you have a name you believe in, you don't always want to close the door completely. You want the option to reclaim it if the circumstances change.

Sometimes the smartest move in domain investing isn't to hold forever. It's to sell with a plan.

And like I said, if this actually plays out and I get the chance to buy it back, I'll tell you the whole story. The domain, the sale price, what they offered, what I paid to get it back. Everything.

Until then, it's just a clause in a contract that I thought might be helpful to share.

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