



ALREADY-BUILT SUBDIVISION PURCHASE AGREEMENT AND JOINT ESCROW INSTRUCTION

Use only when a residence has been completed and is subject to a Public Report (An already-built subdivision may be referred-to as an existing subdivision by the DRE) (C.A.R. Form ABSPA, Revised 7/24)

Date Prepared: \_\_\_\_\_

- 1. OFFER: A. THIS IS AN OFFER FROM... B. THE PROPERTY to be acquired is... C. THE TERMS OF THE PURCHASE ARE SPECIFIED BELOW AND ON THE FOLLOWING PAGES.

- 2. AGENCY: A. DISCLOSURE: The Parties each acknowledge receipt of a "Disclosure Regarding Real Estate Agency Relationship" (C.A.R. Form AD) if represented by a real estate licensee. B. CONFIRMATION: The following agency relationships are hereby confirmed for this transaction. C. POTENTIALLY COMPETING BUYERS AND SELLERS: The Parties each acknowledge receipt of a "Possible Representation of More than One Buyer or Seller - Disclosure and Consent" (C.A.R. Form PRBS).

3. TERMS OF PURCHASE AND ALLOCATION OF COSTS: The items in this paragraph are contractual terms of the Agreement. Referenced paragraphs provide further explanation. This form is 19 pages. The Parties are advised to read all 19 pages.

Table with 5 columns: Para #, Paragraph Title or Contract Term, Terms and Conditions, Additional Terms. Rows include Purchase Price, Close Of Escrow (COE), Expiration of Offer, Initial Deposit Amount, Increased Deposit, and Loan Amount(s).



Property Address: \_\_\_\_\_

Date: \_\_\_\_\_

	Para #	Paragraph Title or Contract Term	Terms and Conditions	Additional Terms	
E(2)	5C(2)	Additional Financed Amount Interest Rate Points	\$ _____ (____% of purchase price) Fixed rate or <input type="checkbox"/> Initial adjustable rate • not to exceed _____% • Buyer to pay up to _____ points to obtain rate above	Conventional or, if checked, <input type="checkbox"/> Seller Financing <input type="checkbox"/> Other: _____	
E(3)	7A	<b>Occupancy Type</b>	Primary, or if checked, <input type="checkbox"/> Secondary <input type="checkbox"/> Investment		
F	5D	<b>Balance of Down Payment</b>	\$ _____		
		<b>PURCHASE PRICE TOTAL</b>	\$ _____		
G(1)	5E	<b>Seller Credit, if any, to Buyer</b>	<input type="checkbox"/> \$ _____ (____% of purchase price) (% number above is for calculation purposes and is not a contractual term)	Seller credit to be applied to closing costs OR <input type="checkbox"/> Other: _____	
G(2)	<b>ADDITIONAL FINANCE TERMS:</b> _____				
G(3)	19	<input type="checkbox"/> Seller agrees to pay the obligation of Buyer to compensate Buyer's Broker under a separate agreement (C.A.R. Form SPBB attached).			
H(1)	5B	<b>Verification of All Cash</b> (sufficient funds)	Attached to the offer or <input type="checkbox"/> 3 (or _____) Days after Acceptance		
H(2)	6A	<b>Verification of Down Payment and Closing Costs</b>	Attached to the offer or <input type="checkbox"/> 3 (or _____) Days after Acceptance		
H(3)	6B	<b>Verification of Loan Application</b>	Attached to the offer or <input type="checkbox"/> 3 (or _____) Days after Acceptance	<input type="checkbox"/> Prequalification <input type="checkbox"/> Preapproval <input type="checkbox"/> Fully underwritten preapproval	
I	<b>Intentionally Left Blank</b>				
J	11	<b>Public Report Status</b>	<input type="checkbox"/> Final Public Report <input type="checkbox"/> Conditional Public Report <input type="checkbox"/> Amended/Renewed Public Report	<b>If Conditional Public Report is checked:</b> Final Public Report shall be issued within <input type="checkbox"/> 6 months or <input type="checkbox"/> 30 months of the date of issuance of the Conditional Public Report.	
K	17	<b>Final Verification of Condition</b>	5 (or _____) Days prior to COE		
L	24	<b>Assignment Request</b>	17 (or _____) Days after Acceptance		
M	8	<b>CONTINGENCIES</b>	<b>TIME TO REMOVE CONTINGENCIES</b>	<b>CONTINGENCY REMOVED</b>	
M(1)	8A	<b>Loan(s)</b>	17 (or _____) Days after Acceptance	<input type="checkbox"/> No loan contingency	
M(2)	8B	<b>Appraisal:</b> Appraisal contingency based upon appraised value at a minimum of purchase price or <input type="checkbox"/> \$ _____	17 (or _____) Days after Acceptance	<input type="checkbox"/> No appraisal contingency Removal of appraisal contingency does not eliminate appraisal cancellation rights in FVAC.	
M(3)	8C, 14	<b>Investigation of Property</b> <b>Informational Access to Property</b> Buyer's right to access the Property for informational purposes is <b>NOT</b> a contingency, does <b>NOT</b> create additional cancellation rights, and applies even if contingencies are removed.	17 (or _____) Days after Acceptance 17 (or _____) Days after Acceptance	<b>REMOVAL OR WAIVER OF CONTINGENCY:</b> Any contingency in M(1)-M(9) may be removed or waived by checking the applicable box above or attaching a Contingency Removal (C.A.R. Form CR-B) and checking the applicable box therein. Removal or Waiver at time of offer is against Agent advice. See paragraph 8J.  <input type="checkbox"/> <b>CR attached</b>	
M(4)	8D	<b>Insurance</b>	17 (or _____) Days after Acceptance		
M(5)	8E, 16A	<b>Review of Seller Documents</b>	17 (or _____) Days after Acceptance, or 5 Days after Delivery, whichever is later		
M(6)	8F, 11	<b>Review of Public Report</b>	17 (or _____) Days after Acceptance, or 5 Days after Delivery, whichever is later		
M(7)	8G, 15A	<b>Preliminary ("Title") Report</b>	17 (or _____) Days after Acceptance or 5 Days after Delivery, whichever is later		
M(8)	8H, 12F	<b>Common Interest Disclosures</b> required by Civil Code § 4525 or this Agreement	17 (or _____) Days after Acceptance, or 5 Days after Delivery, whichever is later		
M(9)	8I, 9B(6)	<b>Review of leased or liened items</b> (Such as for solar panels or propane tanks or PACE or HERO liens)	17 (or _____) Days after Acceptance, or 5 Days after Delivery, whichever is later		
N		<b>Possession</b>	<b>Time for Performance</b>		<b>Additional Terms</b>
N(1)		<b>Delivery of Possession</b> (unless N(2) is checked)	Upon notice of recordation On COE date		



Property Address: \_\_\_\_\_

Date: \_\_\_\_\_

	Paragraph #	Paragraph Title or Contract Term	Terms and Conditions	Additional Terms
N(2)	7A	<b>Occupied units by tenants or anyone other than Seller</b>	<input type="checkbox"/> Tenant Occupied Property Addendum (C.A.R. Form TOPA) attached	Seller shall disclose to Buyer If occupied by tenants or persons other than Seller, and attach TOPA in a counter offer if not part of Buyer's offer.
O	<b>Intentionally Left Blank</b>			
P		<b>Documents/Fees/Compliance</b>	<b>Time for Performance</b>	
P(1)	16A	Seller Delivery of Documents	7 (or _____) Days after Acceptance	
P(2)	20C	Sign and return Escrow Holder General Provisions, Supplemental Instructions	5 (or _____) Days after Delivery	
P(3)	12F(2)	Time to pay fees for ordering HOA Documents	3 (or _____) Days after Acceptance	
P(4)	31	Evidence of representative authority	3 Days after Acceptance	
Q	<b>Items Included and Excluded</b>			
Q(1)	9	<b>Items Included - All items specified in Paragraph 9B are included and the following, if checked:</b>		
		<input type="checkbox"/> Stove(s), oven(s), stove/oven combo(s); <input type="checkbox"/> Refrigerator(s); <input type="checkbox"/> Wine Refrigerator(s); <input type="checkbox"/> Washer(s); <input type="checkbox"/> Dryer(s); <input type="checkbox"/> Dishwasher(s); <input type="checkbox"/> Microwave(s); <b>Additional Items Included:</b> <input type="checkbox"/> _____;	<input type="checkbox"/> Video doorbell(s); <input type="checkbox"/> Security camera equipment; <input type="checkbox"/> Security system(s)/alarm(s), other than separate video doorbell and camera equipment; <input type="checkbox"/> Smart home control devices; <input type="checkbox"/> Wall mounted brackets for video or audio equipment; <input type="checkbox"/> _____; <input type="checkbox"/> _____;	<input type="checkbox"/> Above-ground pool(s) / <input type="checkbox"/> spa(s); <input checked="" type="checkbox"/> Bathroom mirrors, unless excluded below; <input type="checkbox"/> Electric car charging systems and stations; <input type="checkbox"/> Potted trees/shrubs; <input type="checkbox"/> _____; <input type="checkbox"/> _____;
Q(2)		<b>Excluded Items:</b> <input type="checkbox"/> _____;	<input type="checkbox"/> _____;	<input type="checkbox"/> _____;
R	<b>Allocation of Costs</b>			
	Paragraph #	Item Description	Who Pays (if Both is checked, cost to be split equally unless Otherwise Agreed)	Additional Terms
R(1)	12B	Natural Hazard Zone Disclosure Report, including tax information	<input type="checkbox"/> Buyer <input type="checkbox"/> Seller <input type="checkbox"/> Both _____	<input type="checkbox"/> Environmental <input type="checkbox"/> Other _____ <input type="checkbox"/> Provided by: _____
R(2)		(A) _____ Report (B) _____ Report	<input type="checkbox"/> Buyer <input type="checkbox"/> Seller <input type="checkbox"/> Both _____ <input type="checkbox"/> Buyer <input type="checkbox"/> Seller <input type="checkbox"/> Both _____	
R(3)	20C	Escrow Fees	<input type="checkbox"/> Buyer <input type="checkbox"/> Seller <input type="checkbox"/> Both _____ <input type="checkbox"/> Each to pay their own fees	Escrow Holder: _____
R(4)	15G	Owner's title insurance policy	<input type="checkbox"/> Buyer <input type="checkbox"/> Seller <input type="checkbox"/> Both _____	Title Company (If different from Escrow Holder): _____
R(5)		Buyer's Lender title insurance policy	Buyer	Unless Otherwise Agreed, Buyer shall purchase any title insurance policy insuring Buyer's lender.
R(6)		County transfer tax, fees	<input type="checkbox"/> Buyer <input type="checkbox"/> Seller <input type="checkbox"/> Both _____	
R(7)		City transfer tax, fees	<input type="checkbox"/> Buyer <input type="checkbox"/> Seller <input type="checkbox"/> Both _____	
R(8)	12F(2)	HOA fee for preparing disclosures	Seller	
R(9)		HOA certification fee	Buyer	
R(10)		HOA transfer fees	<input type="checkbox"/> Buyer <input type="checkbox"/> Seller <input type="checkbox"/> Both _____	Unless Otherwise Agreed, Seller shall pay for separate HOA move-out fee and Buyer shall pay for separate move-in fee. Applies if separately billed or itemized with cost in transfer fee.
R(11)		Private transfer fees	Seller, or if checked, <input type="checkbox"/> Buyer <input type="checkbox"/> Both _____	
R(12)		_____ fees or costs	<input type="checkbox"/> Buyer <input type="checkbox"/> Seller <input type="checkbox"/> Both _____	
R(13)		_____ fees or costs	<input type="checkbox"/> Buyer <input type="checkbox"/> Seller <input type="checkbox"/> Both _____	



Property Address: \_\_\_\_\_

Date: \_\_\_\_\_

	Paragraph #	Item Description	Who Pays (if Both is checked, cost to be split equally unless Otherwise Agreed)	Additional Terms
R(14)	10	Home warranty plan: _____	<input type="checkbox"/> Buyer <input type="checkbox"/> Seller <input type="checkbox"/> Both _____ <input type="checkbox"/> Buyer waives home warranty plan	Cost not to exceed \$ _____. Issued by: _____
S	13	<b>INSULATION INFORMATION:</b> Exterior Walls: Type _____ Thickness _____ R-Value _____ Ceilings: Type _____ Thickness _____ R-Value _____ Interior Walls: Type _____ Thickness _____ R-Value _____ Other: Type _____ Thickness _____ R-Value _____		
T	39, 40	<b>SELLER ESTIMATES FOR THIRD PARTY CHARGES:</b> Credit Reports _____ Preliminary Title Reports _____ Escrow Services _____ Appraisals _____ Loan Processing Fees _____		
U	35	<b>SELLER'S WARRANTY BEING PROVIDED:</b> Standard Warranty		
V		<b>OTHER TERMS:</b> Other terms and conditions are void to the extent that they impair or limit the rights or remedies reserved to Buyer elsewhere in this Agreement. <b>Note to Seller: You must submit any addenda form(s) you intend to attach this Agreement to, and have them be accepted by, the DRE.</b>		

4. **PROPERTY ADVISORIES AND DISCLOSURES:** (check all that apply)

A. **BUYER AND SELLER ADVISORIES:** (Note: All Advisories below are provided for reference purposes only and are not intended to be incorporated into this Agreement.)

- Buyer's Investigation Advisory (C.A.R. Form BIA)
- Wire Fraud Advisory (C.A.R. Form WFA)
- Wildfire Disaster Advisory (C.A.R. Form WFDA)
- Trust Advisory (C.A.R. Form TA)
- REO Advisory (C.A.R. Form REO)
- Other: \_\_\_\_\_
- Fair Housing and Discrimination Advisory (C.A.R. Form FHDA)
- Cal. Consumer Privacy Act Advisory (C.A.R. Form CCPA)  
(Parties may also receive a privacy disclosure from their own Agent.)
- Statewide Buyer and Seller Advisory (C.A.R. Form SBSA)
- Short Sale Information and Advisory (C.A.R. Form SSIA)
- Probate Advisory (C.A.R. Form PA)
- Other: \_\_\_\_\_

B. **ATTACHED DISCLOSURES:**

- (1) If checked, Buyer acknowledges receipt of the following disclosures:
- Final Public Report
  - Zone Report
  - Bonded Debt
  - Notice of Special Tax
  - Smoke Detector
  - Newly converted condominium
  - DRE 2790.9 (for properties for completed or occupied more than 3 years prior to a public report)
  - \_\_\_\_\_
  - Conditional Public Report
  - Amended/Renewed Public Report
  - Property Disclosure Statement
  - HOA Documents
  - Water Heater
  - Industrial, Commercial, Airport Zone
  - Model Plan/Property Description
  - Site Report
  - Seller's Warranty
  - Utility Disclosures
  - Transportation Corridors
- (2) **ADDITIONAL DISCLOSURES:** Seller shall provide Buyer with the following additional disclosures: \_\_\_\_\_

5. **ADDITIONAL TERMS AFFECTING PURCHASE PRICE:** Buyer represents that funds will be good when deposited with Escrow Holder.

A. **DEPOSIT:**

- (1) **INITIAL DEPOSIT:** Buyer shall deliver deposit directly to the party selected in **paragraph 3D(1)**. If being delivered to Seller, Seller must have obtained a bond or bonds meeting the requirements of B&P Code §§ 11013.2(c) or 11013.4(b) or (c), and DRE Regulation 2791.2. If Seller has not obtained such bond(s), then deposit shall be delivered directly to Escrow. **Note to Seller: If the purchase agreement is signed under the authority of a conditional Public Report, all funds must be impounded and held in a neutral escrow depository per B&P Code §§ 11013.4(a) or 11013.2(a).**
- (2) **INCREASED DEPOSIT:** Increased deposit (**paragraph 3D(2)**) to be delivered to Escrow Holder in the same manner as the Initial Deposit. If the Parties agree to liquidated damages in this Agreement, they also agree to incorporate the increased deposit into the liquidated damages amount by signing a new liquidated damages clause (C.A.R. Form DID) at the time the increased deposit is delivered to Escrow Holder.
- (3) **RETURN OF DEPOSIT FOR SELLER FAILURE TO CLOSE:** If Seller is unable to close on or before the time specified in **paragraph 3B**, Seller shall, within **15 Days** after the time specified in **paragraph 3B**, order all of Buyer's deposits, including all third-party charges (including but not limited to those specified in **paragraphs 38** and **39**) refunded to Buyer (except for liquidated damages paid to Seller pursuant to **paragraph 41**, if applicable). Buyer's right to cancel based on Close Of Escrow is separately established in **paragraph 16G**.
- (4) **RETENTION OF DEPOSIT: Paragraph 41, if initialed by all Parties or otherwise incorporated into this Agreement, specifies a remedy for Buyer's default. Buyer and Seller are advised to consult with a qualified California real estate attorney: (i) Before adding any other clause specifying a remedy (such as release or forfeiture of deposit or making a deposit non-refundable) for failure of Buyer to complete the purchase. Any such clause shall be deemed invalid unless the clause independently satisfies the statutory liquidated damages requirements set forth in the Civil Code; and (ii) Regarding possible liability and remedies if Buyer fails to deliver the deposit.**

B. **ALL CASH OFFER:** If an all cash offer is specified in **paragraph 3A**, no loan is needed to purchase the Property. This Agreement is NOT contingent on Buyer obtaining a loan. Buyer shall, within the time specified in **paragraph 3H(1)**, Deliver written verification of funds sufficient for the purchase price and closing costs.

C. **LOAN(S):**

- (1) **FIRST LOAN:** This loan will provide for conventional financing **UNLESS** FHA, VA, Seller Financing (C.A.R. Form SFA), or Other is checked in **paragraph 3E(1)**.



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Date: \_\_\_\_\_

- (2) **ADDITIONAL FINANCED AMOUNT:** If an additional financed amount is specified in **paragraph 3E(2)**, that amount will provide for conventional financing **UNLESS** Seller Financing (C.A.R. Form SFA), or Other is checked in **paragraph 3E(2)**.
- (3) **BUYER'S LOAN STATUS:** Buyer authorizes Seller and Seller's Authorized Agent to contact Buyer's lender(s) to determine the status of any Buyer's loan specified in **paragraph 3E**, or any alternate loan Buyer pursues, whether or not a contingency of this Agreement. If the contact information for Buyer's lender(s) is different from that provided under the terms of **paragraph 6B**, Buyer shall Deliver the updated contact information within **1 Day** of Seller's request.
- (4) **FHA/VA: If FHA or VA is checked in paragraph 3E(1)**, a FHA/VA amendatory clause (C.A.R. Form FVAC) shall be incorporated and Signed by all Parties. Buyer shall, within the time specified in **paragraph 3E(1)**, Deliver to Seller written notice (C.A.R. Form RR or AEA) **(i)** of any lender requirements that Buyer requests Seller to pay for or otherwise correct or **(ii)** that there are no lender requirements. Notwithstanding Seller's agreement that Buyer may obtain FHA or VA financing, Seller has no obligation to pay or satisfy any or all lender requirements unless agreed in writing.

**D. BALANCE OF PURCHASE PRICE (DOWN PAYMENT) (including all-cash funds)** to be deposited with Escrow Holder pursuant to Escrow Holder instructions.

**E. LIMITS ON CREDITS TO BUYER:** Any credit to Buyer, from any source, for closing or other costs that is agreed to by the Parties ("Contractual Credit") shall be disclosed to Buyer's lender, if any, and made at Close Of Escrow. If the total credit allowed by Buyer's lender ("Lender Allowable Credit") is less than the Contractual Credit, then **(i)** the Contractual Credit from Seller shall be reduced to the Lender Allowable Credit, and **(ii)** in the absence of a separate written agreement between the Parties, there shall be no automatic adjustment to the purchase price to make up for the difference between the Contractual Credit and the Lender Allowable Credit.

**6. ADDITIONAL FINANCING TERMS:**

**A. VERIFICATION OF DOWN PAYMENT AND CLOSING COSTS:** Written verification of Buyer's down payment and closing costs may be made by Buyer or Buyer's lender or loan broker pursuant to **paragraph 6B**.

**B. VERIFICATION OF LOAN APPLICATIONS:** Buyer shall Deliver to Seller, within the time specified in **paragraph 3H(3)** a letter from Buyer's lender or loan broker stating that, based on a review of Buyer's written application and credit report, Buyer is prequalified or preapproved for any NEW loan specified in **paragraph 3E**. If any loan specified in **paragraph 3E** is an adjustable rate loan, the prequalification or preapproval letter shall be based on the qualifying rate, not the initial loan rate.

**C. BUYER STATED FINANCING:** Seller is relying on Buyer's representation of the type of financing specified (including, but not limited to, as applicable, all cash, amount of down payment, or contingent or non-contingent loan). Seller has agreed to a specific closing date, purchase price, and to sell to Buyer in reliance on Buyer's specified financing. Buyer shall pursue the financing specified in this Agreement, even if Buyer also elects to pursue an alternative form of financing. Seller has no obligation to cooperate with Buyer's efforts to obtain any financing other than that specified in this Agreement but shall not interfere with closing at the purchase price on the COE date (**paragraph 3B**) even if based upon alternate financing. Buyer's inability to obtain alternate financing does not excuse Buyer from the obligation to purchase the Property and close escrow as specified in this Agreement.

**7. CLOSING AND POSSESSION:**

**A. OCCUPANCY:** If Buyer intends to occupy as a primary or secondary residence as indicated in **paragraph 3E(3)** and unless Otherwise Agreed, such as in C.A.R. Form TOPA: **(i)** the unit Buyer intends to occupy shall be vacant at the time possession is delivered to Buyer, and **(ii)** if the Property contains more than one unit, within **3 Days** after Acceptance Buyer shall give Seller written notice of which unit Buyer intends to occupy. Occupancy may impact available financing. **Seller shall disclose to Buyer if occupied by tenants or persons other than Seller, and attach C.A.R. Form TOPA in a counter offer if not part of Buyer's offer.**

**B. CONDITION OF PROPERTY ON CLOSING; AND STATEMENT OF DEFECTS PER DRE REGULATIONS 2790.8 AND 2790.9; EXISTING SUBDIVISION INTEREST DISCLOSURE** (For properties that have been either completed or occupied more than 3 years prior to a public report application being filed with the DRE, the Seller disclosure shall be on the for specified in DRE Regulation 2790.9):

**(1) Condition:** Unless Otherwise Agreed: **(i)** the Property shall be delivered "**As-Is**" in its PRESENT physical condition as of the date of Acceptance; **(ii)** the Property, including pool, spa, landscaping and grounds, is to be maintained in substantially the same condition as on the date of Acceptance; and **(iii)** all debris and personal property not included in the sale shall be removed by Close Of Escrow or at the time possession is delivered to Buyer, if not on the same date. If items are not removed when possession is delivered to Buyer, all items shall be deemed abandoned. Buyer, after first Delivering to Seller written notice to remove the items within **3 Days**, may pay to have such items removed or disposed of and may bring legal action, as per this Agreement, to receive reasonable costs from Seller.

**(2) Buyer is strongly advised to conduct investigations of the entire Property in order to determine its present condition. Seller and Agents may not be aware of all defects affecting the Property or other factors that Buyer considers important. Property improvements may not be built according to code, in compliance with current Law, or have had all required permits issued and/or finalized.**

**C. At Close Of Escrow:** **(i)** Seller assigns to Buyer any assignable warranty rights for items included in the sale; and **(ii)** Seller shall Deliver to Buyer available Copies of any such warranties. Agents cannot and will not determine the assignability of any warranties.

**D. Seller shall, on Close Of Escrow unless Otherwise Agreed and even if Seller remains in possession, provide keys, passwords, codes and/or means to operate all locks, mailboxes, security systems, alarms, home automation systems, intranet and Internet-connected devices included in the purchase price, garage door openers, and all items included in either **paragraph 3Q** or **9**. If the Property is a condominium or located in a common interest development, Seller shall be responsible for securing or providing any such items for Association amenities, facilities, and access. Buyer may be required to pay a deposit to the Homeowners' Association ("HOA") to obtain keys to accessible HOA facilities.**

**8. CONTINGENCIES AND REMOVAL OF CONTINGENCIES:**

**A. LOAN(S):**

**(1) This Agreement is, unless otherwise specified in paragraph 3M(1) or an attached CR form, contingent upon Buyer obtaining the loan(s) specified. If contingent, Buyer shall act diligently and in good faith to obtain the designated loan(s). If there is no appraisal contingency or the appraisal contingency has been waived or removed, then failure of the Property to appraise at the purchase price does not entitle Buyer to exercise the cancellation right pursuant to the loan contingency if Buyer is otherwise qualified for the specified loan and Buyer is able to satisfy lender's non-appraisal conditions for closing the loan.**

**(2) Buyer is advised to investigate the insurability of the Property as early as possible, as this may be a requirement for lending. Buyer's ability to obtain insurance for the Property, including fire insurance, is part of Buyer's Insurance contingency. Failure of Buyer to obtain insurance may justify cancellation based on the Insurance contingency but not the loan contingency.**

**(3) Buyer's contractual obligations regarding deposit, balance of down payment and closing costs are not contingencies of this Agreement, unless Otherwise Agreed.**



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- (4) If there is an appraisal contingency, removal of the loan contingency shall not be deemed removal of the appraisal contingency.
- (5) **NO LOAN CONTINGENCY:** If "No loan contingency" is checked in **paragraph 3M(1)**, obtaining any loan specified is NOT a contingency of this Agreement. If Buyer does not obtain the loan specified, and as a result is unable to purchase the Property, Seller may be entitled to Buyer's deposit or other legal remedies.

**B. APPRAISAL:**

- (1) This Agreement is, **unless otherwise specified in paragraph 3M(2) or an attached CR form**, contingent upon a written appraisal of the Property by a licensed or certified appraiser at no less than the amount specified in **paragraph 3M(2)**, without requiring repairs or improvements to the Property. Appraisals are often a reliable source to verify square footage of the subject Property. However, the ability to cancel based on the measurements provided in an appraisal falls within the Investigation of Property contingency. The appraisal contingency is solely limited to the value determined by the appraisal. For any cancellation based upon this appraisal contingency, Buyer shall Deliver a Copy of the written appraisal to Seller, upon request by Seller.
- (2) **NO APPRAISAL CONTINGENCY:** If "No appraisal contingency" is checked in **paragraph 3M(2)**, then Buyer may not use the loan contingency specified in **paragraph 3M(1)** to cancel this Agreement if the sole reason for not obtaining the loan is that the appraisal relied upon by Buyer's lender values the property at an amount less than that specified in **paragraph 3M(2)**. If Buyer is unable to obtain the loan specified solely for this reason, Seller may be entitled to Buyer's deposit or other legal remedies.
- (3)  **Fair Appraisal Act:** See **paragraph 28** for additional information.

**C. INVESTIGATION OF PROPERTY:** This Agreement is, as specified in **paragraph 3M(3)**, contingent upon Buyer's acceptance of the condition of, and any other matter affecting, the Property.

**D. INSURANCE:** This Agreement is, as specified in **paragraph 3M(4)**, contingent upon Buyer's assessment of the availability and approval of the cost for any insurance policy desired under this Agreement.

**E. REVIEW OF SELLER DOCUMENTS:** This Agreement is, as specified in **paragraph 3M(5)**, contingent upon Buyer's review and approval of Seller's documents required in **paragraph 16A**.

**F. REVIEW OF PUBLIC REPORT:** This Agreement is, as specified in **paragraph 3M(6)**, contingent upon Buyer's review and approval of the Public Report specified in **paragraph 3J** and signing DRE form RE 614E, "Receipt for Public Report."

**G. TITLE:**

- (1) This Agreement is, as specified in **paragraph 3M(7)**, contingent upon Buyer's ability to obtain the title policy provided for in **paragraph 15G** and on Buyer's review of a current Preliminary Report and items that are disclosed or observable even if not on record or not specified in the Preliminary Report, and satisfying Buyer regarding the current status of title. Buyer is advised to review all underlying documents and other matters affecting title, including, but not limited to, any documents or deeds referenced in the Preliminary Report and any plotted easements.
- (2) Buyer has **5 Days** after receipt to review a revised Preliminary Report, if any, furnished by the Title Company and cancel the transaction if the revised Preliminary Report reveals material or substantial deviations from a previously provided Preliminary Report.

**H. CONDOMINIUM/PLANNED DEVELOPMENT DISCLOSURES (IF APPLICABLE):** This Agreement is, as specified in **paragraph 3M(8)**, contingent upon Buyer's review and approval of Common Interest Disclosures required by Civil Code § 4525 and under **paragraph 12F** ("CI Disclosures").

**I. BUYER REVIEW OF LEASED OR LIENED ITEMS CONTINGENCY:** Buyer's review of and ability and willingness to assume any lease, maintenance agreement or other ongoing financial obligation, or to accept the Property subject to any lien, disclosed pursuant to **paragraph 9B(6)**, is, as specified in **paragraph 3M(9)**, a contingency of this Agreement. Any assumption of the lease shall not require any financial obligation or contribution by Seller. Seller, after first Delivering a Notice to Buyer to Perform, may cancel this Agreement if Buyer, by the time specified in **paragraph 3M(9)**, refuses to enter into any necessary written agreements to accept responsibility for all obligations of Seller-disclosed leased or lienied items.

**J. REMOVAL OR WAIVER OF CONTINGENCIES WITH OFFER:** Buyer shall have no obligation to remove a contractual contingency unless Seller has provided all required documents, reports, disclosures, and information pertaining to that contingency. If Buyer does remove a contingency without first receiving all required information from Seller, Buyer is relinquishing any contractual rights that apply to that contingency. **If Buyer removes or waives any contingencies without an adequate understanding of the Property's condition or Buyer's ability to purchase, Buyer is acting against the advice of Agent.**

**K. REMOVAL OF CONTINGENCY OR CANCELLATION:**

- (1) **For any contingency specified in paragraph 3M, 8, or elsewhere, Buyer shall, within the applicable period specified, remove the contingency or cancel this Agreement.**
- (2) For the contingencies for review of Seller Documents, Preliminary Report, and Condominium/Planned Development Disclosures, Buyer shall, within the time specified in **paragraph 3M** or **5 Days** after Delivery of Seller Documents or CI Disclosures, whichever occurs later, remove the applicable contingency in writing or cancel this Agreement.
- (3) If Buyer does not remove a contingency within the time specified, Seller, after first giving Buyer a Notice to Buyer to Perform (C.A.R. Form NBP), shall have the right to cancel this Agreement.

**9. ITEMS INCLUDED IN AND EXCLUDED FROM SALE:**

**A. NOTE TO BUYER AND SELLER:** Items listed as included or excluded in the Multiple Listing Service (MLS), flyers, marketing materials, or disclosures are NOT included in the purchase price or excluded from the sale unless specified in this paragraph or **paragraph 3Q** or as Otherwise Agreed. Any items included herein are components of the home and are not intended to affect the price. All items are transferred without Seller warranty.

**B. ITEMS INCLUDED IN SALE:**

- (1) All EXISTING fixtures and fittings that are attached to the Property;
- (2) EXISTING electrical, mechanical, lighting, plumbing and heating fixtures, ceiling fans, fireplace inserts, gas logs and grates, solar power systems, built-in appliances and appliances for which special openings or encasements have been made (whether or not checked in **paragraph 3Q**), window and door screens, awnings, shutters, window coverings (which includes blinds, curtains, drapery, shutters or any other materials that cover any portion of the window), attached floor coverings, television antennas, satellite dishes, air coolers/conditioners, pool/spa equipment (including, but not limited to, any cleaning equipment such as motorized/automatic pool cleaners, pool nets, pool covers), garage door openers/remote controls, mailbox, in-ground landscaping, water features and fountains, water softeners, water purifiers, light bulbs (including smart bulbs) and all items specified as included in **paragraph 3Q, if currently existing at the time of Acceptance.**  
**Note:** If Seller does not intend to include any item specified as being included above because it is not owned by Seller, whether placed on the Property by Agent, stager or other third party, the item should be listed as being excluded in **paragraph 3Q(2)** or excluded by Seller in a counter offer.



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- (3) Security System includes any devices, hardware, software, or control units used to monitor and secure the Property, including but not limited to, any motion detectors, door or window alarms, and any other equipment utilized for such purpose. If checked in **paragraph 3Q**, all such items are included in the sale, whether hard wired or not.
- (4) Home Automation (Smart Home Features) includes any electronic devices and features including, but not limited to, thermostat controls, kitchen appliances not otherwise excluded, and lighting systems, that are connected (hard wired or wirelessly) to a control unit, computer, tablet, phone, or other "smart" device. Any Smart Home devices and features that are physically affixed to the real property, and also existing light bulbs, are included in the sale. Buyer is advised to use **paragraph 3Q(1)** or an addendum to address more directly specific items to be included. Seller is advised to use a counter offer to address more directly any items to be excluded.
- (5) Non-Dedicated Devices: If checked in **paragraph 3Q**, all smart home and security system control devices are included in the sale, except for any non-dedicated personal computer, tablet, or phone used to control such features. Buyer acknowledges that a separate device and access to wifi or Internet may be required to operate some smart home features and Buyer may have to obtain such device after Close Of Escrow. Buyer is advised to change all passwords and ensure the security of any smart home features.
- (6) **LEASED OR LIENED ITEMS AND SYSTEMS:** Seller, within the time specified in **paragraph 3M(9)**, shall (i) disclose to Buyer if any item or system specified in **paragraph 3Q** or **9B** or otherwise included in the sale is leased, or not owned by Seller, or is subject to any maintenance or other ongoing financial obligation, or specifically subject to a lien or other encumbrance or loan, and (ii) Deliver to Buyer all written materials (such as lease, warranty, financing, etc.) concerning any such item.
- (7) Seller represents that all items included in the purchase price, unless Otherwise Agreed, (i) are owned by Seller and shall be transferred free and clear of liens and encumbrances, except the items and systems identified pursuant to **paragraph 9B(6)**, and (ii) are transferred without Seller warranty regardless of value. Seller shall cooperate with the identification of any software or applications and Buyer's efforts to transfer any services needed to operate any Smart Home Features or other items included in this Agreement, including, but not limited to, utilities or security systems.

**10. ALLOCATION OF COSTS FOR INSPECTIONS, TESTS, REPORTS, AND CERTIFICATES:** Paragraphs 3R(1) and (2) only determines who is to pay for the inspection, report, test, certificate or service mentioned; **it does not determine who is to pay for any work recommended or identified in any such document. Agreements for payment of required work should be specified elsewhere in paragraph 3R, or 3V, or in a separate agreement (such as C.A.R. Forms RR, RRRR, ADM or AEA).** Buyer shall choose the coverages, regardless of any optional coverages indicated, of the home warranty plan and Buyer shall pay any cost of that plan, chosen by Buyer, that exceeds the amount allocated to Seller in **paragraph 3R(14)**. Any reports in these paragraphs shall be Delivered in the time specified in **Paragraph 3P(1)**.

- 11. PUBLIC REPORT:** The following information describes the current status of the public report process specified in **paragraph 3J**.
  - A. FINAL PUBLIC REPORT:** A public report is required to be delivered to Buyer prior to the execution of this Agreement.
  - B. CONDITIONAL PUBLIC REPORT:** If the Property is subject to a Conditional Public Report under the B&P Code, escrow will not close, funds will not be released from the escrow, and any interest contracted for and the subject of the escrow will not be conveyed until a current Final Public Report is delivered to Buyer. Furthermore, the entire sum of money paid or advanced by Buyer shall be returned to Buyer under B&P Code § 11013.4(a) or 11013.2(a) if (i) the Final Public Report has not been issued within time specified in **paragraph 3J**. Buyer has the ability to cancel the Agreement if the Final Public Report has not been issued unless a conditional public report is renewed for another 6 months, or (ii) the Buyer is dissatisfied with the Final Public Report because of a change pursuant to B&P Code § 11012.
  - C. AMENDED/RENEWED PUBLIC REPORT:** An amended/renewed public report is required to be delivered to Buyer prior to execution of this Agreement.

- 12. DISCLOSURES:**
  - A. Statement of Defects:**
    - (1) As required by DRE Regulation 2790.8, Seller shall complete and provide an "Existing Subdivision Interest Disclosure Statement" form specified in DRE Regulation 2790.9 ("ESI Disclosure") to Buyer as soon as practicable before the transfer of title.
    - (2) If any ESI Disclosure is Delivered to Buyer after the offer is Signed, Buyer shall have the right to cancel this Agreement within **3 Days** after Delivery in person or **5 Days** after Delivery by deposit in the mail, or by an electronic record or email satisfying the Uniform Electronic Transactions Act (UETA), by giving written notice of cancellation to Seller or Seller's Agent.
    - (3) Seller is obligated to disclose information in the ESI Disclosure based on Seller's actual knowledge, after making a reasonable effort to obtain such information, whether derived from Seller's own investigation and inspection of the Existing Subdivision Interest or from written reports prepared by third parties retained by Seller to perform inspections.
    - (4) Seller shall amend any information in an ESI Disclosure after the ESI Disclosure is provided to Buyer, if the information in the ESI Disclosure is or becomes materially inaccurate and the Seller has actual knowledge of the inaccuracy. Seller is otherwise not required to amend the ESI Disclosure once it has been provided to Buyer. If the amended ESI Disclosure shows that the original ESI Disclosure was inaccurate or has become inaccurate in any material respect, Buyer shall have the right to cancel this Agreement within **3 Days** after Delivery in person or **5 Days** after Delivery by deposit in the mail, or by an electronic record or email satisfying the Uniform Electronic Transactions Act (UETA), by giving written notice of cancellation to Seller or Seller's Agent.
  - B. NATURAL HAZARD ZONES:** Seller shall, within the time specified in **paragraph 3P(1)**, disclose if Property is located in any of the following: Special Flood Hazard Areas; Potential Flooding (inundation) Areas, Very High Fire Hazard Severity Zones; State Fire Responsibility Areas; Earthquake Fault Zones; Seismic Hazard Zones; or any other federal, state, or local designated zone for which disclosure is required by Law.
  - C. WITHHOLDING TAXES:** Buyer and Seller hereby instruct Escrow Holder to withhold the applicable required amounts to comply with federal and California withholding Laws and forward such amounts to the Internal Revenue Service and Franchise Tax Board, respectively. However, no federal withholding is required if, prior to Close Of Escrow, Seller Delivers (i) to Buyer and Escrow Holder a fully completed affidavit (C.A.R. Form AS) sufficient to avoid withholding pursuant to federal withholding Law (FIRPTA); **OR (ii)** to a qualified substitute (usually a title company or an independent escrow company) a fully completed affidavit (C.A.R. Form AS) sufficient to avoid withholding pursuant to federal withholding Law AND the qualified substitute Delivers to Buyer and Escrow Holder an affidavit signed under penalty of perjury (C.A.R. Form QS) that the qualified substitute has received the fully completed Seller's affidavit and the Seller states that no federal withholding is required; **OR (iii)** to Buyer other documentation satisfying the requirements under Internal Revenue Code § 1445 (FIRPTA). No withholding is required under California Law if, prior to Close Of Escrow, Escrow Holder has received sufficient documentation from Seller that no withholding is required, and Buyer has been informed by Escrow Holder.



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**D. MEGAN'S LAW DATABASE DISCLOSURE:** Notice: Pursuant to § 290.46 of the Penal Code, information about specified registered sex offenders is made available to the public via an Internet Web site maintained by the Department of Justice at [www.meganslaw.ca.gov](http://www.meganslaw.ca.gov). Depending on an offender's criminal history, this information will include either the address at which the offender resides or the community of residence and ZIP Code in which he or she resides. (Neither Seller nor Agent are required to check this website. If Buyer wants further information, Agent recommends that Buyer obtain information from this website during Buyer's investigation contingency period. Agents do not have expertise in this area.)

**E. NOTICE REGARDING GAS AND HAZARDOUS LIQUID TRANSMISSION PIPELINES:** This notice is being provided simply to inform you that information about the general location of gas and hazardous liquid transmission pipelines is available to the public via the National Pipeline Mapping System (NPMS) Internet Web site maintained by the United States Department of Transportation at <http://www.npms.phmsa.dot.gov/>. To seek further information about possible transmission pipelines near the Property, you may contact your local gas utility or other pipeline operators in the area. Contact information for pipeline operators is searchable by ZIP Code and county on the NPMS Internet Website. (Neither Seller nor Agent are required to check this website. If Buyer wants further information, Agent recommends that Buyer obtain information from this website during Buyer's investigation contingency period. Agents do not have expertise in this area.)

**F. CONDOMINIUM/PLANNED DEVELOPMENT DISCLOSURES:**

(1) Seller shall, within the time specified in **paragraph 3P(1)**, disclose to Buyer whether the Property is a condominium or is located in a planned development, other common interest development, or otherwise subject to covenants, conditions, and restrictions (C.A.R. Form SPQ or ESD).

(2) If the Property is a condominium or is located in a planned development or other common interest development with a HOA, Seller shall, within the time specified in **paragraph 3P(3)**, order from, and pay any required fee for the following items to, the HOA (C.A.R. Form HOA-IR): **(i)** Copies of any documents required by Law (C.A.R. Form HOA-RS); **(ii)** disclosure of any pending or anticipated claim or litigation by or against the HOA; **(iii)** a statement containing the location and number of designated parking and storage spaces; **(iv)** Copies of the most recent 12 months of HOA minutes for regular and special meetings; **(v)** the names and contact information of all HOAs governing the Property; **(vi)** pet restrictions; and **(vii)** smoking restrictions ("CI Disclosures"). Seller shall itemize and Deliver to Buyer all CI Disclosures received from the HOA and any CI Disclosures in Seller's possession. Seller shall, as directed by Escrow Holder, deposit funds into escrow or direct to HOA or management company to pay for any of the above.

**G. SOLAR POWER SYSTEMS:** For properties with any solar panels or solar power systems, Seller shall, within the time specified in **paragraph 3P(1)**, Deliver to Buyer all known information about the solar panels or solar power system. Seller shall use the Solar Advisory and Questionnaire (C.A.R. Form SOLAR).

**H. NATURAL AND ENVIRONMENTAL HAZARDS:** Seller shall, within the time specified in **paragraph 3P(1)**, if required by Law: **(i)** Deliver to Buyer the earthquake guide and environmental hazards booklet, and for all residential property with 1-4 units and any manufactured or mobile home built before January 1, 1960, fully complete and Deliver the Residential Earthquake Risk Disclosure Statement; and **(ii)** even if exempt from the obligation to provide a NHD, disclose if the Property is located in a Special Flood Hazard Area; Potential Flooding (Inundation) Area; Very High Fire Hazard Zone; State Fire Responsibility Area; Earthquake Fault Zone; Seismic Hazard Zone; and **(iii)** disclose any other zone as required by Law and provide any other information required for those zones.

**I. PROPOSITION 65 WARNING**

**MATERIALS INCLUDED IN THE CONSTRUCTION OF THIS HOUSE WILL EXPOSE YOU TO FORMALDEHYDE, A SUBSTANCE KNOWN TO CAUSE CANCER. FURTHER INFORMATION MAY BE OBTAINED FROM THE BUILDER/SELLER.**

The following information is intended to explain the warning furnished by Seller of this home for exposures to formaldehyde, a substance known to the State of California to cause cancer. The exposures are caused by materials of which the house is or will be built.

The United States Environmental Protection Agency, the California Air Resources Board, and other agencies have measured the presence of formaldehyde in the indoor air of homes in California. Levels of formaldehyde that present a significant cancer risk have been measured in most homes. Formaldehyde is present in the air because it is emitted by a variety of building materials and home products purchased by Seller from materials suppliers. These materials include carpeting, pressed wood products, insulation, plastics, and glues.

This home, if constructed prior to entering into this Agreement, has not been tested, and if constructed after entering into this Agreement, will not be tested. Most homes that have been tested elsewhere do contain formaldehyde, although the concentrations vary from home to home with no obvious explanation for the differences. One of the problems is that many suppliers of building materials and home products do not provide information on chemical ingredients to builders. In the absence of specific information on these homes, and in light of the materials used in their construction, Seller believes that a warning is necessary.

Buyer may have further questions about these issues. Seller is willing to share any further information Seller has obtained and will provide, upon request, a list of known materials suppliers that may be contacted for further information, and whether any inquiry has been made by Seller.

**J. BALCONIES, EXTERIOR STAIRWAYS AND OTHER ELEVATED ELEMENTS:** For properties with any building containing 3 or more dwelling units with elevated balconies, stairways or other elements, Seller shall, within the time specified in **paragraph 3P(1)**, Deliver to Buyer the Wooden Balcony and Stairs Addendum (C.A.R. Form WBSA) and comply with its terms.

**K. KNOWN MATERIAL FACTS:** Seller shall, within the time specified in **paragraph 3P(1)**, DISCLOSE KNOWN MATERIAL FACTS AND DEFECTS affecting the Property, including, but not limited to, known insurance claims within the past five years, or provide Buyer with permission to contact insurer to get such information (C.A.R. Form ARC), and make any and all other disclosures required by Law.

**13. INSULATION:** The Federal Trade Commission requires that a new home seller must include in every new home sales contract the following information regarding type, thickness, and R-value of insulation to be installed in each part of the residence, and is specified in **paragraph 3S**.

**14. BUYER'S INVESTIGATION OF PROPERTY AND MATTERS AFFECTING PROPERTY:**

**A.** Buyer shall, within the time specified in **paragraph 3M(3)**, have the right, at Buyer's expense unless Otherwise Agreed, to conduct inspections, investigations, tests, surveys and other studies ("Buyer Investigations").

**B.** Buyer Investigations include, but are not limited to:

- (1) Inspections regarding any physical attributes of the Property or items connected to the Property, such as:
  - (A) A general home inspection.
  - (B) An inspection for lead-based paint and other lead-based paint hazards.





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(C) An inspection specifically for wood destroying pests and organisms. Any inspection for wood destroying pests and organisms shall be prepared by a registered Structural Pest Control company; shall cover the main building and attached structures; may cover detached structures; shall NOT include water tests of shower pans on upper level units unless the owners of property below the shower consent; shall NOT include roof coverings; and, if the Property is a unit in a condominium or other common interest subdivision, the inspection shall include only the separate interest and any exclusive-use areas being transferred, and shall NOT include common areas; and shall include a report ("Pest Control Report") showing the findings of the company which shall be separated into sections for evident infestation or infections (Section 1) and for conditions likely to lead to infestation or infection (Section 2).

(D) Any other specific inspections of the physical condition of the land and improvements.

(2) Investigations of any other matter affecting the Property, other than those that are specified as separate contingencies. Buyer Investigations do not include, among other things, an assessment of the availability and cost of general homeowner's insurance, flood insurance and fire insurance. See, Buyer's Investigation Advisory (C.A.R. Form BIA) for more.

C. Without Seller's prior written consent, Buyer shall neither make nor cause to be made: (i) invasive or destructive Buyer Investigations, except for minimally invasive testing required to prepare a Pest Control Report, which shall not include any holes or drilling through stucco or similar material; or (ii) inspections by any governmental building or zoning inspector or government employee, unless required by Law.

D. Seller shall make the Property available for all Buyer Investigations. Seller is not obligated to move any existing personal property. Seller shall have water, gas, electricity and all operable pilot lights on for Buyer's Investigations and through the date possession is delivered to Buyer. Buyer shall, (i) by the time specified in **paragraph 3M(3)**, complete Buyer Investigations and satisfy themselves as to the condition of the Property, and either remove the contingency or cancel this Agreement, and (ii) by the time specified in **paragraph 3M(3)** or **3 Days** after receipt of any Investigation report, whichever is later, give Seller at no cost, complete Copies of all such reports obtained by Buyer, which obligation shall survive the termination of this Agreement. This Delivery of Investigation reports shall not include any appraisal, except an appraisal received in connection with an FHA or VA loan.

E. **Buyer indemnity and Seller protection for entry upon the Property:** Buyer shall: (i) keep the Property free and clear of liens; (ii) repair all damage arising from Buyer Investigations; and (iii) indemnify and hold Seller harmless from all resulting liability, claims, demands, damages and costs. Buyer shall carry, or Buyer shall require anyone acting on Buyer's behalf to carry, policies of liability, workers' compensation and other applicable insurance, defending and protecting Seller from liability for any injuries to persons or property occurring during any Buyer Investigations or work done on the Property at Buyer's direction prior to Close Of Escrow. Seller is advised that certain protections may be afforded Seller by recording a "Notice of Non-Responsibility" (C.A.R. Form NNR) for Buyer Investigations and work done on the Property at Buyer's direction. Buyer's obligations under this paragraph shall survive the termination of this Agreement.

**15. TITLE AND VESTING:**

A. Buyer shall, within the time specified in **paragraph 3P(1)**, be provided a current Preliminary Report by the person responsible for paying for the title policy in **paragraph 3R(4)**. If Buyer is responsible for paying, Buyer shall act diligently and in good faith to obtain such Preliminary Report within the time specified. The Preliminary Report is only an offer by the title insurer to issue a policy of title insurance and may not contain every item affecting title. The company providing the Preliminary Report shall, prior to issuing a Preliminary Report, conduct a search of the General Index for all Sellers except banks or other institutional lenders selling properties they acquired through foreclosure (REOs), corporations, and government entities.

B. Title is taken in its present condition subject to all encumbrances, easements, covenants, conditions, restrictions, rights and other matters, whether of record or not, as of the date of Acceptance except for: (i) monetary liens of record unless Buyer is assuming those obligations or taking the Property subject to those obligations; and (ii) those matters which Seller has agreed to remove in writing. For any lien or matter not being transferred upon sale, Seller will take necessary action to deliver title free and clear of such lien or matter.

C. Seller shall within **7 Days** after request, give Escrow Holder necessary information to clear title.

D. Seller shall, within the time specified in **paragraph 3P(1)**, disclose to Buyer all matters known to Seller affecting title, whether of record or not.

E. If Buyer is a legal entity and the Property purchase price is at least \$300,000 and the purchase price is made without a bank loan or similar form of external financing, a Geographic Targeting Order (GTO) issued by the Financial Crimes Enforcement Network, U.S. Department of the Treasury, requires title companies to collect and report certain information about the Buyer, depending on where the Property is located. Buyer agrees to cooperate with the title company's effort to comply with the GTO.

F. Buyer shall, after Close Of Escrow, receive a recorded grant deed or any other conveyance document required to convey title (For example, for stock cooperative or tenancy in common, respectively, an assignment of stock certificate or assignment of seller's interest in the real property), including oil, mineral and water rights if currently owned by Seller. Title shall vest as designated in Buyer's vesting instructions. The recording document shall contain Buyer's post-closing mailing address to enable Buyer's receipt of the recorded conveyance document from the County Recorder. **THE MANNER OF TAKING TITLE MAY HAVE SIGNIFICANT LEGAL AND TAX CONSEQUENCES. CONSULT AN APPROPRIATE PROFESSIONAL.**

G. Buyer shall receive a "ALTA/CLTA Homeowner's Policy of Title Insurance" or equivalent policy of title insurance, if applicable to the type of property and buyer. Escrow Holder shall request this policy. If a ALTA/CLTA Homeowner's Policy of Title Insurance is not offered, Buyer shall receive a CLTA Standard Coverage policy unless Buyer has chosen another policy and instructed Escrow Holder in writing of the policy chosen and agreed to pay any increase in cost. Buyer should consult with the Title Company about the availability, and difference in coverage, and cost, if any, between a ALTA/CLTA Homeowner's Policy and a CLTA Standard Coverage policy and other title policies and endorsements. Buyer should receive notice from the Title Company on its Preliminary (Title) Report of the type of coverage offered. If Buyer is not notified on the Preliminary (Title) Report or is not satisfied with the policy offered, and Buyer nonetheless removes the contingency for Review of the Preliminary Report, Buyer will receive the policy as specified in this paragraph.

**16. TIME PERIODS; REMOVAL OF CONTINGENCIES; CANCELLATION RIGHTS: The following time periods may only be extended, altered, modified or changed by mutual written agreement. Any removal of contingencies or cancellation under this paragraph by either Buyer or Seller must be exercised in good faith and in writing (C.A.R. Form CR-B, CR-S or CC).**

A. **SELLER DELIVERY OF DOCUMENTS:** Seller shall, within the time specified in **paragraph 3P(1)**, Deliver to Buyer all reports, disclosures and information ("Reports") for which Seller is responsible as specified in **paragraphs 9B(6), 10, 12A, 12B, 12C, 12F, 12G, 12H, 12J, 12K, 15A, 15D, 31, 33, 34, and 35.** This paragraph does not apply to the delivery of the Public Report. See **paragraphs 3J and 11** for Public Report delivery requirements.



**B. BUYER REVIEW OF DOCUMENTS; REPAIR REQUEST; CONTINGENCY REMOVAL OR CANCELLATION**

- (1) Buyer has the time specified in **paragraph 3M** to: (i) perform Buyer Investigations; review all disclosures, Reports, lease documents to be assumed by Buyer pursuant to **paragraph 9B(6)**, and other applicable information, which Buyer receives from Seller; and approve all matters affecting the Property; and (ii) Deliver to Seller Signed Copies of Statutory and Other Disclosures Delivered by Seller in accordance with **paragraph 12A**.
- (2) Buyer may, within the time specified in **paragraph 3M(3)**, request that Seller make repairs or take any other action regarding the Property (C.A.R. Form RR). Seller has no obligation to agree to or respond to Buyer's requests (C.A.R. Form RR or RRRR). If Seller does not agree or does not respond, Buyer is not contractually entitled to have the repairs or other requests made and may only cancel based on contingencies in this Agreement.
- (3) Buyer shall, by the end of the times specified in **paragraph 3M** (or as Otherwise Agreed), Deliver to Seller a removal of the applicable contingency or cancellation of this Agreement (C.A.R. Form CR-B or CC). Buyer is advised not to remove contingencies related to review of documents until after the documents have been Delivered. If Delivery of any Report occurs after a contractual contingency pertaining to that Report has already been waived or removed, the Delivery of the Report does not revive the contingency.
- (4) **Continuation of Contingency:** Even after the end of the time specified in **paragraph 3L** and before Seller cancels, if at all, pursuant to **paragraph 16C**, Buyer retains the right, in writing, to either (i) remove remaining contingencies, or (ii) cancel this Agreement based on a remaining contingency. Once Buyer's written removal of all contingencies is Delivered to Seller, Seller may not cancel this Agreement pursuant to **paragraph 16C(1)**.

**C. SELLER RIGHT TO CANCEL:**

- (1) **SELLER RIGHT TO CANCEL; BUYER CONTINGENCIES:** If, by the time specified in this Agreement, Buyer does not Deliver to Seller a removal of the applicable contingency or cancellation of this Agreement, then Seller, after first Delivering to Buyer a Notice to Buyer to Perform (C.A.R. Form NBP), may cancel this Agreement. In such event, Seller shall authorize the return of Buyer's deposit, except for fees incurred by Buyer.
- (2) **SELLER RIGHT TO CANCEL; BUYER CONTRACT OBLIGATIONS:** Seller, after first Delivering to Buyer a Notice to Buyer to Perform, may cancel this Agreement if, by the time specified in this Agreement, Buyer does not take the following action(s): (i) Deposit funds as required by **paragraph 3D(1)** or **3D(2)** or if the funds deposited pursuant to **paragraph 3D(1)** or **3D(2)** are not good when deposited; (ii) Deliver updated contact information for Buyer's lender(s) as required by **paragraph 5C(3)**; (iii) Deliver a notice of FHA or VA costs or terms, if any, as specified by **paragraph 5C(4)** (C.A.R. Form RR); (iv) Deliver verification, or a satisfactory verification if Seller reasonably disapproves of the verification already provided, as required by **paragraph 5B** or **6A**; (v) Deliver a letter as required by **paragraph 6B**; (vi) In writing assume or accept leases or liens specified in **paragraph 8**; (vii) Cooperate with the title company's effort to comply with the GTO as required by **paragraph 15E**; (viii) Sign or initial a separate liquidated damages form for an increased deposit as required by **paragraph 5A(2)** and **40**; (ix) Provide evidence of authority to Sign in a representative capacity as specified in **paragraph 31**; or (x) Perform any additional Buyer contractual obligation(s) included in this Agreement. In such event, Seller shall authorize the return of Buyer's deposit, except for fees incurred by Buyer and other expenses already paid by Escrow Holder pursuant to this Agreement prior to Seller's cancellation.
- (3) **SELLER RIGHT TO CANCEL; SELLER CONTINGENCIES:** Seller may cancel this Agreement by good faith exercise of any Seller contingency included in this Agreement, or Otherwise Agreed, so long as that contingency has not already been removed or waived in writing.

**D. BUYER RIGHT TO CANCEL:**

- (1) **BUYER RIGHT TO CANCEL; SELLER CONTINGENCIES:** If, by the time specified in this Agreement, Seller does not Deliver to Buyer a removal of the applicable contingency or cancellation of this Agreement, then Buyer, after first Delivering to Seller a Notice to Seller to Perform (C.A.R. Form NSP), may cancel this Agreement. In such event, Seller shall authorize the return of Buyer's deposit, including fees and expenses incurred by Buyer and other expenses already paid by Escrow Holder pursuant to this Agreement prior to Buyer's cancellation.
- (2) **BUYER RIGHT TO CANCEL; SELLER CONTRACT OBLIGATIONS:** If, by the time specified, Seller has not Delivered any item specified in **paragraph 3P(1)** or Seller has not performed any Seller contractual obligation included in this Agreement by the time specified, Buyer, after first Delivering to Seller a Notice to Seller to Perform, may cancel this Agreement.
- (3) **BUYER RIGHT TO CANCEL; BUYER CONTINGENCIES:** Buyer may cancel this Agreement by good faith exercise of any Buyer contingency included in **paragraph 8**, or Otherwise Agreed, so long as that contingency has not already been removed in writing.

**E. NOTICE TO BUYER OR SELLER TO PERFORM:** The Notice to Buyer to Perform or Notice to Seller to Perform shall: (i) be in writing; (ii) be Signed by the applicable Buyer or Seller; and (iii) give the other Party at least **2 Days** after Delivery (or until the time specified in the applicable paragraph, whichever occurs last) to take the applicable action. A Notice to Buyer to Perform or Notice to Seller to Perform may not be Delivered any earlier than **2 Days** prior to the Scheduled Performance Day to remove a contingency or cancel this Agreement or meet an obligation specified in **paragraph 16**, except for Close of Escrow which shall be Delivered under the terms of **paragraph 16G**, whether or not the Scheduled Performance Day falls on a Saturday, or Sunday or legal holiday. If a Notice to Buyer to Perform or Notice to Seller to Perform is incorrectly Delivered or specifies a time less than the agreed time, the notice shall be deemed invalid and void. However, if the notice is for multiple items, the notice shall be valid for all contingencies and contractual actions for which the Delivery of the notice is within the time permitted in the Agreement and void as to the others. Seller or Buyer shall be required to Deliver a new Notice to Buyer to Perform or Notice to Seller to Perform with the specified timeframe.

**F. EFFECT OF REMOVAL OF CONTINGENCIES:**

- (1) **REMOVAL OF BUYER CONTINGENCIES:** If Buyer removes any contingency or cancellation rights, unless Otherwise Agreed, Buyer shall conclusively be deemed to have: (i) completed all Buyer Investigations, and review of Reports and other applicable information and disclosures pertaining to that contingency or cancellation right; (ii) elected to proceed with the transaction; and (iii) assumed all liability, responsibility and expense for the non-delivery of any Reports, disclosures or information outside of Seller's control and for any Repairs or corrections pertaining to that contingency or cancellation right, or for the inability to obtain financing.
- (2) **REMOVAL OF SELLER CONTINGENCIES:** If Seller removes any contingency or cancellation rights, unless Otherwise Agreed, Seller shall conclusively be deemed to have: (i) satisfied themselves regarding such contingency, (ii) elected to proceed with the transaction; and (iii) given up any right to cancel this Agreement based on such contingency.



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Date: \_\_\_\_\_

- G. DEMAND TO CLOSE ESCROW:** Before Buyer or Seller may cancel this Agreement for failure of the other Party to close escrow pursuant to this Agreement, Buyer or Seller must first Deliver to the other Party a Demand to Close Escrow (C.A.R. Form DCE). The DCE shall: **(i)** be Signed by the applicable Buyer or Seller; and **(ii)** give the other Party at least **3 Days** after Delivery to close escrow. A DCE may not be Delivered any earlier than **3 Days** prior to the Scheduled Performance Day for the Close Of Escrow. If a DCE is incorrectly Delivered or specifies a time less than the agreed time, the DCE shall be deemed invalid and void, and Seller or Buyer shall be required to Deliver a new DCE.
- H. EFFECT OF CANCELLATION ON DEPOSITS:** If Buyer or Seller gives written notice of cancellation pursuant to rights duly exercised under the terms of this Agreement, the Parties agree to Sign and Deliver mutual instructions to cancel the sale and escrow and release deposits, if any, to the Party entitled to the funds, less **(i)** fees and costs paid by Escrow Holder on behalf of that Party, if required by this Agreement; and **(ii)** any escrow fee charged to that party. Fees and costs may be payable to service providers and vendors for services and products provided during escrow. **A release of funds will require mutual Signed release instructions from the Parties, judicial decision or arbitration award. A Party may be subject to a civil penalty of up to \$1,000 for refusal to Sign cancellation instructions if no good faith dispute exists as to which Party is entitled to the deposited funds (Civil Code § 1057.3). Note: Neither Agents nor Escrow Holder are qualified to provide any opinion on whether either Party has acted in good faith or which Party is entitled to the deposited funds. Buyer and Seller are advised to seek the advice of a qualified California real estate attorney regarding this matter.**
- 17. FINAL VERIFICATION OF CONDITION:** Buyer shall have the right to make a final inspection of the Property accompanied by Seller within the time specified in **paragraph 3K**, NOT AS A CONTINGENCY OF THE SALE, but solely for the purpose of preparing a list of corrective work, if any, which may be necessary. Seller shall provide Buyer with notice at least **3 Days** prior to the date on which the Property is to be inspected and shall have the right to accompany Buyer on such inspection. Buyer's failure to make the final inspection on the agreed date, the existence of minor defects in the welling, or any corrective work agreed to be performed by Seller pursuant to this paragraph shall not cause a delay in the Close Of Escrow or entitle Buyer to withhold any portion of the purchase price. Seller shall, prior to or after the Close Of Escrow, proceed diligently to complete all corrective work agreed to and acknowledged by Buyer and Seller in writing in a reasonably prompt manner in accordance with Seller's Warranty.
- 18. PRORATIONS OF PROPERTY TAXES AND OTHER ITEMS:** Unless Otherwise Agreed, the following items shall be PAID CURRENT and prorated between Buyer and Seller as of Close Of Escrow: real property taxes and assessments, interest, Seller rental payments, HOA regular assessments due prior to Close Of Escrow, premiums on insurance assumed by Buyer, payments on bonds and assessments assumed by Buyer, and payments on Mello-Roos and other Special Assessment District bonds and assessments that are now a lien. Seller shall pay any HOA special or emergency assessments due prior to Close Of Escrow. The following items shall be assumed by Buyer WITHOUT CREDIT toward the purchase price: prorated payments on Mello-Roos and other Special Assessment District bonds and assessments and HOA special or emergency assessments that are due after Close Of Escrow. Property will be reassessed upon change of ownership. Any supplemental tax bills delivered to Escrow Holder prior to closing shall be prorated and paid as follows: **(i)** for periods after Close Of Escrow, by Buyer; and **(ii)** for periods prior to Close Of Escrow, by Seller (see C.A.R. Form SPT or SBSA for further information). Seller agrees all service fees, maintenance costs and utility bills will be paid current up and through the date of Close Of Escrow. **TAX BILLS AND UTILITY BILLS ISSUED AFTER CLOSE OF ESCROW SHALL BE HANDLED DIRECTLY BETWEEN BUYER AND SELLER.** Prorations shall be made based on a 30-day month. Any exceptions shall be specified in **paragraph 3V**.
- 19. BROKERS AND AGENTS:**
  - A. COMPENSATION:** Seller or Buyer, or both, as applicable, agree to pay compensation to Broker as specified in a separate written agreement between Broker and that Seller or Buyer. Compensation is payable upon Close Of Escrow, or if escrow does not close, as otherwise specified in the agreement between Broker and that Seller or Buyer. If Seller agrees to pay the obligation of Buyer to compensate Buyer's Broker (see **paragraph 3G(3)**), Seller shall be entitled to a copy of the portion of the written compensation agreement between Buyer and Buyer's Broker identifying the compensation to be paid. See C.A.R. Form SPBB for further information.
  - B. SCOPE OF DUTY:** Buyer and Seller acknowledge and agree that Agent: **(i)** Does not decide what price Buyer should pay or Seller should accept; **(ii)** Does not guarantee the condition of the Property; **(iii)** Does not guarantee the performance, adequacy or completeness of inspections, services, products or repairs provided or made by Seller or others; **(iv)** Does not have an obligation to conduct an inspection of common areas or areas off the site of the Property; **(v)** Shall not be responsible for identifying defects on the Property, in common areas, or off site unless such defects are visually observable by an inspection of reasonably accessible areas of the Property or are known to Agent; **(vi)** Shall not be responsible for inspecting public records or permits concerning the title or use of Property; **(vii)** Shall not be responsible for identifying the location of boundary lines or other items affecting title; **(viii)** Shall not be responsible for verifying square footage, representations of others or information contained in Investigation reports, Multiple Listing Service, advertisements, flyers or other promotional material; **(ix)** Shall not be responsible for determining the fair market value of the Property or any personal property included in the sale; **(x)** Shall not be responsible for providing legal or tax advice regarding any aspect of a transaction entered into by Buyer or Seller; and **(xi)** Shall not be responsible for providing other advice or information that exceeds the knowledge, education and experience required to perform real estate licensed activity. Buyer and Seller agree to seek legal, tax, insurance, title and other desired assistance from appropriate professionals.
  - C. REFERRAL LICENSEE COMPENSATION:** (If checked in **paragraph 2E**), Seller or Buyer, agree that Referral Licensee shall be compensated the amount specified in **paragraph 2E**. **Note to Referral Licensee: Agency relationships can be established by conduct notwithstanding the classification as a referral licensee in the Agreement.**
- 20. JOINT ESCROW INSTRUCTIONS TO ESCROW HOLDER:**
  - A. The following paragraphs, or applicable portions thereof, of this Agreement constitute the joint escrow instructions of Buyer and Seller to Escrow Holder, which Escrow Holder is to use along with any related counter offers and addenda, and any additional mutual instructions to close the escrow: paragraphs 1, 3A, 3B, 3D-G, 3P(2), 3R, 3V, 5A(1-2) 5D, 5E, 10, 12C, 12F(2), 15 (except 15D), 16H, 18, 19A, 20, 24, 27, 29, 30, 43, and 44.** If a Copy of the separate compensation agreement(s) provided for in **paragraph 19A** is deposited with Escrow Holder by Agent, Escrow Holder shall accept such agreement(s) and pay out from Buyer's or Seller's funds, or both, as applicable, the Broker's compensation provided for in such agreement(s). The terms and conditions of this Agreement not set forth in the specified paragraphs are additional matters for the information of Escrow Holder, but about which Escrow Holder need not be concerned.



Property Address: \_\_\_\_\_

Date: \_\_\_\_\_

**B. IF PROPERTY IS SUBJECT TO A PUBLIC REPORT OR EXEMPT FROM A PUBLIC REPORT PURSUANT TO BUSINESS AND PROFESSIONS CODE § 11010.4, THE FOLLOWING ADDITIONAL ESCROW INSTRUCTIONS APPLY:**

- (1) **BLANKET ENCUMBRANCE:** For the benefit of Buyer, the escrow shall not close, funds shall not be released from escrow, and title shall not be conveyed to Buyer, until all of the following conditions have been met: (i) Seller has complied with the purchase money handling requirements of B&P Code §§ 11013, 11013.1, 11013.2, or 11013.4, as applicable; and (ii) Buyer has been provided a policy of title insurance showing that the Property is free and clear of any blanket encumbrances as defined in § 11013. For purposes of compliance with § 11013.2(a), a release from a blanket encumbrance resulting from a deed of trust or mortgage shall require satisfaction with either of the following: (a) an instrument has been duly recorded unconditionally reconveying and releasing the Property from the lien or charge of such deed of trust; or (b) Buyer is notified that an agreement or demand constituting a release agreement as defined in DRE Regulation 2791.1(b)(2)(A) has been duly deposited with Escrow Holder and is available to Buyer on request for each deed of trust, and Buyer will be provided with a policy of title insurance insuring Buyer against loss by reason of such deed of trust.
- (2) **COMMON INTEREST SUBDIVISION:** The Property is in a common interest subdivision and the attached Condominium Conversion And Existing Subdivision Supplemental Escrow Instructions (C.A.R. Form CEEI) are made a part of this Agreement. **Note to Seller: For property subject to a public report, you must use the Condominium Conversion and Existing Subdivision Supplemental Escrow Instructions provided with this ABSPA or for any other supplemental escrow instructions you intend to use you must submit them to, and have them be accepted by, the DRE.**
- (3) If escrow does not close within 1 year after Acceptance of this Agreement, and Buyer and Seller have not extended the closing date in writing, and the failure to close escrow is not due to the default of Buyer, escrow is to be cancelled and all funds in escrow immediately returned to Buyer upon Buyer's request.
- (4) Subject to the requirements of Civil Code §§ 1675(c) or (d), 1676, 1677, and 1678, if funds deposited in escrow by Buyer have been disbursed on Seller's instructions as permitted by DRE Regulation 2791, the funds expended by Seller shall be reimbursed to escrow within **15 Days** after Seller's failure to perform within 1 year after Acceptance of this Agreement, and Buyer and Seller have not extended the closing date in writing, and those funds shall be immediately returned to Buyer from escrow.
- (5) Escrow shall not close until Escrow Holder has received written notice from a title insurance company that each and every encumbrance, including without limitation, any mortgage or deed of trust, filed of record prior to the time of recording of the Declaration of Covenants, Conditions, and Restrictions has either (i) fully reconveyed or (ii) expressly subordinated to the Declaration of Covenants, Conditions, and Restrictions.
- (6) For properties that have been either completed or occupied more than 3 years prior to a public report application being filed with the DRE, the Seller disclosure shall be on the form specified in DRE Regulation 2790.9.

**C.** Buyer and Seller will receive Escrow Holder's general provisions, if any, directly from Escrow Holder. To the extent the general provisions are inconsistent or conflict with this Agreement, the general provisions will control as to the duties and obligations of Escrow Holder only. Buyer and Seller shall Sign and return Escrow Holder's general provisions or supplemental instructions within the time specified in **paragraph 3P(2)**. Buyer and Seller shall execute additional instructions, documents and forms provided by Escrow Holder that are reasonably necessary to close the escrow and, as directed by Escrow Holder, within **3 Days**, shall pay to Escrow Holder or HOA or HOA management company or others any fee required by **paragraphs 3, 8, 10, 12**, or elsewhere in this Agreement.

**D.** A Copy of this Agreement including any counter offer(s) and addenda shall be delivered to Escrow Holder within **3 Days** after Acceptance. Buyer and Seller authorize Escrow Holder to accept and rely on Copies and Signatures as defined in this Agreement as originals, to open escrow and for other purposes of escrow. The validity of this Agreement as between Buyer and Seller is not affected by whether or when Escrow Holder Signs this Agreement. Escrow Holder shall provide Seller's Statement of Information to Title Company when received from Seller, if a separate company is providing title insurance. If Seller delivers an affidavit to Escrow Holder to satisfy Seller's FIRPTA obligation under **paragraph 12C**, Escrow Holder shall deliver to Buyer, Buyer's Agent, and Seller's Agent a Qualified Substitute statement that complies with federal Law. If Escrow Holder's Qualified Substitute statement does not comply with federal law, the Parties instruct escrow to withhold all applicable required amounts under **paragraph 12C**.

**E.** Agents are not a party to the escrow except for the sole purpose of receiving compensation pursuant to **paragraph 19A**. If a Copy of the separate compensation agreement(s) is deposited with Escrow Holder by Agent, Escrow Holder shall accept such agreement(s) and pay out from Buyer's or Seller's funds, or both, as applicable, the Broker's compensation provided for in such agreement(s). Escrow Holder shall provide to Buyer and Seller, either jointly or separately, a closing statement or other written documentation showing the amount of compensation paid to, respectively, Buyer's Broker and Seller's Broker. Buyer and Seller irrevocably assign to Brokers compensation specified in **paragraph 19A**, and irrevocably instruct Escrow Holder to disburse those funds to Brokers at Close Of Escrow or pursuant to any other mutually executed cancellation agreement. Compensation instructions can be amended or revoked only with the written consent of Brokers. Buyer and Seller shall release and hold harmless Escrow Holder from any liability resulting from Escrow Holder's payment to Broker(s) of compensation pursuant to this Agreement.

**F.** Buyer and Seller acknowledge that Escrow Holder may require invoices for expenses under this Agreement. Buyer and Seller, upon request by Escrow Holder, within **3 Days** or within a sufficient time to close escrow, whichever is sooner, shall provide any such invoices to Escrow Holder.

**G.** Upon receipt, Escrow Holder shall provide Buyer, Seller, and each Agent verification of Buyer's deposit of funds pursuant to **paragraphs 5A(1) and 5A(2)**. Once Escrow Holder becomes aware of any of the following, Escrow Holder shall immediately notify each Agent: (i) if Buyer's initial or any additional deposit or down payment is not made pursuant to this Agreement, or is not good at time of deposit with Escrow Holder; or (ii) if Buyer and Seller instruct Escrow Holder to cancel escrow.

**H.** A Copy of any amendment that affects any paragraph of this Agreement for which Escrow Holder is responsible shall be delivered to Escrow Holder within **3 Days** after mutual execution of the amendment.

**21. SELECTION OF SERVICE PROVIDERS:** Agents do not guarantee the performance of any vendors, service or product providers ("Providers"), whether referred by Agent or selected by Buyer, Seller or other person. Buyer and Seller may select ANY Providers of their own choosing.



Property Address: \_\_\_\_\_

Date: \_\_\_\_\_

- 22. MULTIPLE LISTING SERVICE ("MLS"):** Agents are authorized to report to the MLS that an offer has been accepted and, upon Close Of Escrow, the sales price and other terms of this transaction shall be provided to the MLS to be published and disseminated to persons and entities authorized to use the information on terms approved by the MLS. Buyer acknowledges that: **(i)** any pictures, videos, floor plans (collectively, "Images") or other information about the Property that has been or will be inputted into the MLS or internet portals, or both, at the instruction of Seller or in compliance with MLS rules, will not be removed after Close Of Escrow; **(ii)** California Civil Code § 1088(c) requires the MLS to maintain such Images and information for at least three years and as a result they may be displayed or circulated on the Internet, which cannot be controlled or removed by Seller or Agents; and **(iii)** Seller, Seller's Agent, Buyer's Agent, and MLS have no obligation or ability to remove such Images or information from the Internet.
- 23. ATTORNEY FEES AND COSTS:** In any action, proceeding, or arbitration between Buyer and Seller arising out of this Agreement, the prevailing Buyer or Seller shall be entitled to reasonable attorney fees and costs from the non-prevailing Buyer or Seller, except as provided in **paragraph 42A**.
- 24. ASSIGNMENT/NOMINATION:** Buyer shall have the right to assign all of Buyer's interest in this Agreement to Buyer's own trust or to any wholly owned entity of Buyer that is in existence at the time of such assignment. Otherwise, Buyer shall not assign all or any part of Buyer's interest in this Agreement without first having obtained the separate written consent of Seller to a specified assignee. Such consent shall not be unreasonably withheld. Prior to any assignment, Buyer shall disclose to Seller the name of the assignee and the amount of any monetary consideration between Buyer and assignee. Buyer shall provide assignee with all documents related to this Agreement including, but not limited to, the Agreement and any disclosures. If assignee is a wholly owned entity or trust of Buyer, that assignee does not need to re-sign or initial all documents provided. Whether or not an assignment requires seller's consent, at the time of assignment, assignee shall deliver a letter from assignee's lender that assignee is prequalified or preapproved as specified in **paragraph 6B**. Should assignee fail to deliver such a letter, Seller, after first giving Assignee an Notice to Buyer to Perform, shall have the right to terminate the assignment. Buyer shall, within the time specified in **paragraph 3L**, Deliver any request to assign this Agreement for Seller's consent. If Buyer fails to provide the required information within this time frame, Seller's withholding of consent shall be deemed reasonable. Any total or partial assignment shall not relieve Buyer of Buyer's obligations pursuant to this Agreement unless Otherwise Agreed by Seller (C.A.R. Form AOAA). Parties shall provide any assignment agreement to Escrow Holder within **1 Day** after the assignment. Any nomination by Buyer shall be subject to the same procedures, requirements, and terms as an assignment as specified in this paragraph.
- 25. SEVERABILITY:** If any term, condition, or provision of this Agreement is declared illegal or invalid for any reason by a court of competent jurisdiction, or arbitrator, the remaining terms, conditions, and provisions shall, nevertheless, remain in full force and effect.
- 26. EQUAL HOUSING OPPORTUNITY:** The Property is sold in compliance with federal, state and local anti-discrimination Laws.
- 27. DEFINITIONS and INSTRUCTIONS:** The following words are defined terms in this Agreement, shall be indicated by initial capital letters throughout this Agreement, and have the following meaning whenever used:
  - A. "Acceptance"** means the time the offer or final counter offer is fully executed, in writing, by the recipient Party and is Delivered to the offering Party or that Party's Authorized Agent.
  - B. "Agent"** means the Broker, salesperson, broker-associate or any other real estate licensee licensed under the brokerage firm identified in **paragraph 2B**.
  - C. "Agreement"** means this document and any counter offers and any incorporated addenda or amendments, collectively forming the binding agreement between the Parties. Addenda and amendments are incorporated only when Signed and Delivered by all Parties.
  - D. "As-Is"** condition: Seller shall disclose known material facts and defects as specified in this Agreement. Buyer has the right to inspect the Property and, within the time specified, request that Seller make repairs or take other corrective action, or exercise any contingency cancellation rights in this Agreement. Seller is only required to make repairs specified in this Agreement or as Otherwise Agreed.
  - E. "Authorized Agent"** means an individual real estate licensee specified in the Real Estate Broker Section.
  - F. "C.A.R. Form"** means the most current version of the specific form referenced or another comparable form agreed to by the Parties.
  - G. "Close Of Escrow",** including "COE", means the date the grant deed, or other evidence of transfer of title, is recorded for any real property, or the date of Delivery of a document evidencing the transfer of title for any non-real property transaction.
  - H. "Copy"** means copy by any means including photocopy, facsimile and electronic.
  - I. Counting Days** is done as follows unless Otherwise Agreed: (1) The first Day after an event is the first full calendar date following the event, and ending at 11:59 pm. For example, if a Notice to Buyer to Perform (C.A.R. form NBP) is Delivered at 3 pm on the 7th calendar day of the month, or Acceptance of a counter offer is personally received at 12 noon on the 7th calendar day of the month, then the 7th is Day "0" for purposes of counting days to respond to the NBP or calculating the Close Of Escrow date or contingency removal dates and the 8th of the month is Day 1 for those same purposes. (2) All calendar days are counted in establishing the first Day after an event. (3) All calendar days are counted in determining the date upon which performance must be completed, ending at 11:59 pm on the last day for performance ("Scheduled Performance Day"). (4) After Acceptance, if the Scheduled Performance Day for any act required by this Agreement, including Close Of Escrow, lands on a Saturday, Sunday, or Legal Holiday, the performing party shall be allowed to perform on the next day that is not a Saturday, Sunday or Legal Holiday ("Allowable Performance Day"), and ending at 11:59 pm. "Legal Holiday" shall mean any holiday or optional bank holiday under Civil Code §§ 7 and 7.1 and any holiday under Government Code § 6700. (5) For the purposes of COE, any day that the Recorder's office in the County where the Property is located is closed or any day that the lender or Escrow Holder under this Agreement is closed, the COE shall occur on the next day the Recorder's office in that County, the lender, and the Escrow Holder are open. (6) COE is considered Day 0 for purposes of counting days Seller is allowed to remain in possession, if permitted by this Agreement.
  - J. "Day" or "Days"** means calendar day or days. However, delivery of deposit to escrow is based on business days.
  - K. "Deliver", "Delivered" or "Delivery"** of documents, unless Otherwise Agreed, means and shall be effective upon personal receipt of the document by Buyer or Seller or their Authorized Agent. Personal receipt means **(i)** a Copy of the document, or as applicable, link to the document, is in the possession of the Party or Authorized Agent, regardless of the Delivery method used (i.e. e-mail, text, other). A document, or as applicable link to a document, shall be deemed to be "in possession" if it is located in the in-box for the applicable Party or Authorized Agent; or **(ii)** an Electronic Copy of the document, or as applicable, link to the document, has been sent to the designated electronic delivery address specified in the Real Estate Broker Section, unless Otherwise Agreed in C.A.R. Form DEDA. After Acceptance, Agent may change the designated electronic delivery address for that Agent by, in writing, Delivering notice of the change in designated electronic delivery address to the other Party (C.A.R. Form DEDA). Links could be, for example, to DropBox or GoogleDrive or other functionally equivalent program. If the recipient of a link is unable or unwilling to open the link or download the documents or otherwise prefers Delivery of the documents directly, Recipient of a link shall notify the sender in writing, within **3 Days** after Delivery of the link (C.A.R. Form RFR). In such case, Delivery shall be effective upon Delivery of the documents and not the link. Failure to notify sender within the time specified above shall be deemed consent to receive, and Buyer opening, the document by link.



- L. "DRE" means the Department of Real Estate.
- M. "Electronic Copy" or "Electronic Signature" means, as applicable, an electronic copy or signature complying with California Law. Unless Otherwise Agreed, Buyer and Seller agreed to the use of Electronic Signatures. Buyer and Seller agree that electronic means will not be used by either Party to modify or alter the content or integrity of this Agreement without the knowledge and consent of the other Party.
- N. "Law" means any law, code, statute, ordinance, regulation, rule or order, which is adopted by a controlling city, county, state or federal legislative, judicial or executive body or agency.
- O. "Legally Authorized Signer" means an individual who has authority to Sign for the principal as specified in **paragraph 44** or **paragraph 45**.
- P. "Otherwise Agreed" means an agreement in writing, signed by both Parties and Delivered to each.
- Q. "Repairs" means any repairs (including pest control), alterations, replacements, modifications or retrofitting of the Property provided for under this Agreement.
- R. "Sign" or "Signed" means either a handwritten or Electronic Signature on an original document, Copy or any counterpart.

**28. FAIR APPRAISAL ACT NOTICE:**

- A. Any appraisal of the property is required to be unbiased, objective, and not influenced by improper or illegal considerations, including, but not limited to, any of the following: race, color, religion (including religious dress, grooming practices, or both), gender (including, but not limited to, pregnancy, childbirth, breastfeeding, and related conditions, and gender identity and gender expression), sexual orientation, marital status, medical condition, military or veteran status, national origin (including language use and possession of a driver's license issued to persons unable to provide their presence in the United States is authorized under federal law), source of income, ancestry, disability (mental and physical, including, but not limited to, HIV/AIDS status, cancer diagnosis, and genetic characteristics), genetic information, or age.
- B. If a buyer or seller believes that the appraisal has been influenced by any of the above factors, the seller or buyer can report this information to the lender or mortgage broker that retained the appraiser and may also file a complaint with the Bureau of Real Estate Appraisers at <https://www2.brea.ca.gov/complaint/> or call (916) 552-9000 for further information on how to file a complaint.

**29. TERMS AND CONDITIONS OF OFFER:** This is an offer to purchase the Property on the terms and conditions herein. The individual Liquidated Damages and Arbitration of Disputes paragraphs are incorporated in this Agreement if initiated by all Parties or if incorporated by mutual agreement in a Counter Offer or addendum. **If at least one but not all Parties initial, a Counter Offer is required until agreement is reached.** Seller has the right to continue to offer the Property for sale and to accept any other offer at any time prior to notification of Acceptance and to market the Property for backup offers after Acceptance. The Parties have read and acknowledge receipt of a Copy of the offer and agree to the confirmation of agency relationships. If this offer is accepted and Buyer subsequently defaults, Buyer may be responsible for payment of Brokers' compensation. This Agreement and any supplement, addendum or modification, including any Copy, may be Signed in two or more counterparts, all of which shall constitute one and the same writing. By signing this offer or any document in the transaction, the Party Signing the document is deemed to have read the document in its entirety.

**30. TIME OF ESSENCE; ENTIRE CONTRACT; CHANGES:** Time is of the essence. All understandings between the Parties are incorporated in this Agreement. Its terms are intended by the Parties as a final, complete and exclusive expression of their Agreement with respect to its subject matter and may not be contradicted by evidence of any prior agreement or contemporaneous oral agreement. If any provision of this Agreement is held to be ineffective or invalid, the remaining provisions will nevertheless be given full force and effect. Except as Otherwise Agreed, this Agreement shall be interpreted, and disputes shall be resolved in accordance with the Laws of the State of California. **Neither this Agreement nor any provision in it may be extended, amended, modified, altered or changed, except in writing Signed by Buyer and Seller.**

**31. LEGALLY AUTHORIZED SIGNER:** Wherever the signature or initials of the Legally Authorized Signer identified in **paragraph 44** or **45** appear on this Agreement or any related documents, it shall be deemed to be in a representative capacity for the entity described and not in an individual capacity, unless otherwise indicated. The Legally Authorized Signer **(i)** represents that the entity for which that person is acting already exists and is in good standing to do business in California and **(ii)** shall Deliver to the other Party and Escrow Holder, within **3 Days** after acceptance, evidence of authority to act in that capacity (such as but not limited to: applicable portion of the trust or Certification Of Trust (Probate Code § 18100.5), letters testamentary, court order, power of attorney, corporate resolution, or formation documents of the business entity).

**32. DOCUMENTATION TO SUBSEQUENT PURCHASERS:** Buyer is instructed to give any subsequent purchasers all documents related to the sale and purchase that Buyer receives from Seller.

**33. MAINTENANCE RECOMMENDATIONS:** Provided with the Agreement are Copies of all builder maintenance and preventative maintenance recommendations.

**34. MANUFACTURED PRODUCTS MAINTENANCE AND LIMITED WARRANTIES:** Provided with the Agreement are Copies of all manufactured products maintenance, preventative maintenance, and limited warranty information.

**35. SELLER'S STANDARD WARRANTY:**

- A. Seller **(i)** warrants the Property against defective materials and for the minimum periods of time established by Civil Code § 896 and **(ii)** warrants fit and finish items specified in Civil Code § 900 for one year. Seller's Standard Warranty only applies if Seller receives notice of such defect(s) within the warranty period. Items or defects that were inspected and approved under **paragraph 16** or thereafter, minor settling cracks, damage caused by Buyer or movers, or damage due to alterations or additions made other than by Seller, are excluded from Seller's Standard Warranty. For defects that are covered by the Seller's Standard Warranty, Seller will, within a reasonable time, at Seller's option repair or replace any covered defect in the Property.
- B. Seller shall not be liable for, or have any obligation to provide, warranty services with respect to any defect expressly accepted by Buyer at Close Of Escrow.
- C. THE SELLER'S STANDARD WARRANTY IS PROVIDED IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY OF FITNESS, AND IN LIEU OF ANY STRICT LIABILITY OF SELLER IN TORT, TO THE EXTENT SUCH LIABILITY MAY BE DISCLAIMED UNDER CALIFORNIA LAW. THE SELLER'S STANDARD WARRANTY ALSO EXCLUDES LIABILITY FOR CONSEQUENTIAL DAMAGES TO THE EXTENT THAT SUCH LIABILITY MAY BE DISCLAIMED UNDER CALIFORNIA LAW.
- D. WHETHER OR NOT SELLER WARRANTS ANY ASPECT OF THE PROPERTY, SELLER IS OBLIGATED TO DISCLOSE KNOWN MATERIAL FACTS, AND TO MAKE OTHER DISCLOSURES REQUIRED BY LAW.
- E. Buyer and Seller understand and acknowledge that Brokers or Referral Licensee shall not be liable for any breach of this paragraph.

**36. BUILDER LIMITED CONTRACTUAL WARRANTIES:** Provided with this Agreements are Copies of all builder limited contractual warranties not specified in **paragraph 35** of this Agreement or elsewhere in writing.



Property Address: \_\_\_\_\_

Date: \_\_\_\_\_

**37. PROCEDURES FOR ACTIONS ON CONSTRUCTION DEFECTS AND ESCROW INSTRUCTION:** This sale is governed by Civil Code §§ 895-945.5 and all of the terms of **paragraph 37** apply.

- A. **“Notice:** California law establishes procedures that must be followed prior to the filing of any action related to a claimed construction defect. These procedures impact the legal rights of a homeowner. These procedures may be found in Title 7 of Part 2 of Division 2 of the California Civil Code commenting with § 895.”
- B. **Escrow Holder Instruction:** By signing this document, the Parties are instructing Escrow Holder to insert in the deed the language specified in quotes in **paragraph 37A** above.
- C.  **If not previously provided to Buyer, or separately provided as an addendum to this Agreement, attached to the Agreement is a Copy of California Civil Code §§ 895-945.5 (C.A.R. Document SB 800).** (NOTE: REALTORS® may obtain a copy in the EPubs library in zipForm®.)
- D. By initialing here, Buyer and Seller acknowledge that each has received and read this paragraph and the copy of California Civil Code §§ 895-945.5 provided.

Buyer's Initials \_\_\_\_\_ / \_\_\_\_\_

Seller's Initials \_\_\_\_\_ / \_\_\_\_\_

- E. **AGENT FOR NOTICE:** Claims and requests for information relating to construction defect allegations made pursuant to Chapter 4 of Title 7 of Part 2 of the California Civil Code commencing with § 910 may be made to the following person at the following address: \_\_\_\_\_  
By initialing here, Buyer and Seller acknowledge that each has read and understands this paragraph

Buyer's Initials \_\_\_\_\_ / \_\_\_\_\_

Seller's Initials \_\_\_\_\_ / \_\_\_\_\_

**38. NON-ADVERSARIAL PROCEDURE OF CALIFORNIA CIVIL CODE:** Seller elects to engage in the non-adversarial procedure set forth in California Civil Code § 914 for construction defect claims, unless initialed in this paragraph. If initialed here, Seller opts out and Buyer and Seller agree to be bound by the alternative procedure, set forth in the attached Addendum.

Buyer's Initials \_\_\_\_\_ / \_\_\_\_\_

Seller's Initials \_\_\_\_\_ / \_\_\_\_\_

**WARNING: DO NOT INITIAL HERE UNLESS BOTH PARTIES INTEND TO OPT OUT OF NON-ADVERSARIAL PROCEDURES**

**39. PURCHASE MONEY DISTRIBUTIONS TO THIRD PARTIES:** Pursuant to DRE Regulation 2791(b), certain distributions and charges may be made against Buyer's deposits to Seller. These charges under Regulation 2791(b), and the Seller estimates of such charges, are set forth in **paragraph 3T**.

**40. RETENTION OF BUYER DEPOSITS IN THE EVENT OF BUYER DEFAULT:** In the event Seller has used Buyer's deposits pending consummation of this Agreement, Seller shall immediately, upon alleging Buyer's default, transmit to Escrow Holder funds equal to all of Buyer's deposits so used.

**41. LIQUIDATED DAMAGES: IF BUYER FAILS TO COMPLETE THE PURCHASE OF THE PROPERTY BY REASON OF DEFAULT OF BUYER, SELLER MAY PURSUE ANY REMEDY IN LAW OR EQUITY THAT IT MAY HAVE AGAINST BUYER ON ACCOUNT OF THE DEFAULT; PROVIDED, HOWEVER, THAT BY PLACING THEIR INITIALS HERE, BUYER \_\_\_\_\_ / \_\_\_\_\_ AND SELLER \_\_\_\_\_ / \_\_\_\_\_ AGREE THAT:**

- A. THE SUMS PAID ON DEPOSIT PURSUANT TO PARAGRAPHS 3D(1)-(2) AND 5A HEREOF PLUS ANY AMOUNTS PAID FOR ADDITIONAL ITEMS, EXTRAS AND/OR CUSTOMER SELECTED MATERIALS ORDERED BY BUYER (“PURCHASE MONEY DEPOSIT”) SHALL CONSTITUTE LIQUIDATED DAMAGES PAYABLE TO SELLER IS BUYER FAILS TO COMPLETE THE PURCHASE OF THE PROPERTY BECAUSE OF A DEFAULT BY BUYER.
- B. THE PAYMENT OF SUCH LIQUIDATED DAMAGES TO SELLER SHALL CONSTITUTED THE EXCLUSIVE REMEDY OF SELLER ON ACCOUNT OF THE DEFAULT OF BUYER.
- C. LIQUIDATED DAMAGES SHALL BE PAYABLE TO SELLER OUT OF BUYER'S DEPOSIT TOWARD PURCHASE OF THE PROPERTY ACCORDING TO THE FOLLOWING PROCEDURES:
  - (1) SELLER SHALL GIVE WRITTEN NOTICE (“SELLER'S NOTICE AND DEMAND”), IN THE MANNER PRESCRIBED BY SECTION 116.340 OF THE CODE OF CIVIL PROCEDURE FOR SERVICE IN A SMALL CLAIMS ACTION, TO ESCROW HOLDER AND TO BUYER THAT BUYER IS IN DEFAULT UNDER THE CONTRACT AND THAT SELLER IS DEMANDING THAT ESCROW HOLDER REMIT THE PURCHASE MONEY DEPOSIT TO SELLER AS LIQUIDATED DAMAGES UNLESS, WITHIN 20 DAYS, BUYER GIVES ESCROW HOLDER BUYER'S WRITTEN OBJECTION TO DISBURSEMENT OF PURCHASE MONEY AS LIQUIDATED DAMAGES (“BUYER'S OBJECTION”).
  - (2) BUYER HAS A PERIOD OF 20 DAYS FROM THE DATE OF RECEIPT OF SELLER'S NOTICE AND DEMAND IN WHICH TO GIVE ESCROW HOLDER BUYER'S OBJECTION.
  - (3) IF BUYER FAILS TO GIVE ESCROW HOLDER BUYER'S OBJECTION WITHIN 20 DAYS FROM THE DATE OF RECEIPT OF SELLER'S NOTICE AND DEMAND: (i) ESCROW HOLDER SHALL PROMPTLY REMIT THE AMOUNT DEMANDED TO SELLER; AND (ii) SELLER IS RELEASED FROM ANY OBLIGATION TO SELL THE PROPERTY TO BUYER.
  - (4) IF BUYER GIVES ESCROW HOLDER BUYER'S OBJECTION WITHIN 20 DAYS FROM THE DATE OF RECEIPT OF SELLER'S NOTICE AND DEMAND, THEN THE DETERMINATION AS TO WHETHER SELLER IS ENTITLED TO THE DISBURSEMENT OF PURCHASE MONEY AS LIQUIDATED DAMAGES, AND EVERY OTHER CAUSE OF ACTION THAT HAS ARISEN BETWEEN BUYER AND SELLER UNDER THIS AGREEMENT, SHALL BE DECIDED IN ACCORDANCE WITH PARAGRAPHS 42 AND 43 OF THIS AGREEMENT.



**(5) IF THE DETERMINATION AS TO WHETHER SELLER IS ENTITLED TO THE DISBURSEMENT OF PURCHASE MONEY AS LIQUIDATED DAMAGES IS REFERRED TO ARBITRATION, ANY FEE TO INITIATE ARBITRATION SHALL BE PAID BY SELLER, BUT THE COST OF ARBITRATION SHALL ULTIMATELY BE BORNE AS DETERMINED BY THE ARBITRATOR.**

**SELLER AGREES TO INDEMNIFY AND HOLD ESCROW HOLDER HARMLESS FROM ANY CLAIM BY BUYER ARISING OUT OF ANY DISTRIBUTIONS MADE BY ESCROW HOLDER IN ACCORDANCE WITH, AND PURSUANT TO, THE PROVISIONS OF THIS PARAGRAPH.**

**REMITTANCE OF THE AFORESAID LIQUIDATED DAMAGES TO SELLER SHALL PRECLUDE ANY RIGHT OF ACTION SELLER MAY HAVE TO CONTEST THE REASONABLENESS OF THE AMOUNT ACTUALLY PAID AS LIQUIDATED DAMAGES OR THE VALIDITY OF THIS LIQUIDATED DAMAGES PROVISION.**

**NOTE 1: CIVIL CODE § 1675(D) IS APPLICABLE TO THIS PROVISION. § 1675(D) PROVIDES “IF THE AMOUNT ACTUALLY PAID PURSUANT TO THE LIQUIDATED DAMAGES PROVISION EXCEEDS 3 PERCENT OF THE PURCHASE PRICE, THE PROVISION IS INVALID UNLESS THE PARTY SEEKING TO UPHOLD THE PROVISION ESTABLISHES THAT THE AMOUNT ACTUALLY PAID IS REASONABLE AS LIQUIDATED DAMAGES.**

**NOTE 2: IF THE PROPERTY IS AN ATTACHED RESIDENTIAL CONDOMINIUM LOCATED WITHIN A STRUCTURE OF 10 OR MORE RESIDENTIAL CONDOMINIUM UNITS AND PARTIES HAVE AGREED TO LIQUIDATED DAMAGES IN THIS ADDENDUM, SELLER’S RETENTION OF ANY AMOUNT IN EXCESS OF 3 PERCENT OF THE PURCHASE PRICE SHALL BE SUBJECT TO CALIFORNIA CIVIL CODE § 1675(F).**

**42. MEDIATION:**

**A. The Parties agree to mediate any dispute or claim arising between them out of this Agreement, or any resulting transaction, before resorting to arbitration or court action. The mediation shall be conducted through the C.A.R. Real Estate Mediation Center for Consumers ([www.consumermediation.org](http://www.consumermediation.org)) or through any other mediation provider or service mutually agreed to by the Parties. The Parties also agree to mediate any disputes or claims with Agents(s), who, in writing, agree to such mediation prior to, or within a reasonable time after, the dispute or claim is presented to the Agent. Mediation fees, if any, shall be divided equally among the Parties involved, and shall be recoverable under the prevailing party attorney fees clause. If, for any dispute or claim to which this paragraph applies, any Party (i) commences an action without first attempting to resolve the matter through mediation, or (ii) before commencement of an action, refuses to mediate after a request has been made, then that Party shall not be entitled to recover attorney fees, even if they would otherwise be available to that Party in any such action. THIS MEDIATION PROVISION APPLIES WHETHER OR NOT THE ARBITRATION PROVISION IS INITIALED.**

The fees necessary to initiate the mediation shall be advanced by Seller, with the costs of the mediation to be borne as determined by the parties. If the parties cannot resolve their dispute through mediation and they proceed to arbitration or court, then the costs of mediation shall be borne as determined by the arbitrator of judge.

**B. ADDITIONAL MEDIATION TERMS: (i) Exclusions from this mediation agreement are specified in paragraph 43B; (ii) The obligation to mediate does not preclude the right of either Party to seek a preservation of rights under paragraph 43C; and (iii) Agent’s rights and obligations are further specified in paragraph 43D. These terms apply even if the Arbitration of Disputes paragraph is not initialed.**

**43. ARBITRATION OF DISPUTES:**

**A. THE PARTIES AGREE THAT ANY CONTROVERSY BETWEEN THEM REGARDING LIQUIDATED DAMAGES, TERMINATION OF THIS AGREEMENT BEFORE CLOSE OF ESCROW, BUYER’S INTEREST IN THE PROPERTY OF OTHER ISSUES WHICH ARISE BEFORE CLOSE OF ESCROW, INCLUDING CONTROVERSY CREATED BY CONFLICTING NOTICES BY BUYER AND SELLER, AND THE DISPOSITION OF FUNDS HELD BY ESCROW HOLDER SHALL BE SETTLED BY ARBITRATION IN ACCORDANCE WITH THE COMMERCIAL ARBITRATION RULES OF THE AMERICAN ARBITRATION ASSOCIATION, PROVIDED THAT THOSE RULES ARE CONSISTENT WITH THE FOLLOWING REQUIREMENTS:**

**(1) THE FEES NECESSARY TO INITIATE THE ARBITRATION SHALL BE ADVANCED BY SELLER, WITH COSTS AND FEES (INCLUDING ONGOING COSTS AND FEES) TO BE PAID AS AGREED BY THE PARTIES. IF THE PARTIES CANNOT AGREE ON THE PAYMENT OF SUCH COSTS AND FEES, ALL COSTS AND FEES OF THE ARBITRATION SHALL ULTIMATELY BE BORNE AS DETERMINED BY THE ARBITRATION.**

**(2) THE ARBITRATION SHALL BE ADMINISTERED BY A NEUTRAL AND IMPARTIAL PERSON(S).**

**(3) A NEUTRAL AND IMPARTIAL INDIVIDUAL(S) SHALL BE APPOINTED TO SERVE AS ARBITRATOR(S) WITHIN THE SPECIFIED PERIOD OF TIME, WHICH SHALL IN NO EVENT BE MORE THAN 60 DAYS FROM THE ADMINISTRATOR’S RECEIPT OF A WRITTEN REQUEST FROM A PARTY TO ARBITRATE THE CLAIM OR DISPUTE. THE PROVISIONS OF SECTION 1297.121, OR 1297.124 OF THE CALIFORNIA CODE OF CIVIL PROCEDURE.**

**(4) THE VENUE OF THE ARBITRATION SHALL BE IN THE COUNTY WHERE THE PROPERTY IS LOCATED UNLESS THE BUYER AND SELLER AGREE TO SOME OTHER LOCATION.**

**(5) THE ARBITRATION SHALL BE COMMENCED PROMPTLY AND TIMELY IN ACCORDANCE WITH THE RULES OF ARBITRATION. IF THE RULES OF ARBITRATION DO NOT SPECIFY A DATE BY WHICH THE ARBITRATION MUST COMMENCE, THEN IT SHALL COMMENCE ON A DATE AGREED TO BY THE PARTIES. IF THE PARTIES CANNOT AGREE ON AN ARBITRATION COMMENCEMENT DATE, IT SHALL COMMENCE ON THE DATE DETERMINED BY THE ARBITRATOR(S).**





(6) THE ARBITRATION SHALL BE CONDUCTED IN ACCORDANCE WITH RULES AND PROCEDURES WHICH ARE REASONABLE AND FAIR TO BUYER AND SELLER. THE AMERICAN ARBITRATION ASSOCIATION COMMERCIAL RULES OF ARBITRATION IN EFFECT AS OF THE DATE OF THIS AGREEMENT SHALL BE DEEMED IN COMPLIANCE WITH THIS REQUIREMENT.

(7) THE ARBITRATION SHALL CONCLUDE PROMPTLY AND TIMELY.

(8) THE ARBITRATOR(S) ARE AUTHORIZED TO PROVIDE ALL RECOGNIZED REMEDIES AVAILABLE IN LAW OR EQUITY FOR ANY CAUSE OF ACTION THAT IS THE BASIS OF THE ARBITRATION

(9) JUDGMENT UPON THE DECISION RENDERED BY THE ARBITRATOR(S) MAY BE ENTERED INTO ANY COURT HAVING PROPER JURISDICTION.

B. EXCLUSIONS: The following matters are excluded from mediation and arbitration: (i) any matter that is within the jurisdiction of a probate, small claims or bankruptcy court; (ii) a judicial or non-judicial foreclosure or other action or proceeding to enforce a deed of trust, mortgage or installment land sale contract as defined in Civil Code § 2985; and (iii) an unlawful detainer action.

C. PRESERVATION OF ACTIONS: The following shall not constitute a waiver nor violation of the mediation and arbitration provisions: (i) the filing of a court action to preserve a statute of limitations; (ii) the filing of a court action to enable the recording of a notice of pending action, for order of attachment, receivership, injunction, or other provisional remedies, provided the filing party concurrent with, or immediately after such filing, makes a request to the court for a stay of litigation pending any applicable mediation or arbitration proceeding; or (iii) the filing of a mechanic's lien.

D. AGENTS; REFERRAL LICENSEE: Neither Agents nor Referral Licensee shall not be obligated nor compelled to mediate or arbitrate unless they agree to do so in writing. Any Agent(s) or Referral Licensee participating in mediation or arbitration shall not be deemed a party to this Agreement.

E. "NOTICE: BY INITIALING IN THE SPACE BELOW YOU ARE AGREEING TO HAVE ANY DISPUTE ARISING OUT OF THE MATTERS INCLUDED IN THE 'ARBITRATION OF DISPUTES' PROVISION DECIDED BY NEUTRAL ARBITRATION AS PROVIDED BY CALIFORNIA LAW AND YOU ARE GIVING UP ANY RIGHTS YOU MIGHT POSSESS TO HAVE THE DISPUTE LITIGATED IN A COURT OR JURY TRIAL. BY INITIALING IN THE SPACE BELOW YOU ARE GIVING UP YOUR JUDICIAL RIGHTS TO DISCOVERY AND APPEAL, UNLESS THOSE RIGHTS ARE SPECIFICALLY INCLUDED IN THE 'ARBITRATION OF DISPUTES' PROVISION. IF YOU REFUSE TO SUBMIT TO ARBITRATION AFTER AGREEING TO THIS PROVISION, YOU MAY BE COMPELLED TO ARBITRATE UNDER THE AUTHORITY OF THE CALIFORNIA CODE OF CIVIL PROCEDURE. YOUR AGREEMENT TO THIS ARBITRATION PROVISION IS VOLUNTARY."

"WE HAVE READ AND UNDERSTAND THE FOREGOING AND AGREE TO SUBMIT DISPUTES ARISING OUT OF THE MATTERS INCLUDED IN THE 'ARBITRATION OF DISPUTES' PROVISION TO NEUTRAL ARBITRATION."

Buyer's Initials \_\_\_\_\_ / \_\_\_\_\_

Seller's Initials \_\_\_\_\_ / \_\_\_\_\_

44. BUYER'S OFFER

A. EXPIRATION OF OFFER: This offer shall be deemed revoked and the deposit, if any, shall be returned to Buyer unless by the date and time specified in paragraph 3C, the offer is Signed by Seller and a Copy of the Signed offer is Delivered to Buyer or Buyer's Authorized Agent. Seller has no obligation to respond to an offer made.

B.  ENTITY BUYERS: (Note: If this paragraph is completed, a Representative Capacity Signature Disclosure (C.A.R. Form RCSD) is not required for the Legally Authorized Signers designated below.)

(1) One or more Buyers is a trust, corporation, LLC, probate estate, partnership, holding a power of attorney or other entity.

(2) This Agreement is being Signed by a Legally Authorized Signer in a representative capacity and not in an individual capacity. See paragraph 31 for additional terms.

(3) The name(s) of the Legally Authorized Signer(s) is/are: \_\_\_\_\_

(4) A. If a trust, identify Buyer as trustee(s) of the trust or by simplified trust name (ex. John Doe, co-trustee, Jane Doe, co-trustee or Doe Revocable Family Trust).

B. If Property is sold under the jurisdiction of a probate court, identify Buyer as executor or administrator, or by a simplified probate name (John Doe, executor, or Estate (or Conservatorship) of John Doe).

(5) The following is the full name of the entity (if a trust, enter the complete trust name; if under probate, enter full name of the estate, including case #): \_\_\_\_\_

C. The ABSPA has 19 pages. Buyer acknowledges receipt of, and has read and understands, every page and all attachments that make up the Agreement.

BUYER SIGNATURE(S):

(Signature) By, \_\_\_\_\_ Date: \_\_\_\_\_

Printed name of BUYER: \_\_\_\_\_

Printed Name of Legally Authorized Signer: \_\_\_\_\_ Title, if applicable, \_\_\_\_\_

(Signature) By, \_\_\_\_\_ Date: \_\_\_\_\_

Printed name of BUYER: \_\_\_\_\_

Printed Name of Legally Authorized Signer: \_\_\_\_\_ Title, if applicable, \_\_\_\_\_

IF MORE THAN TWO SIGNERS, USE Additional Signature Addendum (C.A.R. Form ASA).



Property Address: \_\_\_\_\_ Date: \_\_\_\_\_

**45. ACCEPTANCE**

**A. ACCEPTANCE OF OFFER:** Seller warrants that Seller is the owner of the Property or has the authority to execute this Agreement. Seller accepts the above offer and agrees to sell the Property on the above terms and conditions. Seller has read and acknowledges receipt of a Copy of this Agreement and authorizes Agent to Deliver a Signed Copy to Buyer.

**Seller's acceptance is subject to the attached Counter Offer or Back-Up Offer Addendum, or both, checked below.** Seller shall return and include the entire agreement with any response.

- Seller Counter Offer** (C.A.R. Form SCO or SMCO)
- Back-Up Offer Addendum** (C.A.R. Form BUO)

**Note to Seller: For any counter offer or back-up addendum you intend to use with this Agreement, you must submit them to, and have them be accepted by, the DRE.**

**B. ENTITY SELLERS: (Note: If this paragraph is completed, a Representative Capacity Signature Disclosure form (C.A.R. Form RCSD) is not required for the Legally Authorized Signers designated below.)**

- (1) One or more Sellers is a trust, corporation, LLC, probate estate, partnership, holding a power of attorney or other entity.
- (2) This Agreement is being Signed by a Legally Authorized Signer in a representative capacity and not in an individual capacity. See **paragraph 31** for additional terms.
- (3) The name(s) of the Legally Authorized Signer(s) is/are: \_\_\_\_\_.
- (4) A. If a trust, identify Seller as trustee(s) of the trust or by simplified trust name (ex. John Doe, co-trustee, Jane Doe, co-trustee or Doe Revocable Family Trust).  
B. If Property is sold under the jurisdiction of a probate court, identify Seller as executor or administrator, or by a simplified probate name (John Doe, executor, or Estate (or Conservatorship) of John Doe).
- (5) The following is the full name of the entity (if a trust, enter the complete trust name; if under probate, enter full name of the estate, including case #): \_\_\_\_\_.

**C.** The ABSPA has 19 pages. Seller acknowledges receipt of, and has read and understands, every page and all attachments that make up the Agreement.

**SELLER SIGNATURE(S):**

(Signature) By, \_\_\_\_\_ Date: \_\_\_\_\_

Printed name of SELLER: \_\_\_\_\_

Printed Name of Legally Authorized Signer: \_\_\_\_\_ Title, if applicable, \_\_\_\_\_

(Signature) By, \_\_\_\_\_ Date: \_\_\_\_\_

Printed name of SELLER: \_\_\_\_\_

Printed Name of Legally Authorized Signer: \_\_\_\_\_ Title, if applicable, \_\_\_\_\_

IF MORE THAN TWO SIGNERS, USE Additional Signature Addendum (C.A.R. Form ASA).

**OFFER NOT ACCEPTED:** \_\_\_\_\_/\_\_\_\_\_/\_\_\_\_\_ No Counter Offer is being made. This offer was not accepted by Seller \_\_\_\_\_ (date)  
Seller's Initials



**REAL ESTATE BROKERS SECTION:**

- 1. Real Estate Agents are not parties to the Agreement between Buyer and Seller.
- 2. Agency relationships are confirmed as stated in paragraph 2.
- 3. **Presentation of Offer:** Pursuant to the National Association of REALTORS® Standard of Practice 1-7, if Buyer's Agent makes a written request, Seller's Agent shall confirm in writing that this offer has been presented to Seller.
- 4. **Agents' Signatures and designated electronic delivery address:**

A. Buyer's Brokerage Firm \_\_\_\_\_ DRE Lic. # \_\_\_\_\_  
 By \_\_\_\_\_ DRE Lic. # \_\_\_\_\_ Date \_\_\_\_\_  
 By \_\_\_\_\_ DRE Lic. # \_\_\_\_\_ Date \_\_\_\_\_  
 Address \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_  
 Email \_\_\_\_\_ Phone # \_\_\_\_\_

- More than one agent from the same firm represents Buyer. Additional Agent Acknowledgement (C.A.R. Form AAA) attached.
- More than one brokerage firm represents Buyer. Additional Broker Acknowledgement (C.A.R. Form ABA) attached.

**Designated Electronic Delivery Address(es): Email above or \_\_\_\_\_**

**Attached DEDA:** If Parties elect to have an alternative Delivery method, such method may be indicated on C.A.R. Form DEDA.

B. Seller's Brokerage Firm \_\_\_\_\_ DRE Lic. # \_\_\_\_\_  
 By \_\_\_\_\_ DRE Lic. # \_\_\_\_\_ Date \_\_\_\_\_  
 By \_\_\_\_\_ DRE Lic. # \_\_\_\_\_ Date \_\_\_\_\_  
 Address \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_  
 Email \_\_\_\_\_ Phone # \_\_\_\_\_

- More than one agent from the same firm represents Seller. Additional Agent Acknowledgement (C.A.R. Form AAA) attached.
- More than one brokerage firm represents Seller. Additional Broker Acknowledgement (C.A.R. Form ABA) attached.

**Designated Electronic Delivery Address(es) (To be filled out by Seller's Agent): Email above or \_\_\_\_\_**

**Attached DEDA:** If Parties elect to have an alternative Delivery method, such method may be indicated on C.A.R. Form DEDA.

Buyer's Initials \_\_\_\_\_ / \_\_\_\_\_ Seller's Initials \_\_\_\_\_ / \_\_\_\_\_

**ESCROW HOLDER ACKNOWLEDGMENT:**

Escrow Holder acknowledges receipt of a Copy of this Agreement, (if checked,  a deposit in the amount of \$ \_\_\_\_\_), Counter Offer numbers \_\_\_\_\_ and \_\_\_\_\_, and agrees to act as Escrow Holder subject to **paragraph 20** of this Agreement, any supplemental escrow instructions and the terms of Escrow Holder's general provisions.

Escrow Holder is advised by \_\_\_\_\_ that the date of Acceptance of the Agreement is \_\_\_\_\_

Escrow Holder \_\_\_\_\_ Escrow # \_\_\_\_\_

By \_\_\_\_\_ Date \_\_\_\_\_

Address \_\_\_\_\_

Phone/Fax/E-mail \_\_\_\_\_

Escrow Holder has the following license number # \_\_\_\_\_

- Department of Financial Protection and Innovation,  Department of Insurance,  Department of Real Estate.

**PRESENTATION OF OFFER:** \_\_\_\_\_ / \_\_\_\_\_ Seller's Brokerage Firm presented this offer to Seller on \_\_\_\_\_ (date).  
Agent or Seller Initials

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# BROKER COMPENSATION ADVISORY (C.A.R. Form BCA, 7/24)

## 1. WHEN SELLERS LIST THEIR PROPERTY FOR SALE THROUGH A REAL ESTATE BROKER THEY AGREE TO PAY THE SELLER'S BROKER WHEN ESCROW CLOSES.

**A. LISTING AGREEMENT COMPENSATION IS FULLY NEGOTIABLE:** When a seller enters into a listing agreement with a broker, the seller authorizes the broker to find a buyer for the seller's property and agrees to pay the seller's broker if a buyer is found who purchases the property. Compensation amounts are not **fixed** by law **and are fully** negotiable between the seller and the seller's broker. When negotiating compensation, the parties may discuss factors such as the broker's expertise and experience, the type of broker services to be performed, and the broker's time and expenses, among other considerations.

**B. OPTIONAL ADDITIONAL COMPENSATION IF BUYER IS UNREPRESENTED:** A listing agreement may include optional additional compensation amounts owed to the seller's broker for situations where the broker takes on additional responsibilities or workload. Sometimes a buyer may not be working with or want to be represented by a real estate broker. When that happens, the seller's broker is not required to represent the buyer, and the seller and seller's broker may decide that they do not want to create such a relationship. In those situations, the seller's broker is advised to use a Buyer Non-Agency (C.A.R. Form BNA) to inform the buyer that the seller's broker will be acting on behalf of the seller only, and not act as the buyer's agent, throughout the transaction. However, because the buyer is unrepresented, the seller's agent will inevitably have to do more work to facilitate the transaction. A seller may agree to compensate their broker for the additional work in such cases.

**C. BROKER MAY REPRESENT BOTH BUYER AND SELLER; DUAL AGENCY:** California law allows a brokerage company to represent both seller and buyer in a real estate transaction. At the time the agent, on behalf of a brokerage, obtains the signature of a seller on a listing agreement, the agent will not, in most cases, know who the eventual buyer will be for a seller's property. Similarly, at the time an agent, on behalf of a brokerage, obtains the signature of a buyer on a buyer representation agreement, the agent will not, in most cases, know who the eventual seller will be for a property the buyer wants to buy. Because many individual licensees may work through one brokerage company, and some individual licensees work with many buyers and sellers, there is a possibility that the same brokerage company will represent both buyer and seller in a transaction. If licensees working through broker represent both seller and buyer, broker is allowed to receive compensation from each, provided the seller and buyer are advised of the relationship and the total amount of compensation the broker will receive.

## 2. BROKER AGREEMENTS WITH BUYERS:

**A. BUYER REPRESENTATION COMPENSATION IS FULLY NEGOTIABLE:** When a buyer enters into a representation agreement with a broker, the buyer authorizes the broker to locate properties for the buyer to buy and agrees to pay the buyer's broker if a transaction is completed. Compensation amounts are not fixed by law and are fully negotiable. When negotiating compensation, the parties may discuss factors such as the broker's expertise and experience, the type of broker services to be performed, and the broker's time and expenses, among other considerations.

**B. REQUIREMENT FOR WRITTEN AGREEMENTS:** Pursuant to a nationwide class action settlement reached by the National Association of REALTORS® (NAR), participants in Multiple Listing Services are required to have a written agreement with a buyer prior to showing a buyer a residential property or giving a buyer a tour of such a property. The agreement must identify the amount of compensation to be paid to the broker for services provided and require that the broker cannot receive any compensation in excess of the amount specified in the agreement. Pursuant to legislation expected to become law in California on January 1, 2025, all licensees showing a buyer any type of property will be required to have a written agreement with that buyer prior to the showing.



**C. ADVANTAGES OF WRITTEN AGREEMENTS:** Buyers and their brokers benefit when the terms of their relationship and respective duties are **in writing**. A **written agreement establishes clear**, mutual expectations and **helps** avoid misunderstandings over **the** buyer and **broker's** duties and the amount of compensation the buyer's agent **is** to be paid.

**3. WHEN ENLISTING A REAL ESTATE BROKER TO REPRESENT THEM, BUYERS AGREE TO PAY THE BUYER'S BROKER WHEN ESCROW CLOSES, BUT THE PERSON RESPONSIBLE FOR PAYMENT MAY BE NEGOTIATED IN THE TRANSACTION:**

**A. BUYER PAYS THE COMPENSATION PURSUANT TO A BUYER REPRESENTATION AGREEMENT:**

A buyer's broker may negotiate the amount of compensation directly with the Buyer **and then document that agreement in a buyer representation agreement (C.A.R. Form BRBC or PSRA)**. The buyer then becomes contractually obligated to pay the broker by providing funds to escrow prior to the closing of a transaction.

**B. SELLER PAYS THE COMPENSATION:**

(1) **Buyer negotiates for Seller to Compensate Buyer's Broker:** A buyer may **make a conditional offer to the seller by including** a term in the purchase offer asking the seller to pay the **buyer's broker** if the **buyer has** already agreed to pay their own **broker pursuant to** a buyer representation agreement. If such a term is included in the purchase offer, the request will become one term among many that a seller may accept, reject, or negotiate by way of a counter offer. The possibility of asking the seller to **pay the buyer's contractual compensation obligation** option should be discussed when creating a buyer representation agreement and prior to an offer being made.

(2) **Buyer's Agent negotiates an agreement directly with Seller:** If a seller is unrepresented or does not have an exclusive agency relationship with another **broker**, a buyer's **broker** may approach that seller **asking the seller to sign an agreement (C.A.R. Form SP, Single Party Compensation Agreement) to pay the buyer's broker**. In this situation, the seller agrees to pay the buyer's broker compensation without necessarily creating an agency relationship **with the broker**. When that happens, the **buyer's broker** is advised to use a **Seller Non-Agency (C.A.R. Form SNA)** to inform the seller that the **buyer's broker** will be acting on behalf of the **buyer only**, and not act as the seller's agent, throughout the transaction. However, because the seller is unrepresented, the **buyer's agent** will inevitably have to do more work to facilitate the transaction, which may be factored into the negotiation of the single party compensation agreement.

**C. CHANGING PRACTICE RELATED TO A SELLER'S BROKER'S OFFER OF COMPENSATION:**

Historically, in California, many seller's brokers used a Multiple Listing Service (MLS) to make a unilateral offer to compensate a buyer's broker who procured a buyer for the seller's property. However, the nationwide NAR settlement prohibits the seller's broker from using an MLS to make such an offer of compensation. The California Association REALTORS® (C.A.R.) listing agreement forms no longer provide for such offers of cooperating broker compensation nor does C.A.R. include other forms in its library of forms that might facilitate such offers. Buyers and sellers must separately negotiate compensation with their respective brokers, as specified above.

**By signing below, Seller or Buyer acknowledges that they have read, understand, and have received a Copy of this Broker Compensation Advisory. Seller or Buyer acknowledges they have been advised of their various options regarding compensation to be paid to real estate brokers and that any written agreement they have signed with a seller's or buyer's broker reflects a mutual understanding.**

Seller/Buyer \_\_\_\_\_ Date \_\_\_\_\_

Seller/Buyer \_\_\_\_\_ Date \_\_\_\_\_

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# BUYER FINANCIAL AND PERSONAL INFORMATION

(C.A.R. Form BFPI, 7/24)

1. **PARTIES:** \_\_\_\_\_ (“Buyer”),  
and \_\_\_\_\_ (“Broker”)  
have entered into a Buyer Representation Agreement, dated \_\_\_\_\_, beginning on \_\_\_\_\_ (date) (“Representation Agreement”) for the acquisition of property (“Property”), as described therein.
2. **BUYER’S FINANCIAL AND PERSONAL INFORMATION:** Buyer and Broker agree that it is beneficial to both if Buyer identifies, in writing, Buyer’s financial condition and personal information (“Personal Information”) that Broker can use in assessing and identifying properties that may be satisfactory to Buyer. If Buyer does not qualify to purchase the type of property for which Buyer is interested, Broker and Buyer may mutually alter the terms of the Representation Agreement, or Broker may cancel that agreement.
3. **PROPERTY FINANCING INFORMATION** (where applicable, check all that apply):
  - A. **Amount of deposit available:** \$ \_\_\_\_\_
  - B. **Amount of down payment available:** \$ \_\_\_\_\_
  - C. **Source(s) of deposit and down payment:**  Savings (cash in bank)  Retirement account  Gift  Loan  Assistance program,  Sale of existing property ( Already sold,  Already in contract,  Not yet listed),  Other \_\_\_\_\_
  - D. **Amount of additional funds available for broker compensation and closing costs:** \$ \_\_\_\_\_
  - E. **Source of additional funds:** \_\_\_\_\_
  - F. **Maximum Loan Amount:** \$ \_\_\_\_\_
  - G. **Lender Information:**
    - (1) Company Name: \_\_\_\_\_
    - (2) Loan Officer name: \_\_\_\_\_
    - (3) Phone: \_\_\_\_\_, Email: \_\_\_\_\_
    - (4)  Pre-qualified,  Pre-approved,  Fully underwritten pre-approval
  - H. **Financing type:**  Conventional,  FHA,  VA,  Other \_\_\_\_\_

**NOTE:** If Buyer’s preferred financing or lender does not allow Buyer to pay certain closing costs, including broker compensation, Buyer will need to request that Seller compensate Buyer’s Broker.

  - I. **Maximum monthly housing expense** (for PITI, HOA fees,  other \_\_\_\_\_): \$ \_\_\_\_\_
4. **OTHER FINANCIAL INFORMATION:**
  - A.  1031 exchange,  Expected legal settlement,  Expected inheritance
  - B.  Buyer intends to include a contingency to sell another property as part of any transaction (see C.A.R. Form COP)
  - C. Other: \_\_\_\_\_
5. **PERSONAL INFORMATION:**
  - A. **Current Housing:**  Own  Currently Rent  Other \_\_\_\_\_
  - B. **Property Ownership Experience:**  First time buyer,  # of properties previously purchased:  One,  2-5,  More than 5,  # of properties currently owned: \_\_\_\_\_
  - C. **Real estate Related Experience:**  R.E. broker  R.E. salesperson  Contractor  R.E Investor  Trade (ex. Plumber, electrician, landscaper): \_\_\_\_\_
  - D. **Time Constraints:** (e.g. Job relocation, sale of existing home, school start date): \_\_\_\_\_
  - E. **Reasons for Purchase:** \_\_\_\_\_
  - F. **Other:** \_\_\_\_\_
6. **CONFIDENTIALITY:** The financial and personal information identified herein are intended as confidential information as that term is defined in Civil Code § 2079.13 et seq. Regardless of agency relationship in any transaction involving Buyer and Broker, the information will not be disclosed to any seller or seller’s agent except as Buyer authorizes Broker.
7. **IDENTIFICATION OF AND CHANGES TO FINANCIAL AND PERSONAL INFORMATION:** Buyer represents that Buyer is not aware of any other financial and personal information that would affect Buyer’s effort to acquire property. Buyer has not made any verbal representations to Broker of additional financial and personal information. Buyer agrees to notify Broker, in writing, of any change to Buyer’s financial and personal information.

By signing below, Buyer understands, acknowledges and that it is Buyer’s responsibility to determine to what extent any property meets Buyer’s financial and personal needs and abilities.

Buyer has read, understands, and received a Copy of this Buyer Financial and Personal Information. Buyer is encouraged to read it carefully.

Buyer \_\_\_\_\_ Date: \_\_\_\_\_  
Buyer \_\_\_\_\_ Date: \_\_\_\_\_

I acknowledge receipt of a copy of this Buyer Financial and Personal Information.

Real Estate Broker (Firm) \_\_\_\_\_ DRE Lic# \_\_\_\_\_  
By (Agent) \_\_\_\_\_ DRE Lic# \_\_\_\_\_ Date: \_\_\_\_\_

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□ This Buyer Identification of Preferences and Priorities, No. \_\_\_\_ is intended to supersede and replace any previously dated Buyer Identification of Preferences and Priorities.

1. PARTIES AND PROPERTY: \_\_\_\_\_ (“Buyer”), and \_\_\_\_\_ (“Broker”)

have entered into a Buyer Representation Agreement, dated \_\_\_\_\_, beginning on \_\_\_\_\_ (date) (“Representation Agreement”) for the acquisition of property (“Property”), as described therein.

2. IDENTIFICATION OF BUYER PREFERENCES: Buyer and Broker agree that it is beneficial to both if Buyer identifies, in writing, Buyer’s preferences and priorities for the purchase of Property. Although the information provided herein is only intended to represent a general expression of Buyer’s needs, wants and concerns as of the date signed below, Broker will use the information to narrow the parameter Broker uses in searching for property that might be acceptable to Buyer. Buyer acknowledges that Buyer’s preferences and priorities may change over time, and that current housing inventory and other market conditions as well as Buyer’s financial position will determine how many of Buyer’s preferences and priorities can be achieved in acquiring Property. Many buyers ultimately make compromises when choosing which properties to make offers on and acquire. It is Buyer’s responsibility to determine whether any property meets some, all, or enough of Buyers preferences and priorities.

3. BUYER PREFERENCES AND PRIORITIES (check all that apply):

- A. Price Range: \$ \_\_\_\_\_ to \$ \_\_\_\_\_
B. Property Use: □ Primary residence, □ Second home, □ Income producing, □ Relative personal use □ Other \_\_\_\_\_
C. Property Type: □ Single Family Residence, □ Duplex, □ Triplex, □ Fourplex □ Condominium (□ apartment style, □ townhouse style) □ Tenancy in Common □ Manufactured / Mobile home, (□ In a park, □ On its own lot) □ Pre-owned □ New construction
D. Property Features: □ Minimum # of bedrooms: \_\_\_\_\_ □ Minimum # of bathrooms: \_\_\_\_\_ □ Minimum square footage: \_\_\_\_\_ □ Maximum square footage: \_\_\_\_\_ □ Single story, □ Multi-level, □ Corner lot □ Yard (□ Grass, □ Drought tolerant), □ Pool (□ built-in □ above ground) □ Solar Panels (□ leased/liened, □ owned outright, □ any), □ Gas appliances, □ Electric appliances □ School district: \_\_\_\_\_ □ Accessibility/Disability features: \_\_\_\_\_
E. Location: □ City(ies): \_\_\_\_\_ □ County(ies): \_\_\_\_\_
F. Other (Any other desired features or matters of concern or importance to Buyer, whether based on previous experience, prior offers, expectations, intended future use, financial ability to make repairs or improvements, or otherwise): \_\_\_\_\_

4. CONFIDENTIALITY: The preferences and priorities identified herein are intended as confidential information as that term is defined in Civil Code § 2079.13 et seq. Regardless of agency relationship in any transaction involving Buyer and Broker, these preferences and priorities will not be disclosed to any seller or seller’s agent except as Buyer authorizes Broker.

5. IDENTIFICATION OF AND CHANGES TO PREFERENCES AND PRIORITIES: Buyer represents that Buyer is not aware of any other significant preferences and priorities affecting Buyer’s effort to acquire property. Buyer has not made any verbal representations to Broker of additional preferences and priorities. Buyer agrees to notify Broker, in writing, of any change to Buyer’s preferences and priorities.

By signing below, Buyer understands, acknowledges and agrees that Broker cannot guarantee that any property will meet any or all of Buyer’s preferences and priorities and that it is Buyer’s responsibility to determine to what extent any property meets Buyer’s preferences and priorities.

Buyer has read, understands, and received a Copy of this Identification of Buyer Preferences and Priorities. Buyer is encouraged to read it carefully.

Buyer \_\_\_\_\_ Date: \_\_\_\_\_
Buyer \_\_\_\_\_ Date: \_\_\_\_\_

I acknowledge receipt of a copy of this Buyer Wants and Needs.

Real Estate Broker (Firm) \_\_\_\_\_ DRE Lic# \_\_\_\_\_
By (Agent) \_\_\_\_\_ DRE Lic# \_\_\_\_\_ Date: \_\_\_\_\_

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# BUYER MATERIAL ISSUES FOR A SPECIFIC PROPERTY

(C.A.R. Form BMI-SP, 7/24)

**1. PARTIES AND PROPERTY:**

A. \_\_\_\_\_ (“Buyer”) and \_\_\_\_\_ (“Broker”) have entered into a written Buyer Representation agreement for the purpose of locating and acquiring real property or a manufactured home.

B. Pursuant to that Buyer Representation agreement, Buyer has made, or is contemplating making, an offer to purchase, or is already in contract, on the property described as \_\_\_\_\_, Assessor’s Parcel No. \_\_\_\_\_, situated in \_\_\_\_\_, County of \_\_\_\_\_, California (“Property”).

**2. BUYER OBLIGATION TO DISCLOSE MATERIAL ISSUES:** In accordance with the Buyer Representation agreement, Buyer has agreed to notify Broker in writing of any material issue to Buyer, such as, but not limited to Buyer’s request for information on, or concerns regarding, any issue of interest or importance to Buyer (“Material Issues”).

**3. BUYER DISCLOSURE:** The following are Material Issues to Buyer regarding the Property specified above:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**4. BUYER REPRESENTATIONS:** Buyer represents that Buyer has disclosed to Broker all Material Issues regarding features, issues, concerns, and requirements important to Buyer in their decision to purchase the Property. Buyer additionally agrees that Broker is entitled to rely on Buyer’s disclosure of Material Issues in Broker’s representation of Buyer and in pursuing and disclosing and requesting information about the Property.

**By signing below, Buyer acknowledges that Buyer has read, understands, accepts and has received a copy of this Buyer Material Issues for a Specific Property.**

Buyer \_\_\_\_\_ Date \_\_\_\_\_

Buyer \_\_\_\_\_ Date \_\_\_\_\_

Broker (Firm) \_\_\_\_\_

By (Agent) \_\_\_\_\_ Date \_\_\_\_\_

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**BUYER REPRESENTATION AND BROKER COMPENSATION AGREEMENT**  
 (Non-Exclusive unless Exclusive is checked and initialed)  
 (C.A.R. Form BRBC, Revised 7/24)

Date Prepared: \_\_\_\_\_

1. **RIGHT TO REPRESENT:** \_\_\_\_\_ (“Buyer”) grants \_\_\_\_\_ (“Broker”) the non-exclusive right (unless Exclusive is checked in paragraph 2A(2) and initialed in paragraph 15) to represent Buyer in acquiring real property or a manufactured home (“Property”) for the Representation Period specified in paragraph 2A(1).
2. **TERMS OF REPRESENTATION:** The items in this paragraph are contractual terms of the Agreement. Referenced paragraphs provide further explanation. This form is 5 pages. Buyer is advised to read all 5 pages.

	Para. #	Paragraph Title or Contract Term	Terms and Conditions
<b>A</b>	<b>Representation</b>		
<b>A(1)</b>		<b>Representation Period</b>	Beginning: _____ (date) Ending at 11:59 P.M. on _____ (date) OR upon completion of a resulting transaction, whichever occurs first. (Not to exceed 3 months. If Representation Period exceeds 3 months, this Agreement is void unless Buyer is a corporation, LLC or partnership.)
<b>A(2)</b>		<b>Type of Representation</b>	Non-exclusive, OR <input type="checkbox"/> Exclusive (valid only if checked AND initialed in paragraph 15).
<b>B</b>		<b>Property to be Acquired (“Property”)</b>	Broker, including any associate licensee working through Broker on behalf of Buyer, provides services for the types of properties and in the locations specified below.
<b>B(1)</b>		<b>Property type:</b>	Single family residential, including condominiums and manufactured homes (SFR), OR, if checked, <input type="checkbox"/> SFR is excluded from this Agreement. <input type="checkbox"/> Multi-family residential with two to four units, <input type="checkbox"/> with 5 or more units, <input type="checkbox"/> Industrial, <input type="checkbox"/> Vacant Land, <input type="checkbox"/> Commercial, <input type="checkbox"/> Tenancy in common, <input type="checkbox"/> The following specified property(ies) only: _____
<b>B(2)</b>		<b>Location</b>	<input type="checkbox"/> County(ies): _____ <input type="checkbox"/> City(ies): _____
<b>B(3)</b>		<b>Additional Description</b>	_____
<b>C</b>		<input type="checkbox"/> <b>Additional Buyer Preferences and Priorities</b>	See attached Buyer Identification of Preferences and Priorities (C.A.R. Form BIPP).
<b>D</b>	7	<b>Properties Excluded from Representation</b>	_____ OR <input type="checkbox"/> The Properties identified on the attached list.
<b>E</b>	<b>Broker Compensation: NOTICE: The amount or rate of real estate commissions is not fixed by law. They are set by each Broker individually and may be negotiable between Buyer and Broker. See attached Broker Compensation Advisory (C.A.R. Form BCA).</b>		
<b>E(1)</b>	4B	<b>Amount of Compensation</b>	_____ % of the acquisition price AND, if any, \$ _____; OR <input type="checkbox"/> _____; OR <input type="checkbox"/> see attached compensation schedule.
<b>E(2)</b>	4G	<b>Payments received by Broker from Seller or others</b>	If Broker receives compensation from Seller or others, for Broker’s representation of Buyer, the amount shall be credited against Buyer’s obligation to pay Broker. Broker shall not receive any amount in excess of paragraph 2E(1).
<b>E(3)</b>	4C	<b>Continued Right to Payment for Broker Involved Properties</b>	The Continuation Period shall be _____ calendar days after the Representation Period or any extension (“Continuation Period”).
<b>F</b>	5	<b>Cancellation Rights and Notice</b>	<b>Non-exclusive:</b> Cancellation effective upon receipt OR <input type="checkbox"/> _____ days after receipt; <b>Exclusive:</b> Cancellation effective 30 days after receipt.
<b>G</b>	<b>Buyer Financial/Personal Information</b>		
<b>G(1)</b>	9B	<b>Time to deliver Buyer personal/ financial information</b>	<b>Within 5 (or _____) calendar days</b> from the execution of this Agreement. <input type="checkbox"/> C.A.R. Form BFPI attached.
<b>G(2)</b>	9B	<b>Other financial considerations</b>	<input type="checkbox"/> Buyer does not have sufficient funds to pay Broker. <input type="checkbox"/> Buyer intends to purchase with the following loan product which does not allow Buyer to pay compensation to Broker: _____
<b>H</b>		<b>Other Terms</b>	_____



3. **ADVISORIES, ADDENDA AND DISCLOSURES:** The following advisories, addenda and disclosures are attached:

Broker Compensation Advisory (C.A.R. Form BCA)       Other \_\_\_\_\_

4. **COMPENSATION TO BROKER:**

**Notice: The amount or rate of real estate commissions is not fixed by law. They are set by each Broker individually and may be negotiable between Buyer and Broker.**

**A. ADVISORY:** Real estate commissions include all compensation and fees to Broker and are fully negotiable.

**B. BROKER RIGHT TO COMPENSATION:** Broker shall be entitled to compensation specified in **paragraph 2E(1)** from Buyer if during the Representation Period, or any extension, Buyer enters into an agreement to purchase, lease, or otherwise acquire any Property described in **paragraph 2B**, and the seller there<sup>after</sup> completes the transaction or is prevented from doing so by default of Buyer as follows:

- (1) **NON-EXCLUSIVE REPRESENTATION; BROKER INVOLVEMENT:** Compensation is payable only if there was Broker Involvement with the Property.
- (2) **EXCLUSIVE REPRESENTATION; BUYER ACQUISITION:** If Exclusive is checked in **paragraph 2A(2)** and initialed in **paragraph 15**, Broker is entitled to compensation if Buyer acquires Property during the Representation Period or any extension with or without Broker Involvement, even if another broker is also entitled to be paid for representing Buyer.
- (3) **BUYER INCLUDES** any person or entity, other than Broker, related to Buyer or who in any manner acts on Buyer's behalf to acquire Property described in **paragraph 2B**.
- (4) **BROKER INVOLVEMENT**, wherever used in this Agreements means any of the following:
  - Buyer physically entered and was shown the Property by Broker;
  - Broker showed the Property to Buyer virtually;
  - Broker submitted to seller a signed, written offer from Buyer to acquire, lease, exchange or obtain an option on the Property;
  - Broker performed a market analysis related to the Property or reviewed property specific documents or disclosures with Buyer; or
  - The Property was introduced to Buyer by Broker or one for which Broker acted on Buyer's behalf. However, merely sending Buyer a list of properties shall not be deemed Broker Involvement without documented action on the part of Broker analyzing the Property for Buyer, specifically, or assisting Buyer in the potential acquisition of the Property, or communicating with seller or seller's agent regarding Buyer's potential acquisition of the Property.

**C. CONTINUATION OF RIGHT TO COMPENSATION FOR BROKER INVOLVED PROPERTIES:**

- (1) Broker shall be entitled to the compensation provided for in **paragraph 2E(1)** if, during the Continuation Period specified in **paragraph 2E(3)**, Buyer enters into an agreement to acquire Property for which there was Broker Involvement.
- (2) Broker's right to compensation pursuant to this paragraph shall only apply if, prior to expiration of this Agreement or any extension, Broker delivers Buyer a written notice of those properties for which there was Broker Involvement (C.A.R. Form NBIP).

**D. TIMING OF COMPENSATION:** Compensation is payable:

- (1) Upon completion of any resulting transaction, and through escrow. Broker shall be entitled to compensation whether any escrow resulting from this Agreement closes during or after the Representation Period.
- (2) If acquisition is prevented by default of Buyer, upon Buyer's default.
- (3) If acquisition is prevented by a party to the transaction other than Buyer, when Buyer collects damages, or obtains specific performance, by suit, settlement or otherwise. If damages are recovered, compensation shall equal one-half of the damages recovered, not to exceed the compensation provided for in **paragraph 2E(1)**, after first deducting the unreimbursed payments, credits and expenses of collection and suit, if any.

**E. PAYMENT THROUGH ESCROW:** Buyer hereby irrevocably assigns to Broker the compensation provided for in this Agreement from Buyer's funds in escrow. Buyer agrees to submit to escrow any funds needed to compensate Broker under this Agreement. Broker may submit this Agreement, as instructions to compensate Broker, to any escrow regarding Property involving Buyer and a seller or other transferor.

**F. ACCOUNTING FOR PAYMENTS TO BROKER IF BROKER ALSO REPRESENTS SELLER:** If Broker has a signed listing agreement with the seller of the Property to be purchased, Buyer shall not receive a credit for the compensation seller owes broker for representing Seller.

**G. PAYMENTS RECEIVED FROM OTHERS LESS THAN BUYER COMPENSATION OBLIGATION:**

- (1) Broker and Buyer should discuss whether it would be beneficial to include a term in any offer Buyer makes obligating the seller to pay Broker, directly or through escrow, for some or all of the compensation that Buyer owes Broker.
- (2) If seller does not pay as contractually required, Buyer assigns to Broker, as a third-party beneficiary, any rights Buyer has to pursue the seller for such compensation.

**H. DISCLOSURE OF PAYMENTS TO BROKER:** Broker, independently or through escrow, will disclose the final compensation Broker receives from anyone other than Buyer.

5. **CANCELLATION OF BUYER REPRESENTATION AGREEMENT:**

**A.** Either Buyer or Broker may cancel this Agreement by giving written notice, **at any time**, to the other within the time specified in **paragraph 2F**.

- B. Broker shall still be entitled to compensation if, during the Representation Period or the Continuation Period specified in **paragraph 2E(3)**, Buyer acquires Property for which there was Broker Involvement provided Broker delivers to Buyer a written list of those properties for which there was Broker Involvement. The written list of Broker Involvement properties shall be delivered to Buyer within **5 calendar days** after the effective date of the cancellation.
- C. Buyer is advised to notify any other broker of Broker's rights under this paragraph.

**6. AGENCY RELATIONSHIPS:**

- A. **DISCLOSURE:** Buyer acknowledges receipt of the  "Disclosure Regarding Real Estate Agency Relationship" (C.A.R. Form AD).
- B. **POSSIBLE DUAL AGENCY WITH SELLER:** Broker will represent Buyer in any resulting transaction. Broker may act as an agent for both Buyer and a seller. Broker, in writing, shall confirm the agency relationship with only Buyer, or both Buyer and seller, prior to or concurrent with Buyer's execution of a contract to acquire a Property. Buyer acknowledges receipt of a  Possible Representation of More Than One Buyer or Seller – Disclosure and Consent (C.A.R. Form PRBS).

**7. PROPERTIES EXCLUDED FROM REPRESENTATION:**

**A. ADVISORY REGARDING BUYER SIGNING MULTIPLE BUYER REPRESENTATION AGREEMENTS:**

- (1) Buyer shall inform Broker in writing if Buyer has signed any other buyer representation agreements, whether exclusive or non-exclusive, with any other Broker for any Property described in **paragraph 2B**.
- (2) Buyer shall disclose to Broker if another broker showed Buyer such Property virtually or in-person, or wrote an offer on, or otherwise acted on Buyer's behalf for, such Property. Buyer may owe compensation to that broker if Buyer purchases such Property.
- (3) If Buyer has signed an exclusive buyer representation agreement with another broker that has not expired or been terminated, Buyer may owe compensation to that broker if Buyer purchases such Property even if that other broker had no involvement with the Property.
- (4) Buyer shall disclose in **paragraph 2D** any Property for which Buyer is obligated to pay another broker.

- B. **CONFLICTS WITH OTHER BROKER:** Unless otherwise notified by Buyer, Buyer acknowledges that for the Property identified in **paragraph 2B**, excluding any Property specified in **paragraph 2D** Buyer: **(i)** has not entered into an exclusive representation agreement with another broker; and **(ii)** has no obligation, even under a non-exclusive representation agreement, to pay compensation to any other broker arising out of the acquisition of the Property.

- C. **LIMITATION ON BROKER REPRESENTATION:** If a property is excluded in **paragraph 2D**, during the time Buyer is obligated to compensate another broker, Broker is not obligated to assist Buyer with respect to that property, and Buyer shall not owe Broker compensation under this Agreement for that property.

**8. BROKER AUTHORIZATIONS AND OBLIGATIONS:**

- A. Broker agrees to exercise reasonable effort and due diligence to achieve the purposes of this Agreement.
- B. Broker will assist Buyer by:
  - (1) Locating and presenting selected properties to Buyer, presenting offers authorized by Buyer, assisting Buyer in negotiating for acceptance of such offers and, as applicable, terms and conditions following such acceptance, and facilitating the escrow process for such accepted offers;
  - (2) As directed by or agreed with Buyer, ordering reports and investigations, and scheduling and attending meetings and appointments with professionals chosen by Buyer;
  - (3) Upon request, providing Buyer with a list of professionals who perform the services described in the attached Buyer's Investigation Advisory, provided Broker has a referral list for such requested services; and
  - (4) Upon request, assisting Buyer with the financing process by making referrals to lenders known to Broker, and assisting Buyer in obtaining loan pre-qualification, to the extent Broker can do so without acting as a Mortgage Loan Broker.
- C. If the Property contains residential property with one to four dwelling units, Broker will conduct a reasonably competent and diligent, visual inspection of the accessible areas of the one to four Property (excluding any common areas) and disclose to Buyer all facts materially affecting the value or desirability of such Property that are revealed by this inspection.
- D. Broker shall deliver or communicate to Buyer any disclosures, materials or information received by, in the personal possession of or personally known to the individual signing for Broker during the Representation Period. Unless otherwise specified in writing, any information provided through Broker, while representing Buyer, has not been and will not be verified by Broker.
- E. Broker's services are performed in compliance with federal, state and local anti-discrimination laws.

**9. BUYER OBLIGATIONS:**

- A. **GOOD FAITH:** Buyer agrees: **(i)** to timely view and consider properties selected by Broker; **(ii)** negotiate in good faith to acquire a Property; and **(iii)** Buyer further agrees to act in good faith toward the completion of any contract entered into for a Property.
- B. **FINANCIAL AND PERSONAL INFORMATION:**
  - (1) Within the time specified in **paragraph 2G(1)**, Buyer shall provide relevant personal and financial information, including, but not limited to, proof of funds needed to complete the purchase of Property and satisfy the obligation to pay Broker, and a preapproval/prequalification letter, to Broker to assure Buyer's ability to acquire Property. If Buyer fails to provide such information, or if Buyer does not qualify financially to acquire Property, then Broker may cancel this Agreement in writing.

- (2) If either box is checked in **paragraph 2G(2)**, for any Property for which Buyer writes an offer to purchase:  
(A) Buyer agrees to include a term in Buyer's offer requesting seller to compensate Buyer's Broker; and  
(B) For a transaction, this Agreement is contingent upon seller, or others, or both, agreeing to pay Broker the full amount that Buyer is contractually obligated to pay Broker.

**C. REASONABLE CARE AND OTHER PROFESSIONAL ASSISTANCE:**

- (1) Buyer is obligated, and agrees, to read all documents provided to Buyer.  
(2) Buyer agrees to seek desired assistance from appropriate professionals, selected by Buyer, such as those referenced in the attached Buyer's Investigation Advisory.  
(3) Buyer is advised to read the attached Buyer's Investigation Advisory for a list of items and other concerns that may warrant investigation by Buyer or other professionals.

**D. REPORTS/INVESTIGATIONS:** Buyer agrees to pay for reports, Investigations and meetings arranged by Broker for Buyer.

**E. BUYER MATERIAL ISSUES:** For any Property for which Buyer has made an offer or are considering making an offer, Buyer shall notify or update Broker in writing of any material issue to Buyer for that Property such as, but not limited to, Buyer requests for information on, or concerns regarding, any subject of interest or importance to Buyer (C.A.R. Form BMI-SP). If Buyer does not provide such information for a Property for which Buyer makes an offer, that Property shall be deemed to satisfy Buyer's material considerations notwithstanding any preferences and priorities identified in C.A.R. Form BIPP, if one has been completed.

**F. INCORRECT, INCOMPLETE OR INACCURATE INFORMATION:** Buyer agrees to indemnify, defend and hold Broker harmless from all claims, disputes, litigation, judgments, and costs arising from any incorrect information supplied by Buyer, or from any material issues that Buyer fails to disclose in writing to Broker.

**10. ATTORNEY FEES:** In any action, proceeding or arbitration between Buyer and Broker arising out of this Agreement, Buyer and Broker are each responsible for paying their own attorney fees and costs, except as otherwise specified in **paragraph 12A**.

**11. MANAGEMENT APPROVAL:** If an associate-licensee in Broker's office (salesperson or broker-associate) enters into this Agreement on Broker's behalf, Broker or Manager has the right to cancel this Agreement, in writing, within **5 days** after its execution.

**12. DISPUTE RESOLUTION:**

**A. MEDIATION:** Buyer and Broker agree to mediate any dispute or claim arising between them under this Agreement, before resorting to arbitration or court action. Mediation fees, if any, shall be divided equally among the parties involved. If, for any dispute or claim to which this paragraph applies, any party (i) commences an action without first attempting to resolve the matter through mediation, or (ii) before commencement of an action, refuses to mediate after a request has been made, then if that party is the losing party in any such action, the prevailing party shall be entitled to recover attorney's fees from the non-mediating party, notwithstanding the terms in **paragraph 10**. Exclusions from the mediation agreement are specified in **paragraph 12B**.

**B. ADDITIONAL MEDIATION TERMS:** The following matters are excluded from mediation: (i) a judicial or non-judicial foreclosure or other action or proceeding to enforce a deed of trust, mortgage or installment land sale contract as defined in Civil code § 2985; (ii) an unlawful detainer action; (iii) the filing or enforcement of a mechanic's lien; and (iv) any matter that is within the jurisdiction of a probate, small claims or bankruptcy court. The filing of a court action to enable the recording of a notice of pending action for order of attachment, receivership, injunction, or other provisional remedies, shall not constitute a waiver of the mediation provisions, provided the filing party, concurrent with or immediately after such filing, makes a request to the court for a stay of litigation pending any mediation proceeding.

**13. LEGALLY AUTHORIZED SIGNER:** Wherever the signature or initials of the Legally Authorized Signer, identified in the signature block below, appear on this Agreement or any related documents, it shall be deemed to be in a representative capacity for the entity described and not in an individual capacity, unless otherwise indicated. The Legally Authorized Signer (i) represents that the entity for which that person is acting already exists and is in good standing to do business in California and (ii) shall deliver to Broker, within **3 days** after execution of this Agreement, evidence of authority to act in that capacity (such as but not limited to: applicable portion of the trust or Certification Of Trust (Probate Code § 18100.5), letters testamentary, court order, power of attorney, corporate resolution, or formation documents of the business entity).

**14. ENTIRE AGREEMENT:** All understandings between the parties are incorporated in this Agreement. Its terms are intended by the parties as a final, complete and exclusive expression of their agreement with respect to its subject matter, and may not be contradicted by evidence of any prior agreement or contemporaneous oral agreement. This Agreement may not be extended, amended, modified, altered or changed, except in writing signed by Buyer and Broker. In the event that any provision of this Agreement is held to be ineffective or invalid, the remaining provisions will nevertheless be given full force and effect. This Agreement and any supplement, addendum or modification, including any photocopy, facsimile, or electronic, may be executed in counterparts.

**15. EXCLUSIVE REPRESENTATION: If "Exclusive" is checked in paragraph 2A(2) and initiated by Buyer here:**

- A.** This Agreement shall be exclusive. Broker will devote time and resources to assist Buyer in finding and acquiring the Property in the expectation of being paid for Broker's services. **Buyer shall not enter into another representation agreement in conflict with this Agreement.**
- B. COMPENSATION:** Broker is entitled to compensation if Buyer acquires Property during the Representation Period with or without Broker Involvement, even if another broker is also entitled to be paid for representing Buyer.
- C. CANCELLATION:** Either Buyer or Broker may unilaterally cancel this Agreement by giving the other 30 days written notice. If, within **5 days** after the effective date of the cancellation, Broker provides Buyer a list of properties for which there was Broker Involvement, Broker may still be entitled to compensation if Buyer purchases one of the properties on the list during the Representation Period or the Continuation Period specified in **paragraph 2E(3).**

Buyer's Initials \_\_\_\_\_/\_\_\_\_\_

**16. CONFIRMATION OF COMPENSATION: Buyer confirms that the compensation specified in paragraph 2E(1) for Broker's services is:**

\_\_\_\_\_% of the acquisition price and, if any \$ \_\_\_\_\_; OR  \$ \_\_\_\_\_, OR  specified in the attached compensation schedule.

**Buyer acknowledges that Buyer has read, understands, received a copy of and agrees to the terms of this Agreement.**

**ENTITY BUYERS: (Note: If this paragraph is completed, a Representative Capacity Signature Disclosure (C.A.R. Form RCSD) is not required for the Legally Authorized Signers designated below.)**

- (1) One or more Buyers is a trust, corporation, LLC, probate estate, partnership, holding a power of attorney or other entity.
- (2) This Agreement is being Signed by a Legally Authorized Signer in a representative capacity and not in an individual capacity. See **paragraph 13** for additional terms.
- (3) The name(s) of the Legally Authorized Signer(s) is: \_\_\_\_\_.
- (4) **A.** If a trust, identify Buyer as trustee(s) of the trust or by simplified trust name (ex. John Doe, co-trustee, Jane Doe, co-trustee or Doe Revocable Family Trust).  
**B.** If Property is sold under the jurisdiction of a probate court, identify Buyer as executor or administrator, or by a simplified probate name (John Doe, executor, or Estate (or Conservatorship) of John Doe).
- (5) The following is the full name of the entity (if a trust, enter the complete trust name; if under probate, enter full name of the estate, including case #): \_\_\_\_\_

**BUYER SIGNATURE(S):**

(Signature) By, \_\_\_\_\_ Date: \_\_\_\_\_

Printed name of Buyer: \_\_\_\_\_

Printed Name of Legally Authorized Signer: \_\_\_\_\_ Title, if applicable, \_\_\_\_\_

Address \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Email \_\_\_\_\_ Phone \_\_\_\_\_

(Signature) By, \_\_\_\_\_ Date: \_\_\_\_\_

Printed name of Buyer: \_\_\_\_\_

Printed Name of Legally Authorized Signer: \_\_\_\_\_ Title, if applicable, \_\_\_\_\_

Address \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Email \_\_\_\_\_ Phone \_\_\_\_\_

Additional Signature Addendum attached (C.A.R. Form ASA)

**BROKER SIGNATURE(S):**

Real Estate Broker (Firm) \_\_\_\_\_ DRE Lic# \_\_\_\_\_

Address \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

By (Broker/Agent) \_\_\_\_\_ Date \_\_\_\_\_

Tel. \_\_\_\_\_ E-mail \_\_\_\_\_ DRE Lic# \_\_\_\_\_

By (Broker/Agent) \_\_\_\_\_ Date \_\_\_\_\_

Tel. \_\_\_\_\_ E-mail \_\_\_\_\_ DRE Lic# \_\_\_\_\_

More than one agent from the same firm represents Buyer. Additional Agent Acknowledgement (C.A.R. Form AAA) attached.

Two Brokers with different companies are representing the Buyer. Co-Buyer Brokers information is on the attached Additional Broker Acknowledgement (C.A.R. Form ABA)





# CONDOMINIUM CONVERSION SUBDIVISION PURCHASE AGREEMENT AND JOINT ESCROW INSTRUCTIONS

Use only when a residence is part of a Condominium Conversion Project  
(C.A.R. Form CCSPA, Revised 7/24)

Date Prepared: \_\_\_\_\_

1. **OFFER:**
  - A. **THIS IS AN OFFER FROM** \_\_\_\_\_ (“Buyer”).
  - B. **THE PROPERTY** to be acquired is \_\_\_\_\_, situated in \_\_\_\_\_ (City), \_\_\_\_\_ (County), California, \_\_\_\_\_ (Zip Code), Assessor’s Parcel No(s) \_\_\_\_\_ (“Property”).  
**(Postal/Mailing address may be different from city jurisdiction. Buyer is advised to investigate.)**
  - C. **THE TERMS OF THE PURCHASE ARE SPECIFIED BELOW AND ON THE FOLLOWING PAGES.**
  - D. **CLOSE OF ESCROW** shall occur as specified in **paragraph 3B** (“Closing Date”). If, through no fault of Buyer, Seller is unable to close on or before the Closing Date, Seller shall, within **15 Days** after the Closing Date, order all of Buyer’s deposits refunded to Buyer (except for liquidated damages paid to Seller pursuant to **paragraph 37**, if applicable). Buyer’s right to cancel based on Close Of Escrow is separately established in **paragraph 16G**.
  - E. Buyer and Seller are referred to herein as the “Parties.” Brokers and Agents are **not** Parties to this Agreement.
2. **AGENCY:**
  - A. **DISCLOSURE:** The Parties each acknowledge receipt of a “Disclosure Regarding Real Estate Agency Relationship” (C.A.R. Form AD) if represented by a real estate licensee. Buyer’s Agent is not legally required to give to Seller’s Agent the AD form Signed by Buyer. Seller’s Agent is not legally obligated to give to Buyer’s Agent the AD form Signed by Seller.
  - B. **CONFIRMATION:** The following agency relationships are hereby confirmed for this transaction.  
**Seller’s Brokerage Firm** \_\_\_\_\_ License Number \_\_\_\_\_  
 Is the broker of (check one):  the Seller; or  both the Buyer and Seller (Dual Agent).  
 Seller’s Agent \_\_\_\_\_ License Number \_\_\_\_\_  
 Is (check one):  the Seller’s Agent (Salesperson or broker associate); or  both the Buyer’s and Seller’s Agent (Dual Agent).  
**Buyer’s Brokerage Firm** \_\_\_\_\_ License Number \_\_\_\_\_  
 Is the broker of (check one):  the Buyer; or  both the Buyer and Seller (Dual Agent).  
 Buyer’s Agent \_\_\_\_\_ License Number \_\_\_\_\_  
 Is (check one):  the Buyer’s Agent (Salesperson or broker associate); or  both the Buyer’s and Seller’s Agent (Dual Agent).  
 More than one Brokerage represents  Seller,  Buyer. See, Additional Broker Acknowledgement (C.A.R. Form ABA).
  - D. **POTENTIALLY COMPETING BUYERS AND SELLERS:** The Parties each acknowledge receipt of a  “Possible Representation of More than One Buyer or Seller - Disclosure and Consent” (C.A.R. Form PRBS).
  - E.  (If checked) **REFERRAL LICENSEE:** \_\_\_\_\_ (print Firm Name) is a Referral Licensee only and shall be compensated \$ \_\_\_\_\_ or \_\_\_\_\_ % of the Purchase Price. Buyer and Seller acknowledge that Referral Licensee has merely introduced Buyer to the Property and does not represent Buyer or Seller in this transaction. Buyer further acknowledges and agrees that any agency relationship with Referral Licensee, whether existing under a written or oral agreement or by implication, is terminated for this Property as of the date of Buyer’s signature on this Agreement. Referral Licensee is not a part to this Agreement between Buyer and Seller. **Note to Referral Licensee: Do not confirm agency relationships at that time (C.A.R. Form AC).**
3. **TERMS OF PURCHASE AND ALLOCATION OF COSTS:** The items in this paragraph are contractual terms of the Agreement. Referenced paragraphs provide further explanation. This form is 18 pages. The Parties are advised to read all 18 pages.

Para #	Paragraph Title or Contract Term	Terms and Conditions	Additional Terms
A	5, 5B (cash)	<b>Purchase Price</b>	\$ _____ <input type="checkbox"/> All Cash
B	1D	<b>Close Of Escrow (COE)</b>	_____ Days after Acceptance OR on _____ (date)
C	40A	<b>Expiration of Offer</b>	3 calendar days after all Buyer Signature(s) or _____ (date) at 5PM or <input type="checkbox"/> AM/ <input type="checkbox"/> PM
D(1)	5A(1)	<b>Initial Deposit Amount</b>	\$ _____ (_____% of purchase price) (% number above is for calculation purposes and is not a contractual term) Delivered to Escrow (or <input type="checkbox"/> Seller) within 3 (or _____) business days after Acceptance by wire transfer OR <input type="checkbox"/> Personal Check OR <input type="checkbox"/> _____
D(2)	5A(2)	<input type="checkbox"/> <b>Increased Deposit</b> (Money placed into escrow after the initial deposit. Use form DID at time increased deposit is made.)	\$ _____ (_____% of purchase price) (% number above is for calculation purposes and is not a contractual term) Upon removal of all contingencies OR <input type="checkbox"/> _____ (date) OR <input type="checkbox"/> _____
E(1)	5C(1)	<b>Loan Amount(s):</b> First Interest Rate Points If FHA or VA checked, Deliver list of lender required repairs	\$ _____ (_____% of purchase price) Fixed rate or <input type="checkbox"/> Initial adjustable rate • not to exceed _____% • Buyer to pay up to _____ points to obtain rate above 17 (or _____) Days after Acceptance Conventional or, if checked, <input type="checkbox"/> FHA (Forms FVAC/HID attached) <input type="checkbox"/> VA (Form FVAC attached) <input type="checkbox"/> Seller Financing <input type="checkbox"/> Other: _____



Property Address: \_\_\_\_\_

Date: \_\_\_\_\_

	Para #	Paragraph Title or Contract Term	Terms and Conditions	Additional Terms
E(2)	5C(2)	Additional Financed Amount Interest Rate Points	\$ _____ (_____% of purchase price) • not to exceed ____% • Buyer to pay up to ____ points to obtain rate above	Conventional or, if checked, <input type="checkbox"/> Seller Financing <input type="checkbox"/> Other: _____
E(3)	7A	<b>Occupancy Type</b>	Primary, or if checked, <input type="checkbox"/> Secondary <input type="checkbox"/> Investment	
F	5D	<b>Balance of Down Payment</b>	\$ _____	
<b>PURCHASE PRICE TOTAL</b>			\$ _____	
G(1)	5E	<b>Seller Credit, if any, to Buyer</b>	<input type="checkbox"/> \$ _____ (_____% of purchase price) (% number above is for calculation purposes and is not a contractual term)	Seller credit to be applied to closing costs OR <input type="checkbox"/> Other: _____
G(2)	<b>ADDITIONAL FINANCE TERMS:</b> _____			
G(3)	19	<input type="checkbox"/> Seller agrees to pay the obligation of Buyer to compensate Buyer's Broker under a separate agreement (C.A.R. Form SPBB attached).		
H(1)	5B	<b>Verification of All Cash</b> (sufficient funds)	Attached to the offer or <input type="checkbox"/> 3 (or _____) Days after Acceptance	
H(2)	6A	<b>Verification of Down Payment and Closing Costs</b>	Attached to the offer or <input type="checkbox"/> 3 (or _____) Days after Acceptance	
H(3)	6B	<b>Verification of Loan Application</b>	Attached to the offer or <input type="checkbox"/> 3 (or _____) Days after Acceptance	<input type="checkbox"/> Prequalification <input type="checkbox"/> Preapproval <input type="checkbox"/> Fully underwritten preapproval
I	<b>Intentionally Left Blank</b>			
J	11	<b>Public Report Status</b>	<input type="checkbox"/> Final Public Report <input type="checkbox"/> Conditional Public Report <input type="checkbox"/> Amended/Renewed Public Report	<b>If Conditional Public Report is checked:</b> Final Public Report shall be issued within <input type="checkbox"/> 6 months or <input type="checkbox"/> 30 months of the date of issuance of the Conditional Public Report.
K	17	<b>Final Verification of Condition</b>	5 (or _____) Days prior to COE	
L	24	<b>Assignment Request</b>	17 (or _____) Days after Acceptance	
M	<b>CONTINGENCIES</b>		<b>TIME TO REMOVE CONTINGENCIES</b>	<b>CONTINGENCY REMOVED</b>
M(1)	8A	<b>Loan(s)</b>	17 (or _____) Days after Acceptance	<input type="checkbox"/> No loan contingency
M(2)	8B	<b>Appraisal:</b> Appraisal contingency based upon appraised value at a minimum of purchase price or <input type="checkbox"/> \$ _____	17 (or _____) Days after Acceptance	<input type="checkbox"/> No appraisal contingency Removal of appraisal contingency does not eliminate appraisal cancellation rights in FVAC.
M(3)	8C, 14	<b>Investigation of Property</b>	17 (or _____) Days after Acceptance	<b>REMOVAL OR WAIVER OF CONTINGENCY:</b> Any contingency in M(1)-M(9) may be removed or waived by checking the applicable box above or attaching a Contingency Removal Form (C.A.R. Form CR-B) and checking the applicable box therein. Removal or Waiver at time of offer is against Agent advice. See paragraph 8J. <input type="checkbox"/> CR-B attached
		<b>Informational Access to Property</b>	17 (or _____) Days after Acceptance	
		Buyer's right to access the Property for informational purposes is <b>NOT</b> a contingency, does <b>NOT</b> create additional cancellation rights, and applies even if contingencies are removed.		
M(4)	8D	<b>Insurance</b>	17 (or _____) Days after Acceptance	
M(5)	8E, 16A	<b>Review of Seller Documents</b>	17 (or _____) Days after Acceptance, or 5 Days after Delivery, whichever is later	
M(6)	8F, 11	<b>Review of Public Report</b>	17 (or _____) Days after Acceptance, or 5 Days after Delivery, whichever is later	
M(7)	8G, 15A	<b>Preliminary ("Title") Report</b>	17 (or _____) Days after Acceptance or 5 Days after Delivery, whichever is later	
M(8)	8H, 12F	<b>Common Interest Disclosures</b> required by Civil Code § 4525 or this Agreement	17 (or _____) Days after Acceptance, or 5 Days after Delivery, whichever is later	
M(9)	8I, 9B(6)	<b>Review of leased or liened items</b> (Such as for solar panels or propane tanks or PACE or HERO liens)	17 (or _____) Days after Acceptance, or 5 Days after Delivery, whichever is later	
N	<b>Possession</b>		<b>Time for Performance</b>	
N(1)		<b>Delivery of Possession</b>	Upon notice of recordation On COE date	



Property Address: \_\_\_\_\_

Date: \_\_\_\_\_

	Para #	Paragraph Title or Contract Term	Terms and Conditions	Additional Terms
N(2)		<b>Occupied units by tenants or anyone other than Seller</b>	<input type="checkbox"/> Tenant Occupied Property Addendum (C.A.R. Form TOPA) attached	Seller shall disclose to Buyer If occupied by tenants or persons other than Seller, and attach TOPA in a counter offer if not part of Buyer's offer.
O	<b>Intentionally Left Blank</b>			
P		<b>Documents/Fees/Compliance</b>	<b>Time for Performance</b>	
P(1)	16A	Seller Delivery of Documents	7 (or _____) Days after Acceptance	
P(2)	20C	Sign and return Escrow Holder General Provisions, Supplemental Instructions	5 (or _____) Days after Delivery	
P(3)	12F(2)	Time to pay fees for ordering HOA Documents	3 (or _____) Days after Acceptance	
P(4)	31	Evidence of representative authority	3 Days after Acceptance	
Q	<b>Items Included and Excluded</b>			
Q(1)	9	<b>Items Included - All items specified in Paragraph 9B are included and the following, if checked:</b>		
		<input type="checkbox"/> Stove(s), oven(s), stove/oven combo(s); <input type="checkbox"/> Refrigerator(s); <input type="checkbox"/> Wine Refrigerator(s); <input type="checkbox"/> Washer(s); <input type="checkbox"/> Dryer(s); <input type="checkbox"/> Dishwasher(s); <input type="checkbox"/> Microwave(s); <b>Additional Items Included:</b> <input type="checkbox"/> _____;	<input type="checkbox"/> Video doorbell(s); <input type="checkbox"/> Security camera equipment; <input type="checkbox"/> Security system(s)/alarm(s), other than separate video doorbell and camera equipment; <input type="checkbox"/> Smart home control devices; <input type="checkbox"/> Wall mounted brackets for video or audio equipment; <input type="checkbox"/> _____; <input type="checkbox"/> _____;	<input type="checkbox"/> Above-ground pool(s) / <input type="checkbox"/> spa(s); <input checked="" type="checkbox"/> Bathroom mirrors, unless excluded below; <input type="checkbox"/> Electric car charging systems and stations; <input type="checkbox"/> Potted trees/shrubs; <input type="checkbox"/> _____; <input type="checkbox"/> _____;
Q(2)		<b>Excluded Items:</b> <input type="checkbox"/> _____;	<input type="checkbox"/> _____;	<input type="checkbox"/> _____;
R	<b>Allocation of Costs</b>			
	Para #	Item Description	Who Pays (if Both is checked, cost to be split equally unless Otherwise Agreed)	Additional Terms
R(1)	12B	Natural Hazard Zone Disclosure Report, including tax information	<input type="checkbox"/> Buyer <input type="checkbox"/> Seller <input type="checkbox"/> Both _____	<input type="checkbox"/> Environmental <input type="checkbox"/> Other _____ <input type="checkbox"/> Provided by: _____
R(2)		(A) _____ Report (B) _____ Report	<input type="checkbox"/> Buyer <input type="checkbox"/> Seller <input type="checkbox"/> Both _____ <input type="checkbox"/> Buyer <input type="checkbox"/> Seller <input type="checkbox"/> Both _____	
R(3)	20C	Escrow Fees	<input type="checkbox"/> Buyer <input type="checkbox"/> Seller <input type="checkbox"/> Both _____ <input type="checkbox"/> Each to pay their own fees	Escrow Holder: _____
R(4)	15G	Owner's title insurance policy	<input type="checkbox"/> Buyer <input type="checkbox"/> Seller <input type="checkbox"/> Both _____	Title Company (If different from Escrow Holder): _____
R(5)		Buyer's Lender title insurance policy	Buyer	Unless Otherwise Agreed, Buyer shall purchase any title insurance policy insuring Buyer's lender.
R(6)		County transfer tax, fees	<input type="checkbox"/> Buyer <input type="checkbox"/> Seller <input type="checkbox"/> Both _____	
R(7)		City transfer tax, fees	<input type="checkbox"/> Buyer <input type="checkbox"/> Seller <input type="checkbox"/> Both _____	
R(8)	12F(2)	HOA fee for preparing disclosures	Seller	
R(9)		HOA certification fee	Buyer	
R(10)		HOA transfer fees	<input type="checkbox"/> Buyer <input type="checkbox"/> Seller <input type="checkbox"/> Both _____	Unless Otherwise Agreed, Seller shall pay for separate HOA move-out fee and Buyer shall pay for separate move-in fee. Applies if separately billed or itemized with cost in transfer fee.
R(11)		Private transfer fees	Seller, or if checked, <input type="checkbox"/> Buyer <input type="checkbox"/> Both _____	
R(12)		_____ fees or costs	<input type="checkbox"/> Buyer <input type="checkbox"/> Seller <input type="checkbox"/> Both _____	
R(13)		_____ fees or costs	<input type="checkbox"/> Buyer <input type="checkbox"/> Seller <input type="checkbox"/> Both _____	





Property Address: \_\_\_\_\_

Date: \_\_\_\_\_

	Para #	Item Description	Who Pays (if Both is checked, cost to be split equally unless Otherwise Agreed)	Additional Terms
R(14)	10	Home warranty plan: _____	<input type="checkbox"/> Buyer <input type="checkbox"/> Seller <input type="checkbox"/> Both _____ <input type="checkbox"/> Buyer waives home warranty plan	Cost not to exceed \$ _____ Issued by: _____
S	7B, 12A	<b>Disclosure of Defects and Malfunctions of Major Systems under Civil Code § 1134:</b> _____		
T	35, 36	<b>SELLER ESTIMATES FOR THIRD PARTY CHARGES:</b> Credit Reports _____ Preliminary Title Reports _____ Escrow Services _____ Appraisals _____ Loan Processing Fees _____		
U	<b>OTHER TERMS:</b> Other terms and conditions are void to the extent that they impair or limit the rights or remedies reserved to Buyer elsewhere in this Agreement. <b>Note to Seller: For any addenda form(s) you intend to attach to this Agreement, you must submit them to, and have them accepted by, the DRE.</b> _____ _____			

**4. PROPERTY ADVISORIES AND DISCLOSURES:** (check all that apply)

**A. BUYER AND SELLER ADVISORIES: (Note: All Advisories below are provided for reference purposes only and are not intended to be incorporated into this Agreement.)**

- Buyer's Investigation Advisory (C.A.R. Form BIA)
- Wire Fraud Advisory (C.A.R. Form WFA)
- Fair Housing and Discrimination Advisory (C.A.R. Form FHDA)
- Cal. Consumer Privacy Act Advisory (C.A.R. Form CCPA)  
(Parties may also receive a privacy disclosure from their own Agent.)
- Wildfire Disaster Advisory (C.A.R. Form WFDA)
- Trust Advisory (C.A.R. Form TA)
- REO Advisory (C.A.R. Form REO)
- Other: \_\_\_\_\_
- Statewide Buyer and Seller Advisory (C.A.R. Form SBSA)
- Short Sale Information and Advisory (C.A.R. Form SSIA)
- Probate Advisory (C.A.R. Form PA)
- Other: \_\_\_\_\_

**B. ATTACHED DISCLOSURES:**

- (1) If checked, Buyer acknowledges receipt of the following disclosures:
  - Final Public Report
  - Model Plan/Property Description
  - Bonded Debt
  - Notice of Special Tax
  - Smoke Detector
  - DRE 2790.9 (for properties for completed or occupied more than 3 years prior to a public report)
  - Newly Converted Condominium
  - Conditional Public Report
  - Zone Report
  - Property Disclosure Statement
  - HOA Documents
  - Water Heater
  - Industrial, Commercial, Airport Zone
  - Amended/Renewed Public Report
  - Site Report
  - Seller's Limited Warranties
  - Utility Disclosures
  - Transportation Corridors
- (2) **ADDITIONAL DISCLOSURES:** Seller shall provide Buyer with the following additional disclosures: \_\_\_\_\_

**5. ADDITIONAL TERMS AFFECTING PURCHASE PRICE:** Buyer represents that funds will be good when deposited with Escrow Holder.

**A. DEPOSIT:**

- (1) **INITIAL DEPOSIT:** Buyer shall deliver deposit directly to the party selected in **paragraph 3D(1)**. If being delivered to Seller, Seller must have obtained a bond or bonds meeting the requirements of B&P Code §§ 11013.2(c) or 11013.4(b) or (c), and DRE Regulation 2791.2. If Seller has not obtained such bond(s), then deposit shall be delivered directly to Escrow. **Note to Seller: If the purchase agreement is signed under the authority of a conditional Public Report, all funds must be impounded and held in a neutral escrow depository per B&P Code §§ 11013.4(a) or 11013.2(a).**
- (2) **INCREASED DEPOSIT:** Increased deposit (**paragraph 3D(2)**) to be delivered to Escrow Holder in the same manner as the Initial Deposit. If the Parties agree to liquidated damages in this Agreement, they also agree to incorporate the increased deposit into the liquidated damages amount by signing a new liquidated damages clause (C.A.R. Form DID) at the time the increased deposit is delivered to Escrow Holder.
- (3) **RETURN OF DEPOSIT FOR SELLER FAILURE TO CLOSE:** If Seller is unable to close on or before the Closing Date, Seller shall, within **15 Days** after the Closing Date, order all of Buyer's deposits, including all third party charges (including but not limited to those specified in **paragraphs 35 and 36**) refunded to Buyer (except for liquidated damages paid to Seller pursuant to **paragraph 37**, if applicable).
- (4) **RETENTION OF DEPOSIT:** Paragraph 37, if initialed by all Parties or otherwise incorporated into this Agreement, specifies a remedy for Buyer's default. Buyer and Seller are advised to consult with a qualified California real estate attorney: (i) Before adding any other clause specifying a remedy (such as release or forfeiture of deposit or making a deposit non-refundable) for failure of Buyer to complete the purchase. Any such clause shall be deemed invalid unless the clause independently satisfies the statutory liquidated damages requirements set forth in the Civil Code; and (ii) Regarding possible liability and remedies if Buyer fails to deliver the deposit.

**B. ALL CASH OFFER:** If an all cash offer is specified in **paragraph 3A**, no loan is needed to purchase the Property. This Agreement is NOT contingent on Buyer obtaining a loan. Buyer shall, within the time specified in **paragraph 3H(1)**, Deliver written verification of funds sufficient for the purchase price and closing costs.

**C. LOAN(S):**

- (1) **FIRST LOAN:** This loan will provide for conventional financing **UNLESS** FHA, VA, Seller Financing (C.A.R. Form SFA), or Other is checked in **paragraph 3E(1)**.
- (2) **ADDITIONAL FINANCED AMOUNT:** If an additional financed amount is specified in **paragraph 3E(2)**, that amount will provide for conventional financing **UNLESS** Seller Financing (C.A.R. Form SFA), or Other is checked in **paragraph 3E(2)**.
- (3) **BUYER'S LOAN STATUS:** Buyer authorizes Seller and Seller's Authorized Agent to contact Buyer's lender(s) to determine the status of any Buyer's loan specified in **paragraph 3E**, or any alternate loan Buyer pursues, whether or not a contingency of this Agreement. If the contact information for Buyer's lender(s) is different from that provided under the terms of **paragraph 6B**, Buyer shall Deliver the updated contact information within **1 Day** of Seller's request.



Property Address: \_\_\_\_\_

Date: \_\_\_\_\_

(4) **FHA/VA: If FHA or VA is checked in paragraph 3E(1)**, a FHA/VA amendatory clause (C.A.R. Form FVAC) shall be incorporated and Signed by all Parties. Buyer shall, within the time specified in **paragraph 3E(1)**, Deliver to Seller written notice (C.A.R. Form RR or AEA) (i) of any lender requirements that Buyer requests Seller to pay for or otherwise correct or (ii) that there are no lender requirements. Notwithstanding Seller's agreement that Buyer may obtain FHA or VA financing, Seller has no obligation to pay or satisfy any or all lender requirements unless agreed in writing.

**D. BALANCE OF PURCHASE PRICE (DOWN PAYMENT) (including all-cash funds)** to be deposited with Escrow Holder pursuant to Escrow Holder instructions.

**E. LIMITS ON CREDITS TO BUYER:** Any credit to Buyer, from any source, for closing or other costs that is agreed to by the Parties ("Contractual Credit") shall be disclosed to Buyer's lender, if any, and made at Close Of Escrow. If the total credit allowed by Buyer's lender ("Lender Allowable Credit") is less than the Contractual Credit, then (i) the Contractual Credit from Seller shall be reduced to the Lender Allowable Credit, and (ii) in the absence of a separate written agreement between the Parties, there shall be no automatic adjustment to the purchase price to make up for the difference between the Contractual Credit and the Lender Allowable Credit.

**6. ADDITIONAL FINANCING TERMS:**

**A. VERIFICATION OF DOWN PAYMENT AND CLOSING COSTS:** Written verification of Buyer's down payment and closing costs may be made by Buyer or Buyer's lender or loan broker pursuant to **paragraph 6B**.

**B. VERIFICATION OF LOAN APPLICATIONS:** Buyer shall Deliver to Seller, within the time specified in **paragraph 3H(3)** a letter from Buyer's lender or loan broker stating that, based on a review of Buyer's written application and credit report, Buyer is prequalified or preapproved for any NEW loan specified in **paragraph 3E**. If any loan specified in **paragraph 3E** is an adjustable rate loan, the prequalification or preapproval letter shall be based on the qualifying rate, not the initial loan rate.

**C. BUYER STATED FINANCING:** Seller is relying on Buyer's representation of the type of financing specified (including, but not limited to, as applicable, all cash, amount of down payment, or contingent or non-contingent loan). Seller has agreed to a specific closing date, purchase price, and to sell to Buyer in reliance on Buyer's specified financing. Buyer shall pursue the financing specified in this Agreement, even if Buyer also elects to pursue an alternative form of financing. Seller has no obligation to cooperate with Buyer's efforts to obtain any financing other than that specified in this Agreement but shall not interfere with closing at the purchase price on the COE date (**paragraph 3B**) even if based upon alternate financing. Buyer's inability to obtain alternate financing does not excuse Buyer from the obligation to purchase the Property and close escrow as specified in this Agreement.

**7. CLOSING AND POSSESSION:**

**A. OCCUPANCY:** If Buyer intends to occupy as a primary or secondary residence as indicated in **paragraph 3E(3)** and unless Otherwise Agreed, such as in C.A.R. Form TOPA: (i) the unit Buyer intends to occupy shall be vacant at the time possession is delivered to Buyer, and (ii) if the Property contains more than one unit, within 3 Days after Acceptance Buyer shall give Seller written notice of which unit Buyer intends to occupy. Occupancy may impact available financing. **Seller shall disclose to Buyer if occupied by tenants or persons other than Seller, and attach C.A.R. Form TOPA in a counter offer if not part of Buyer's offer.**

**B. CONDITION OF PROPERTY ON CLOSING; AND STATEMENT OF DEFECTS PER DRE REGULATIONS 2790.8 AND 2790.9; EXISTING SUBDIVISION INTEREST DISCLOSURE** (For properties that have been either completed or occupied more than 3 years prior to a public report application being filed with the DRE, the Seller disclosure shall be on the form specified in DRE Regulation 2790.9):

(1) **Condition:** Unless Otherwise Agreed: (i) the Property shall be delivered "**As-Is**" in its PRESENT physical condition as of the date of Acceptance; (ii) the Property, including pool, spa, landscaping and grounds, is to be maintained in substantially the same condition as on the date of Acceptance; (iii) Except as specified in **paragraph 9C**, Seller is not responsible to repair any holes left after the removal of any wall hangings (such as pictures and mirrors), brackets, nails or other fastening devices; and (iv) all debris and personal property not included in the sale shall be removed by Close Of Escrow or at the time possession is delivered to Buyer, if not on the same date. If items are not removed when possession is delivered to Buyer, all items shall be deemed abandoned. Buyer, after first Delivering to Seller written notice to remove the items within **3 Days**, may pay to have such items removed or disposed of and may bring legal action, as per this Agreement, to receive reasonable costs from Seller.

(2) **Renovations:** All renovations affecting this unit disclosed to DRE pursuant to DRE form RE 639 shall be completed prior to Close Of Escrow.

(3) **Buyer is strongly advised to conduct investigations of the entire Property in order to determine its present condition. Seller and Agents may not be aware of all defects affecting the Property or other factors that Buyer considers important. Property improvements may not be built according to code, in compliance with current Law, or have had all required permits issued and/or finalized.**

**C. At Close Of Escrow:** (i) Seller assigns to Buyer any assignable warranty rights for items included in the sale; and (ii) Seller shall Deliver to Buyer available Copies of any such warranties. Agents cannot and will not determine the assignability of any warranties.

**D. Seller shall, on Close Of Escrow unless Otherwise Agreed and even if Seller remains in possession, provide keys, passwords, codes and/or means to operate all locks, mailboxes, security systems, alarms, home automation systems, intranet and Internet-connected devices included in the purchase price, garage door openers, and all items included in either **paragraph 3Q** or **paragraph 9**. If the Property is a condominium or located in a common interest development, Seller shall be responsible for securing or providing any such items for Association amenities, facilities, and access. Buyer may be required to pay a deposit to the Homeowners' Association ("HOA") to obtain keys to accessible HOA facilities.**

**8. CONTINGENCIES AND REMOVAL OF CONTINGENCIES:**

**A. LOAN(S):**

(1) This Agreement is, **unless otherwise specified in paragraph 3M(1) or an attached CR form**, contingent upon Buyer obtaining the loan(s) specified. If contingent, Buyer shall act diligently and in good faith to obtain the designated loan(s). **If there is no appraisal contingency or the appraisal contingency has been waived or removed, then failure of the Property to appraise at the purchase price does not entitle Buyer to exercise the cancellation right pursuant to the loan contingency if Buyer is otherwise qualified for the specified loan and Buyer is able to satisfy lender's non-appraisal conditions for closing the loan.**

(2) Buyer is advised to investigate the insurability of the Property as early as possible, as this may be a requirement for lending. Buyer's ability to obtain insurance for the Property, including fire insurance, is part of Buyer's Insurance contingency. Failure of Buyer to obtain insurance may justify cancellation based on the Insurance contingency but not the loan contingency.

(3) Buyer's contractual obligations regarding deposit, balance of down payment and closing costs **are not contingencies** of this Agreement, unless Otherwise Agreed.

(4) If there is an appraisal contingency, removal of the loan contingency shall not be deemed removal of the appraisal contingency.



(5) **NO LOAN CONTINGENCY:** If "No loan contingency" is checked in **paragraph 3M(1)**, obtaining any loan specified is NOT a contingency of this Agreement. If Buyer does not obtain the loan specified, and as a result is unable to purchase the Property, Seller may be entitled to Buyer's deposit or other legal remedies.

**B. APPRAISAL:**

(1) This Agreement is, **unless otherwise specified in paragraph 3M(2) or an attached CR form**, contingent upon a written appraisal of the Property by a licensed or certified appraiser at no less than the amount specified in **paragraph 3M(2)**, without requiring repairs or improvements to the Property. Appraisals are often a reliable source to verify square footage of the subject Property. However, the ability to cancel based on the measurements provided in an appraisal falls within the Investigation of Property contingency. The appraisal contingency is solely limited to the value determined by the appraisal. For any cancellation based upon this appraisal contingency, Buyer shall Deliver a Copy of the written appraisal to Seller, upon request by Seller.

(2) **NO APPRAISAL CONTINGENCY:** If "No appraisal contingency" is checked in **paragraph 3M(2)**, then Buyer may not use the loan contingency specified in **paragraph 3M(1)** to cancel this Agreement if the sole reason for not obtaining the loan is that the appraisal relied upon by Buyer's lender values the property at an amount less than that specified in **paragraph 3M(2)**. If Buyer is unable to obtain the loan specified solely for this reason, Seller may be entitled to Buyer's deposit or other legal remedies.

(3)  **Fair Appraisal Act:** See **paragraph 28** for additional information.

**C. INVESTIGATION OF PROPERTY:** This Agreement is, as specified in **paragraph 3M(3)**, contingent upon Buyer's acceptance of the condition of, and any other matter affecting, the Property.

**D. INSURANCE:** This Agreement is, as specified in **paragraph 3M(4)**, contingent upon Buyer's assessment of the availability and approval of the cost for any insurance policy desired under this Agreement.

**E. REVIEW OF SELLER DOCUMENTS:** This Agreement is, as specified in **paragraph 3M(5)**, contingent upon Buyer's review and approval of Seller's documents required in **paragraph 16A**.

**F. REVIEW OF PUBLIC REPORT:** This Agreement is, as specified in **paragraph 3M(6)**, contingent upon Buyer's review and approval of the Public Report specified in **paragraph 3J** and signing DRE form RE 614E, "Receipt for Public Report."

**G. TITLE:**

(1) This Agreement is, as specified in **paragraph 3M(7)**, contingent upon Buyer's ability to obtain the title policy provided for in **paragraph 15G** and on Buyer's review of a current Preliminary Report and items that are disclosed or observable even if not on record or not specified in the Preliminary Report, and satisfying Buyer regarding the current status of title. Buyer is advised to review all underlying documents and other matters affecting title, including, but not limited to, any documents or deeds referenced in the Preliminary Report and any plotted easements.

(2) Buyer has **5 Days** after receipt to review a revised Preliminary Report, if any, furnished by the Title Company and cancel the transaction if the revised Preliminary Report reveals material or substantial deviations from a previously provided Preliminary Report.

**H. CONDOMINIUM/PLANNED DEVELOPMENT DISCLOSURES (IF APPLICABLE):** This Agreement is, as specified in **paragraph 3M(8)**, contingent upon Buyer's review and approval of Common Interest Disclosures required by Civil Code § 4525 and under **paragraph 12F** ("CI Disclosures").

**I. BUYER REVIEW OF LEASED OR LIENED ITEMS CONTINGENCY:** Buyer's review of and ability and willingness to assume any lease, maintenance agreement or other ongoing financial obligation, or to accept the Property subject to any lien, disclosed pursuant to **paragraph 9B(6)**, is, as specified in **paragraph 3M(9)**, a contingency of this Agreement. Any assumption of the lease shall not require any financial obligation or contribution by Seller. Seller, after first Delivering a Notice to Buyer to Perform, may cancel this Agreement if Buyer, by the time specified in **paragraph 3M(9)**, refuses to enter into any necessary written agreements to accept responsibility for all obligations of Seller-disclosed leased or liened items.

**J. REMOVAL OR WAIVER OF CONTINGENCIES WITH OFFER:** Buyer shall have no obligation to remove a contractual contingency unless Seller has provided all required documents, reports, disclosures, and information pertaining to that contingency. If Buyer does remove a contingency without first receiving all required information from Seller, Buyer is relinquishing any contractual rights that apply to that contingency. **If Buyer removes or waives any contingencies without an adequate understanding of the Property's condition or Buyer's ability to purchase, Buyer is acting against the advice of Agent.**

**K. REMOVAL OF CONTINGENCY OR CANCELLATION:**

(1) **For any contingency specified in paragraph 3M, 8, or elsewhere Buyer shall, within the applicable period specified, remove the contingency or cancel this Agreement.**

(2) For the contingencies for review of Seller Documents, Preliminary Report, and Condominium/Planned Development Disclosures, Buyer shall, within the time specified in **paragraph 3M** or **5 Days** after Delivery of Seller Documents, Preliminary Report, or CI Disclosures, whichever occurs later, remove the applicable contingency in writing or cancel this Agreement.

(3) If Buyer does not remove a contingency within the time specified, Seller, after first giving Buyer a Notice to Buyer to Perform (C.A.R. Form NBP), shall have the right to cancel this Agreement.

**9. ITEMS INCLUDED IN AND EXCLUDED FROM SALE:**

**A. NOTE TO BUYER AND SELLER:** Items listed as included or excluded in the Multiple Listing Service (MLS), flyers, marketing materials, or disclosures are NOT included in the purchase price or excluded from the sale unless specified in this paragraph or **paragraph 3Q** or as Otherwise Agreed. Any items included herein are components of the home and are not intended to affect the price. All items are transferred without Seller warranty.

**B. ITEMS INCLUDED IN SALE:**

(1) All EXISTING fixtures and fittings that are attached to the Property;

(2) **EXISTING** electrical, mechanical, lighting, plumbing and heating fixtures, ceiling fans, fireplace inserts, gas logs and grates, solar power systems, built-in appliances and appliances for which special openings or encasements have been made (whether or not checked in **paragraph 3Q**), window and door screens, awnings, shutters, window coverings (which includes blinds, curtains, drapery, shutters or any other materials that cover any portion of the window) and any associated hardware and rods, attached floor coverings, television antennas, satellite dishes, air coolers/conditioners, pool/spa equipment (including, but not limited to, any cleaning equipment such as motorized/automatic pool cleaners, pool heaters, pool nets, pool covers), garage door openers/remote controls, mailbox, in-ground landscaping, water features and fountains, water softeners, water purifiers, light bulbs (including smart bulbs) and all items specified as included in **paragraph 3Q, if currently existing at the time of Acceptance.**

**Note:** If Seller does not intend to include any item specified as being included above because it is not owned by Seller, whether placed on the Property by Agent, stager or other third party, the item should be listed as being excluded in **paragraph 3Q(2)** or excluded by Seller in a counter offer.



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- (3) Security System includes any devices, hardware, software, or control units used to monitor and secure the Property, including but not limited to, any motion detectors, door or window alarms, and any other equipment utilized for such purpose. If checked in **paragraph 3Q**, all such items are included in the sale, whether hard wired or not.
  - (4) Home Automation (Smart Home Features) includes any electronic devices and features including, but not limited to, thermostat controls, kitchen appliances not otherwise excluded, and lighting systems, that are connected (hard wired or wirelessly) to a control unit, computer, tablet, phone, or other "smart" device. Any Smart Home devices and features that are physically affixed to the real property, and also existing light bulbs, are included in the sale. Buyer is advised to use **paragraph 3Q(1)** or an addendum to address more directly specific items to be included. Seller is advised to use a counter offer to address more directly any items to be excluded.
  - (5) Non-Dedicated Devices: All smart home and security system control devices are included in the sale, except for any non-dedicated personal computer, tablet, or phone used to control such features. Buyer acknowledges that a separate device and access to wifi or Internet may be required to operate some smart home features and Buyer may have to obtain such device after Close Of Escrow. Seller shall de-list any devices from any personal accounts and shall cooperate with any transfer of services to Buyer. Buyer is advised to change all passwords and ensure the security of any smart home features.
  - (6) **LEASED OR LIENED ITEMS AND SYSTEMS:** Seller, within the time specified in **paragraph 3M(9)**, shall (i) disclose to Buyer if any item or system specified in **paragraph 3Q** or **9B** or otherwise included in the sale is leased, or not owned by Seller, or is subject to any maintenance or other ongoing financial obligation, or specifically subject to a lien or other encumbrance or loan, and (ii) Deliver to Buyer all written materials (such as lease, warranty, financing, etc.) concerning any such item.
  - (7) Seller represents that all items included in the purchase price, unless Otherwise Agreed, (i) are owned by Seller and shall be transferred free and clear of liens and encumbrances, except the items and systems identified pursuant to **paragraph 9B(6)**, and (ii) are transferred without Seller warranty regardless of value. Seller shall cooperate with the identification of any software or applications and Buyer's efforts to transfer any services needed to operate any Smart Home Features or other items included in this Agreement, including, but not limited to, utilities or security systems.
- C. ITEMS EXCLUDED FROM SALE:** Unless Otherwise Agreed, the following items are excluded from sale: (i) All items specified in **paragraph 3Q(2)**; (ii) audio and video components (such as flat screen TVs, speakers and other items) if any such item is not itself attached to the Property, even if a bracket or other mechanism attached to the component or item is attached to the Property; (iii) furniture and other items secured to the Property for earthquake or safety purposes. **Unless otherwise specified in paragraph 3Q(1), brackets attached to walls, floors or ceilings for any such component, furniture or item will be removed and holes or other damage shall be repaired, but not painted.**
- 10. ALLOCATION OF COSTS FOR INSPECTIONS, REPORTS, TESTS, AND CERTIFICATES:** Paragraph 3R(1) and (2) only determines who is to pay for the inspection, report, test, certificate or service mentioned; unless Otherwise Agreed, **it does not determine who is to pay for any work recommended or identified in any such document. Agreements for payment of required work should be specified elsewhere in paragraph 3R or 3U, or in a separate agreement (such as C.A.R. Forms RR, RRRR, ADM or AEA).** Buyer shall choose the coverages, regardless of any optional coverages indicated, of the home warranty plan and Buyer shall pay any cost of that plan, chosen by Buyer, that exceeds the amount allocated to Seller in **paragraph 3R(14)**. Any reports in these paragraphs shall be Delivered in the time specified in **Paragraph 3P(1)**.
- 11. PUBLIC REPORT:** The following information describes the current status of the public report process specified in **paragraph 3J**.
- A. FINAL PUBLIC REPORT:** A public report is required to be delivered to Buyer prior to the execution of this Agreement.
  - B. CONDITIONAL PUBLIC REPORT:** If the Property is subject to a Conditional Public Report under the B&P Code, escrow will not close, funds will not be released from the escrow, and any interest contracted for and the subject of the escrow will not be conveyed until a current Final Public Report is delivered to Buyer. Furthermore, the entire sum of money paid or advanced by Buyer shall be returned to Buyer under B&P Code § 11013.4(a) or 11013.2(a) if (i) the Final Public Report has not been issued within time specified in **paragraph 3J**. Buyer has the ability to cancel the Agreement if the Final Public Report has not been issued unless a conditional public report is renewed for another 6 months, or (ii) the Buyer is dissatisfied with the Final Public Report because of a change pursuant to B&P Code § 11012.
  - C. AMENDED/RENEWED PUBLIC REPORT:** An amended/renewed public report is required to be delivered to Buyer prior to execution of this Agreement.
- 12. DISCLOSURES:**
- A. STATEMENT OF DEFECTS:**
    - (1) As required by DRE Regulation 2790.8, Seller shall complete and provide an "Existing Subdivision Interest Disclosure Statement" form specified in DRE Regulation 2790.9 ("ESI Disclosure") to Buyer as soon as practicable before the transfer of title.
    - (2) If any ESI Disclosure is Delivered to Buyer after the offer is Signed, Buyer shall have the right to cancel this Agreement within **3 Days** after Delivery in person or **5 Days** after Delivery by deposit in the mail, or by an electronic record or email satisfying the Uniform Electronic Transactions Act (UETA), by giving written notice of cancellation to Seller or Seller's Agent.
    - (3) Seller is obligated to disclose information in the ESI Disclosure based on Seller's actual knowledge, after making a reasonable effort to obtain such information, whether derived from Seller's own investigation and inspection of the Existing Subdivision Interest or from written reports prepared by third parties retained by Seller to perform inspections.
    - (4) Seller shall amend any information in an ESI Disclosure after the ESI Disclosure is provided to Buyer, if the information in the ESI Disclosure is or becomes materially inaccurate and the Seller has actual knowledge of the inaccuracy. Seller is otherwise not required to amend the ESI Disclosure once it has been provided to Buyer. If the amended ESI Disclosure shows that the original ESI Disclosure was inaccurate or has become inaccurate in any material respect, Buyer shall have the right to cancel this Agreement within **3 Days** after Delivery in person or **5 Days** after Delivery by deposit in the mail, or by an electronic record or email satisfying the Uniform Electronic Transactions Act (UETA), by giving written notice of cancellation to Seller or Seller's Agent.
  - B. NATURAL HAZARD ZONES:** Seller shall, within the time specified in **paragraph 3P(1)**, disclose if Property is located in any of the following: Special Flood Hazard Areas; Potential Flooding (inundation) Areas, Very High Fire Hazard Severity Zones; State Fire Responsibility Areas; Earthquake Fault Zones; Seismic Hazard Zones; or any other federal, state, or local designated zone for which disclosure is required by Law.

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Date: \_\_\_\_\_

- C. WITHHOLDING TAXES:** Buyer and Seller hereby instruct Escrow Holder to withhold the applicable required amounts to comply with federal and California withholding Laws and forward such amounts to the Internal Revenue Service and Franchise Tax Board, respectively. However, no federal withholding is required if, prior to Close Of Escrow, Seller Delivers **(i)** to Buyer and Escrow Holder a fully completed affidavit (C.A.R. Form AS) sufficient to avoid withholding pursuant to federal withholding Law (FIRPTA); **OR (ii)** to a qualified substitute (usually a title company or an independent escrow company) a fully completed affidavit (C.A.R. Form AS) sufficient to avoid withholding pursuant to federal withholding Law AND the qualified substitute Delivers to Buyer and Escrow Holder an affidavit signed under penalty of perjury (C.A.R. Form QS) that the qualified substitute has received the fully completed Seller's affidavit and the Seller states that no federal withholding is required; **OR (iii)** to Buyer other documentation satisfying the requirements under Internal Revenue Code § 1445 (FIRPTA). No withholding is required under California Law if, prior to Close Of Escrow, Escrow Holder has received sufficient documentation from Seller that no withholding is required, and Buyer has been informed by Escrow Holder.
- D. MEGAN'S LAW DATABASE DISCLOSURE:** Notice: Pursuant to § 290.46 of the Penal Code, information about specified registered sex offenders is made available to the public via an Internet Web site maintained by the Department of Justice at [www.meganslaw.ca.gov](http://www.meganslaw.ca.gov). Depending on an offender's criminal history, this information will include either the address at which the offender resides or the community of residence and ZIP Code in which he or she resides. (Neither Seller nor Agent are required to check this website. If Buyer wants further information, Agent recommends that Buyer obtain information from this website during Buyer's investigation contingency period. Agents do not have expertise in this area.)
- E. NOTICE REGARDING GAS AND HAZARDOUS LIQUID TRANSMISSION PIPELINES:** This notice is being provided simply to inform you that information about the general location of gas and hazardous liquid transmission pipelines is available to the public via the National Pipeline Mapping System (NPMS) Internet Web site maintained by the United States Department of Transportation at <http://www.npms.phmsa.dot.gov/>. To seek further information about possible transmission pipelines near the Property, you may contact your local gas utility or other pipeline operators in the area. Contact information for pipeline operators is searchable by ZIP Code and county on the NPMS Internet Website. (Neither Seller nor Agent are required to check this website. If Buyer wants further information, Agent recommends that Buyer obtain information from this website during Buyer's investigation contingency period. Agents do not have expertise in this area.)
- F. CONDOMINIUM/PLANNED DEVELOPMENT DISCLOSURES:**
  - (1) Seller shall, within the time specified in **paragraph 3P(1)**, disclose to Buyer whether the Property is a condominium or is located in a planned development, other common interest development, or otherwise subject to covenants, conditions, and restrictions (C.A.R. Form SPQ or ESD).
  - (2) If the Property is a condominium or is located in a planned development or other common interest development with a HOA, Seller shall, within the time specified in **paragraph 3P(3)**, order from, and pay any required fee for the following items to, the HOA (C.A.R. Form HOA-IR): **(i)** Copies of any documents required by Law (C.A.R. Form HOA-RS); **(ii)** disclosure of any pending or anticipated claim or litigation by or against the HOA; **(iii)** a statement containing the location and number of designated parking and storage spaces; **(iv)** Copies of the most recent 12 months of HOA minutes for regular and special meetings; **(v)** the names and contact information of all HOAs governing the Property; **(vi)** pet restrictions; and **(vii)** smoking restrictions ("CI Disclosures"). Seller shall itemize and Deliver to Buyer all CI Disclosures received from the HOA and any CI Disclosures in Seller's possession. Seller shall, as directed by Escrow Holder, deposit funds into escrow or direct to HOA or management company to pay for any of the above.
- G. SOLAR POWER SYSTEMS:** For properties with any solar panels or solar power systems, Seller shall, within the time specified in **paragraph 3P(1)**, Deliver to Buyer all known information about the solar panels or solar power system. Seller shall use the Solar Advisory and Questionnaire (C.A.R. Form SOLAR).
- H. NATURAL AND ENVIRONMENTAL HAZARDS:** Seller shall, within the time specified in **paragraph 3P(1)**, if required by Law: **(i)** Deliver to Buyer the earthquake guide and environmental hazards booklet, and for all residential property with 1-4 units and any manufactured or mobile home built before January 1, 1960, fully complete and Deliver the Residential Earthquake Risk Disclosure Statement; and **(ii)** even if exempt from the obligation to provide a NHD, disclose if the Property is located in a Special Flood Hazard Area; Potential Flooding (Inundation) Area; Very High Fire Hazard Zone; State Fire Responsibility Area; Earthquake Fault Zone; Seismic Hazard Zone; and **(iii)** disclose any other zone as required by Law and provide any other information required for those zones.
- I. PROPOSITION 65 WARNING**  
**MATERIALS INCLUDED IN THE CONSTRUCTION OF THIS HOUSE WILL EXPOSE YOU TO FORMALDEHYDE, A SUBSTANCE KNOWN TO CAUSE CANCER. FURTHER INFORMATION MAY BE OBTAINED FROM THE BUILDER/SELLER.**  
 The following information is intended to explain the warning furnished by Seller of this home for exposures to formaldehyde, a substance known to the State of California to cause cancer. The exposures are caused by materials of which the house is or will be built.  
 The United States Environmental Protection Agency, the California Air Resources Board, and other agencies have measured the presence of formaldehyde in the indoor air of homes in California. Levels of formaldehyde that present a significant cancer risk have been measured in most homes. Formaldehyde is present in the air because it is emitted by a variety of building materials and home products purchased by Seller from materials suppliers. These materials include carpeting, pressed wood products, insulation, plastics, and glues.  
 This home, if constructed prior to entering into this Agreement, has not been tested, and if constructed after entering into this Agreement, will not be tested. Most homes that have been tested elsewhere do contain formaldehyde, although the concentrations vary from home to home with no obvious explanation for the differences. One of the problems is that many suppliers of building materials and home products do not provide information on chemical ingredients to builders. In the absence of specific information on these homes, and in light of the materials used in their construction, Seller believes that a warning is necessary. Buyer may have further questions about these issues. Seller is willing to share any further information Seller has obtained and will provide, upon request, a list of known materials suppliers that may be contacted for further information, and whether any inquiry has been made by Seller.
- J. BALCONIES, EXTERIOR STAIRWAYS AND OTHER ELEVATED ELEMENTS:** For properties with any building containing 3 or more dwelling units with elevated balconies, stairways or other elements, Seller shall, within the time specified in **paragraph 3P(1)**, Deliver to Buyer the Wooden Balcony and Stairs Addendum (C.A.R. Form WBSA) and comply with its terms.
- K. KNOWN MATERIAL FACTS:** Seller shall, within the time specified in **paragraph 3P(1)**, DISCLOSE KNOWN MATERIAL FACTS AND DEFECTS affecting the Property, including, but not limited to, known insurance claims within the past five years, or provide Buyer with permission to contact insurer to get such information (C.A.R. Form ARC), and make any and all other disclosures required by Law.



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**13. REPAIRS:** Repairs shall be completed prior to final verification of condition unless Otherwise Agreed. Repairs to be performed at Seller's expense may be performed by Seller or through others, provided that the work complies with applicable Law, including governmental permit, inspection and approval requirements. Repairs shall be performed in a good, skillful manner with materials of quality and appearance comparable to existing materials. Buyer acknowledges that exact restoration of appearance or cosmetic items following all Repairs may not be possible. Seller shall: **(i)** obtain invoices and paid receipts for Repairs performed by others; **(ii)** prepare a written statement indicating the Repairs performed by Seller and the date of such Repairs; and **(iii)** provide Copies of invoices and paid receipts and statements to Buyer prior to final verification of condition.

**14. BUYER'S INVESTIGATION OF PROPERTY AND MATTERS AFFECTING PROPERTY:**

- A.** Buyer shall, within the time specified in **paragraph 3M(3)**, have the right, at Buyer's expense unless Otherwise Agreed, to conduct inspections, investigations, tests, surveys and other studies ("Buyer Investigations").
- B.** Buyer Investigations include, but are not limited to:
  - (1) Inspections regarding any physical attributes of the Property or items connected to the Property, such as:
    - (A) A general home inspection.
    - (B) An inspection for lead-based paint and other lead-based paint hazards.
    - (C) An inspection specifically for wood destroying pests and organisms. Any inspection for wood destroying pests and organisms shall be prepared by a registered Structural Pest Control company; shall cover the main building and attached structures; may cover detached structures; shall NOT include water tests of shower pans on upper level units unless the owners of property below the shower consent; shall NOT include roof coverings; and, if the Property is a unit in a condominium or other common interest subdivision, the inspection shall include only the separate interest and any exclusive-use areas being transferred, and shall NOT include common areas; and shall include a report ("Pest Control Report") showing the findings of the company which shall be separated into sections for evident infestation or infections (Section 1) and for conditions likely to lead to infestation or infection (Section 2).
    - (D) Any other specific inspections of the physical condition of the land and improvements.
  - (2) Investigation of any other matter affecting the Property, other than those that are specified as separate contingencies. Buyer Investigations do not include, among other things, an assessment of the availability and cost of general homeowner's insurance, flood insurance, and fire insurance. See, Buyer's Investigation Advisory (C.A.R. Form BIA) for more.
- C.** Without Seller's prior written consent, Buyer shall neither make nor cause to be made: **(i)** invasive or destructive Buyer Investigations, except for minimally invasive testing required to prepare a Pest Control Report, which shall not include any holes or drilling through stucco or similar material; or **(ii)** inspections by any governmental building or zoning inspector or government employee, unless required by Law.
- D.** Seller shall make the Property available for all Buyer Investigations. Seller is not obligated to move any existing personal property. Seller shall have water, gas, electricity and all operable pilot lights on for Buyer's Investigations and through the date possession is delivered to Buyer. Buyer shall, **(i)** by the time specified in **paragraph 3M(3)**, complete Buyer Investigations and satisfy themselves as to the condition of the Property, and either remove the contingency or cancel this Agreement, and **(ii)** by the time specified in **paragraph 3M(3)** or **3 Days** after receipt of any Investigation report, whichever is later, give Seller at no cost, complete Copies of all such reports obtained by Buyer, which obligation shall survive the termination of this Agreement. This Delivery of Investigation reports shall not include any appraisal, except an appraisal received in connection with an FHA or VA loan.
- E. Buyer indemnity and Seller protection for entry upon the Property:** Buyer shall: **(i)** keep the Property free and clear of liens; **(ii)** repair all damage arising from Buyer Investigations; and **(iii)** indemnify and hold Seller harmless from all resulting liability, claims, demands, damages and costs. Buyer shall carry, or Buyer shall require anyone acting on Buyer's behalf to carry, policies of liability, workers' compensation and other applicable insurance, defending and protecting Seller from liability for any injuries to persons or property occurring during any Buyer Investigations or work done on the Property at Buyer's direction prior to Close Of Escrow. Seller is advised that certain protections may be afforded Seller by recording a "Notice of Non-Responsibility" (C.A.R. Form NNR) for Buyer Investigations and work done on the Property at Buyer's direction. Buyer's obligations under this paragraph shall survive the termination of this Agreement.

**15. TITLE AND VESTING:**

- A.** Buyer shall, within the time specified in **paragraph 3P(1)**, be provided a current Preliminary Report by the person responsible for paying for the title policy in **paragraph 3R(4)**. If Buyer is responsible for paying, Buyer shall act diligently and in good faith to obtain such Preliminary Report within the time specified. The Preliminary Report is only an offer by the title insurer to issue a policy of title insurance and may not contain every item affecting title. The company providing the Preliminary Report shall, prior to issuing a Preliminary Report, conduct a search of the General Index for all Sellers except banks or other institutional lenders selling properties they acquired through foreclosure (REOs), corporations, and government entities.
- B.** Title is taken in its present condition subject to all encumbrances, easements, covenants, conditions, restrictions, rights and other matters, whether of record or not, as of the date of Acceptance except for: **(i)** monetary liens of record unless Buyer is assuming those obligations or taking the Property subject to those obligations; and **(ii)** those matters which Seller has agreed to remove in writing. For any lien or matter not being transferred upon sale, Seller will take necessary action to deliver title free and clear of such lien or matter.
- C.** Seller shall within **7 Days** after request, give Escrow Holder necessary information to clear title.
- D.** Seller shall, within the time specified in **paragraph 3P(1)**, disclose to Buyer all matters known to Seller affecting title, whether of record or not.
- E.** If Buyer is a legal entity and the Property purchase price is at least \$300,000 and the purchase price is made without a bank loan or similar form of external financing, a Geographic Targeting Order (GTO) issued by the Financial Crimes Enforcement Network, U.S. Department of the Treasury, requires title companies to collect and report certain information about the Buyer, depending on where the Property is located. Buyer agrees to cooperate with the title company's effort to comply with the GTO.
- F.** Buyer shall, after Close Of Escrow, receive a recorded grant deed or any other conveyance document required to convey title (For example, for stock cooperative or tenancy in common, respectively, an assignment of stock certificate or assignment of seller's interest in the real property), including oil, mineral and water rights if currently owned by Seller. Title shall vest as designated in Buyer's vesting instructions. The recording document shall contain Buyer's post-closing mailing address to enable Buyer's receipt of the recorded conveyance document from the County Recorder. **THE MANNER OF TAKING TITLE MAY HAVE SIGNIFICANT LEGAL AND TAX CONSEQUENCES. CONSULT AN APPROPRIATE PROFESSIONAL.**



Property Address: \_\_\_\_\_

Date: \_\_\_\_\_

**G.** Buyer shall receive a "ALTA/CLTA Homeowner's Policy of Title Insurance" or equivalent policy of title insurance, if applicable to the type of property and buyer. Escrow Holder shall request this policy. If a ALTA/CLTA Homeowner's Policy of Title Insurance is not offered, Buyer shall receive a CLTA Standard Coverage policy unless Buyer has chosen another policy and instructed Escrow Holder in writing of the policy chosen and agreed to pay any increase in cost. Buyer should consult with the Title Company about the availability, and difference in coverage, and cost, if any, between a ALTA/CLTA Homeowner's Policy and a CLTA Standard Coverage policy and other title policies and endorsements. Buyer should receive notice from the Title Company on its Preliminary (Title) Report of the type of coverage offered. If Buyer is not notified on the Preliminary (Title) Report or is not satisfied with the policy offered, and Buyer nonetheless removes the contingency for Review of the Preliminary Report, Buyer will receive the policy as specified in this paragraph.

**16. TIME PERIODS; REMOVAL OF CONTINGENCIES; CANCELLATION RIGHTS: The following time periods may only be extended, altered, modified or changed by mutual written agreement. Any removal of contingencies or cancellation under this paragraph by either Buyer or Seller must be exercised in good faith and in writing (C.A.R. Form CR-B, CR-S or CC).**

**A. SELLER DELIVERY OF DOCUMENTS:** Seller shall, within the time specified in **paragraph 3P(1)**, Deliver to Buyer all reports, disclosures and information ("Reports") for which Seller is responsible as specified in **paragraphs 9B(6), 10, 12A, 12B, 12C, 12F, 12G, 12H, 12J, 12K, 15A, 15D, 31, 33, and 34**. This paragraph does not apply to the delivery of the Public Report. See **paragraphs 3J and 11** for Public Report delivery requirements.

**B. BUYER REVIEW OF DOCUMENTS; REPAIR REQUEST; CONTINGENCY REMOVAL OR CANCELLATION**

- (1) Buyer has the time specified in **paragraph 3M** to: (i) perform Buyer Investigations; review all disclosures, Reports, lease documents to be assumed by Buyer pursuant to **paragraph 9B(6)**, and other applicable information, which Buyer receives from Seller; and approve all matters affecting the Property; and (ii) Deliver to Seller Signed Copies of Statement of Defects Delivered by Seller in accordance with **paragraph 12A**.
- (2) Buyer may, within the time specified in **paragraph 3M(3)**, request that Seller make repairs or take any other action regarding the Property (C.A.R. Form RR). Seller has no obligation to agree to or respond to Buyer's requests (C.A.R. Form RR or RRRR). If Seller does not agree or does not respond, Buyer is not contractually entitled to have the repairs or other requests made and may only cancel based on contingencies in this Agreement.
- (3) Buyer shall, by the end of the times specified in **paragraph 3M** (or as Otherwise Agreed), Deliver to Seller a removal of the applicable contingency or cancellation of this Agreement (C.A.R. Form CR-B or CC). Buyer is advised not to remove contingencies related to review of documents until after the documents have been Delivered. If Delivery of any Report occurs after a contractual contingency pertaining to that Report has already been waived or removed, the Delivery of the Report does not revive the contingency but there may be a right to terminate for a subsequent or amended disclosure under **paragraph 12A(4)**.
- (4) **Continuation of Contingency:** Even after the end of the time specified in **paragraph 3M** and before Seller cancels, if at all, pursuant to **paragraph 16C**, Buyer retains the right, in writing, to either (i) remove remaining contingencies, or (ii) cancel this Agreement based on a remaining contingency. Once Buyer's written removal of all contingencies is Delivered to Seller, Seller may not cancel this Agreement pursuant to **paragraph 16C(1)**.

**C. SELLER RIGHT TO CANCEL:**

- (1) **SELLER RIGHT TO CANCEL; BUYER CONTINGENCIES:** If, by the time specified in this Agreement, Buyer does not Deliver to Seller a removal of the applicable contingency or cancellation of this Agreement, then Seller, after first Delivering to Buyer a Notice to Buyer to Perform (C.A.R. Form NBP), may cancel this Agreement. In such event, Seller shall authorize the return of Buyer's deposit, except for fees incurred by Buyer.
- (2) **SELLER RIGHT TO CANCEL; BUYER CONTRACT OBLIGATIONS:** Seller, after first Delivering to Buyer a Notice to Buyer to Perform, may cancel this Agreement if, by the time specified in this Agreement, Buyer does not take the following action(s): (i) Deposit funds as required by **paragraph 3D(1)** or **3D(2)** or if the funds deposited pursuant to **paragraph 3D(1)** or **3D(2)** are not good when deposited; (ii) Deliver updated contact information for Buyer's lender(s) as required by **paragraph 5C(3)**; (iii) Deliver a notice of FHA or VA costs or terms, if any, as specified by **paragraph 5C(4)** (C.A.R. Form RR); (iv) Deliver verification, or a satisfactory verification if Seller reasonably disapproves of the verification already provided, as required by **paragraph 5B** or **6A**; (v) Deliver a letter as required by **paragraph 6B**; (vi) In writing assume or accept leases or liens specified in **paragraph 8**; (vii) Cooperate with the title company's effort to comply with the GTO as required by **paragraph 15E**; (viii) Sign or initial a separate liquidated damages form for an increased deposit as required by **paragraph 5A(2)** and **37**; (ix) Provide evidence of authority to Sign in a representative capacity as specified in **paragraph 31**; or (x) Perform any additional Buyer contractual obligation(s) included in this Agreement. In such event, Seller shall authorize the return of Buyer's deposit, except for fees incurred by Buyer and other expenses already paid by Escrow Holder pursuant to this Agreement prior to Seller's cancellation.
- (3) **SELLER RIGHT TO CANCEL; SELLER CONTINGENCIES:** Seller may cancel this Agreement by good faith exercise of any Seller contingency included in this Agreement, or Otherwise Agreed, so long as that contingency has not already been removed or waived in writing.

**D. BUYER RIGHT TO CANCEL:**

- (1) **BUYER RIGHT TO CANCEL; SELLER CONTINGENCIES:** If, by the time specified in this Agreement, Seller does not Deliver to Buyer a removal of the applicable contingency or cancellation of this Agreement, then Buyer, after first Delivering to Seller a Notice to Seller to Perform (C.A.R. Form NSP), may cancel this Agreement. In such event, Seller shall authorize the return of Buyer's deposit, including fees and expenses incurred by Buyer and other expenses already paid by Escrow Holder pursuant to this Agreement prior to Buyer's cancellation.
- (2) **BUYER RIGHT TO CANCEL; SELLER CONTRACT OBLIGATIONS:** If, by the time specified, Seller has not Delivered any item specified in **paragraph 3P(1)** or Seller has not performed any Seller contractual obligation included in this Agreement by the time specified, Buyer, after first Delivering to Seller a Notice to Seller to Perform, may cancel this Agreement.
- (3) **BUYER RIGHT TO CANCEL; BUYER CONTINGENCIES:** Buyer may cancel this Agreement by good faith exercise of any Buyer contingency included in **paragraph 8**, or Otherwise Agreed, so long as that contingency has not already been removed in writing.



Property Address: \_\_\_\_\_

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- E. NOTICE TO BUYER OR SELLER TO PERFORM:** The Notice to Buyer to Perform or Notice to Seller to Perform shall: **(i)** be in writing; **(ii)** be Signed by the applicable Buyer or Seller; and **(iii)** give the other Party at least **2 Days** after Delivery (or until the time specified in the applicable paragraph, whichever occurs last) to take the applicable action. A Notice to Buyer to Perform or Notice to Seller to Perform may not be Delivered any earlier than **2 Days** prior to the Scheduled Performance Day to remove a contingency or cancel this Agreement or meet an obligation specified in **paragraph 16**, except for Close of Escrow which shall be Delivered under the terms of **paragraph 16G**, whether or not the Scheduled Performance Day falls on a Saturday, or Sunday or legal holiday. If a Notice to Buyer to Perform or Notice to Seller to Perform is incorrectly Delivered or specifies a time less than the agreed time, the notice shall be deemed invalid and void. However, if the notice is for multiple items, the notice shall be valid for all contingencies and contractual actions for which the Delivery of the notice is within the time permitted in the Agreement and void as to the others. Seller or Buyer shall be required to Deliver a new Notice to Buyer to Perform or Notice to Seller to Perform with the specified timeframe.
- F. EFFECT OF REMOVAL OF CONTINGENCIES:**
  - (1) REMOVAL OF BUYER CONTINGENCIES:** If Buyer removes any contingency or cancellation rights, unless Otherwise Agreed, Buyer shall conclusively be deemed to have: **(i)** completed all Buyer Investigations, and review of Reports and other applicable information and disclosures pertaining to that contingency or cancellation right; **(ii)** elected to proceed with the transaction; and **(iii)** assumed all liability, responsibility and expense for the non-delivery of any Reports, disclosures or information outside of Seller's control and for any Repairs or corrections pertaining to that contingency or cancellation right, or for the inability to obtain financing.
  - (2) REMOVAL OF SELLER CONTINGENCIES:** If Seller removes any contingency or cancellation rights, unless Otherwise Agreed, Seller shall conclusively be deemed to have: **(i)** satisfied themselves regarding such contingency, **(ii)** elected to proceed with the transaction; and **(iii)** given up any right to cancel this Agreement based on such contingency.
- G. DEMAND TO CLOSE ESCROW:** Before Buyer or Seller may cancel this Agreement for failure of the other Party to close escrow pursuant to this Agreement, Buyer or Seller must first Deliver to the other Party a Demand to Close Escrow (C.A.R. Form DCE). The DCE shall: **(i)** be Signed by the applicable Buyer or Seller; and **(ii)** give the other Party at least **3 Days** after Delivery to close escrow. A DCE may not be Delivered any earlier than **3 Days** prior to the Scheduled Performance Day for the Close Of Escrow. If a DCE is incorrectly Delivered or specifies a time less than the agreed time, the DCE shall be deemed invalid and void, and Seller or Buyer shall be required to Deliver a new DCE.
- H. EFFECT OF CANCELLATION ON DEPOSITS:** If Buyer or Seller gives written notice of cancellation pursuant to rights duly exercised under the terms of this Agreement, the Parties agree to Sign and Deliver mutual instructions to cancel the sale and escrow and release deposits, if any, to the Party entitled to the funds, less **(i)** fees and costs paid by Escrow Holder on behalf of that Party, if required by this Agreement; and **(ii)** any escrow fee charged to that party. Fees and costs may be payable to service providers and vendors for services and products provided during escrow. **A release of funds will require mutual Signed release instructions from the Parties, judicial decision or arbitration award. A Party may be subject to a civil penalty of up to \$1,000 for refusal to Sign cancellation instructions if no good faith dispute exists as to which Party is entitled to the deposited funds (Civil Code § 1057.3). Note: Neither Agents nor Escrow Holder are qualified to provide any opinion on whether either Party has acted in good faith or which Party is entitled to the deposited funds. Buyer and Seller are advised to seek the advice of a qualified California real estate attorney regarding this matter.**
- 17. FINAL VERIFICATION OF CONDITION:** Buyer shall have the right to make a final verification of the Property condition within the time specified in **paragraph 3K**, NOT AS A CONTINGENCY OF THE SALE, but solely to confirm: **(i)** the Property is maintained pursuant to **paragraph 7B**; **(ii)** Repairs have been completed as agreed; and **(iii)** Seller has complied with Seller's other obligations under this Agreement (C.A.R. Form VP).
- 18. PRORATIONS OF PROPERTY TAXES AND OTHER ITEMS:** Unless Otherwise Agreed, the following items shall be PAID CURRENT and prorated between Buyer and Seller as of Close Of Escrow: real property taxes and assessments, interest, Seller rental payments, HOA regular assessments due prior to Close Of Escrow, premiums on insurance assumed by Buyer, payments on bonds and assessments assumed by Buyer, and payments on Mello-Roos and other Special Assessment District bonds and assessments that are now a lien. Seller shall pay any HOA special or emergency assessments due prior to Close Of Escrow. The following items shall be assumed by Buyer WITHOUT CREDIT toward the purchase price: prorated payments on Mello-Roos and other Special Assessment District bonds and assessments and HOA special or emergency assessments that are due after Close Of Escrow. Property will be reassessed upon change of ownership. Any supplemental tax bills delivered to Escrow Holder prior to closing shall be prorated and paid as follows: **(i)** for periods after Close Of Escrow, by Buyer; and **(ii)** for periods prior to Close Of Escrow, by Seller (see C.A.R. Form SPT or SBSA for further information). Seller agrees all service fees, maintenance costs and utility bills will be paid current up and through the date of Close Of Escrow. **TAX BILLS AND UTILITY BILLS ISSUED AFTER CLOSE OF ESCROW SHALL BE HANDLED DIRECTLY BETWEEN BUYER AND SELLER.** Prorations shall be made based on a 30-day month. Any exceptions shall be specified in **paragraph 3U**.
- 19. BROKERS AND AGENTS:**
  - A. COMPENSATION:** Seller or Buyer, or both, as applicable, agree to pay compensation to Broker as specified in a separate written agreement between Broker and that Seller or Buyer. Compensation is payable upon Close Of Escrow, or if escrow does not close, as otherwise specified in the agreement between Broker and that Seller or Buyer. If Seller agrees to pay the obligation of Buyer to compensate Buyer's Broker (see **paragraph 3G(3)**), Seller shall be entitled to a copy of the portion of the written compensation agreement between Buyer and Buyer's Broker identifying the compensation to be paid. See C.A.R. Form SPBB for further information.
  - B. SCOPE OF DUTY:** Buyer and Seller acknowledge and agree that Agent: **(i)** Does not decide what price Buyer should pay or Seller should accept; **(ii)** Does not guarantee the condition of the Property; **(iii)** Does not guarantee the performance, adequacy or completeness of inspections, services, products or repairs provided or made by Seller or others; **(iv)** Does not have an obligation to conduct an inspection of common areas or areas off the site of the Property; **(v)** Shall not be responsible for identifying defects on the Property, in common areas, or offsite unless such defects are visually observable by an inspection of reasonably accessible areas of the Property or are known to Agent; **(vi)** Shall not be responsible for inspecting public records or permits concerning the title or use of Property; **(vii)** Shall not be responsible for identifying the location of boundary lines or other items affecting title; **(viii)** Shall not be responsible for verifying square footage, representations of others or information contained in Investigation reports, Multiple Listing Service, advertisements, flyers or other promotional material; **(ix)** Shall not be responsible for determining the fair market value of the Property or any personal property included in the sale; **(x)** Shall not be responsible for providing legal or tax advice regarding any aspect of a transaction entered into by Buyer or Seller; and **(xi)** Shall not be responsible for providing other advice or information that exceeds the knowledge, education and experience required to perform real estate licensed activity. Buyer and Seller agree to seek legal, tax, insurance, title and other desired assistance from appropriate professionals.





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**C. REFERRAL LICENSEE COMPENSATION:** (If checked in **paragraph 2E**), Seller or Buyer, agree that Referral Licensee shall be compensated the amount specified in **paragraph 2E**. **Note to Referral Licensee: Agency relationships can be established by conduct notwithstanding the classification as a referral licensee in the Agreement.**

**20. JOINT ESCROW INSTRUCTIONS TO ESCROW HOLDER:**

**A. The following paragraphs, or applicable portions thereof, of this Agreement constitute the joint escrow instructions of Buyer and Seller to Escrow Holder, which Escrow Holder is to use along with any related counter offers and addenda, and any additional mutual instructions to close the escrow: paragraphs 1, 3A, 3B, 3D-G, 3P(2), 3R, 3U, 5A(1-2) 5D, 5E, 10, 12C, 12F(2), 15 (except 15D), 16H, 18, 19A, 20, 24, 27, 30, 31, 40, and 41.** If a Copy of the separate compensation agreement(s) provided for in **paragraph 19A** is deposited with Escrow Holder by Agent, Escrow Holder shall accept such agreement(s) and pay out from Buyer's or Seller's funds, or both, as applicable, the Broker's compensation provided for in such agreement(s). The terms and conditions of this Agreement not set forth in the specified paragraphs are additional matters for the information of Escrow Holder, but about which Escrow Holder need not be concerned.

**B. IF PROPERTY IS SUBJECT TO A PUBLIC REPORT OR EXEMPT FROM A PUBLIC REPORT PURSUANT TO BUSINESS AND PROFESSIONS CODE § 11010.4, THE FOLLOWING ADDITIONAL ESCROW INSTRUCTIONS APPLY:**

- (1) **BLANKET ENCUMBRANCE:** For the benefit of Buyer, the escrow shall not close, funds shall not be released from escrow, and title shall not be conveyed to Buyer, until all of the following conditions have been met: (i) Seller has complied with the purchase money handling requirements of B&P Code §§ 11013, 11013.1, 11013.2, or 11013.4, as applicable; and (ii) Buyer has been provided a policy of title insurance showing that the Property is free and clear of any blanket encumbrances as defined in § 11013. For purposes of compliance with § 11013.2(a), a release from a blanket encumbrance resulting from a deed of trust or mortgage shall require satisfaction with either of the following: (a) an instrument has been duly recorded unconditionally reconveying and releasing the Property from the lien or charge of such deed of trust; or (b) Buyer is notified that an agreement or demand constituting a release agreement as defined in DRE Regulation 2791.1(b)(2)(A) has been duly deposited with Escrow Holder and is available to Buyer on request for each deed of trust, and Buyer will be provided with a policy of title insurance insuring Buyer against loss by reason of such deed of trust.
- (2) **COMMON INTEREST SUBDIVISION:** The Property is in a common interest subdivision and the attached Condominium Conversion And Existing Subdivision Supplemental Escrow Instructions (C.A.R. Form CEI) are made a part of this Agreement. **Note to Seller: For property subject to a public report, you must use the Condominium Conversion and Existing Subdivision Supplemental Escrow Instructions provided with this CCSPA or for any other supplemental escrow instructions you intend to use you must submit them to, and have them be accepted by, the DRE.**
- (3) If escrow does not close within 1 year after Acceptance of this Agreement, and Buyer and Seller have not extended the closing date in writing, and the failure to close escrow is not due to the default of Buyer, escrow is to be cancelled and all funds in escrow immediately returned to Buyer upon Buyer's request.
- (4) Subject to the requirements of Civil Code §§ 1675(c) or (d), 1676, 1677, and 1678, if funds deposited in escrow by Buyer have been disbursed on Seller's instructions as permitted by DRE Regulation 2791, the funds expended by Seller shall be reimbursed to escrow within **15 Days** after Seller's failure to perform within 1 year after Acceptance of this Agreement, and Buyer and Seller have not extended the closing date in writing, and those funds shall be immediately returned to Buyer from escrow.
- (5) Escrow shall not close until Escrow Holder has received written notice from a title insurance company that each and every encumbrance, including without limitation, any mortgage or deed of trust, filed of record prior to the time of recording of the Declaration of Covenants, Conditions, and Restrictions has either (i) fully reconveyed or (ii) expressly subordinated to the Declaration of Covenants, Conditions, and Restrictions.
- (6) If the Property is a newly converted condominium subsection not Civil Code § 1134, Buyer has acknowledged receipt of either a statement listing all substantial defects or malfunctions or a statement of disclaimer and the required rescission period has expired pursuant to Civil Code § 1134.
- (7) For properties that have been either completed or occupied more than 3 years prior to a public report application being filed with the DRE, the Seller disclosure shall be on the form specified in DRE Regulation 2790.9.

**C.** Buyer and Seller will receive Escrow Holder's general provisions, if any, directly from Escrow Holder. To the extent the general provisions are inconsistent or conflict with this Agreement, the general provisions will control as to the duties and obligations of Escrow Holder only. Buyer and Seller shall Sign and return Escrow Holder's general provisions or supplemental instructions within the time specified in **paragraph 3P(2)**. Buyer and Seller shall execute additional instructions, documents and forms provided by Escrow Holder that are reasonably necessary to close the escrow and, as directed by Escrow Holder, within **3 Days**, shall pay to Escrow Holder or HOA or HOA management company or others any fee required by **paragraphs 3, 8, 10, 12,** or elsewhere in this Agreement.

**D.** A Copy of this Agreement including any counter offer(s) and addenda shall be delivered to Escrow Holder within **3 Days** after **Acceptance**. Buyer and Seller authorize Escrow Holder to accept and rely on Copies and Signatures as defined in this Agreement as originals, to open escrow and for other purposes of escrow. The validity of this Agreement as between Buyer and Seller is not affected by whether or when Escrow Holder Signs this Agreement. Escrow Holder shall provide Seller's Statement of Information to Title Company when received from Seller, if a separate company is providing title insurance. If Seller delivers an affidavit to Escrow Holder to satisfy Seller's FIRPTA obligation under **paragraph 12C**, Escrow Holder shall deliver to Buyer, Buyer's Agent, and Seller's Agent a Qualified Substitute statement that complies with federal Law. If Escrow Holder's Qualified Substitute statement does not comply with federal law, the Parties instruct escrow to withhold all applicable required amounts under **paragraph 12C**.

**E.** Agents are not a party to the escrow except for the sole purpose of receiving compensation pursuant to **paragraph 19A**. If a Copy of the separate compensation agreement(s) is deposited with Escrow Holder by Agent, Escrow Holder shall accept such agreement(s) and pay out from Buyer's or Seller's funds, or both, as applicable, the Broker's compensation provided for in such agreement(s). Escrow Holder shall provide to Buyer and Seller, either jointly or separately, a closing statement or other written documentation showing the amount of compensation paid to, respectively, Buyer's Broker and Seller's Broker. Buyer and Seller irrevocably assign to Brokers compensation specified in **paragraph 19A**, and irrevocably instruct Escrow Holder to disburse those funds to Brokers at Close Of Escrow or pursuant to any other mutually executed cancellation agreement. Compensation instructions can be amended or revoked only with the written consent of Brokers. Buyer and Seller shall release and hold harmless Escrow Holder from any liability resulting from Escrow Holder's payment to Broker(s) of compensation pursuant to this Agreement.

**F.** Buyer and Seller acknowledge that Escrow Holder may require invoices for expenses under this Agreement. Buyer and Seller, upon request by Escrow Holder, within **3 Days** or within a sufficient time to close escrow, whichever is sooner, shall provide any such invoices to Escrow Holder.



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Date: \_\_\_\_\_

- G.** Upon receipt, Escrow Holder shall provide Buyer, Seller, and each Agent verification of Buyer's deposit of funds pursuant to **paragraphs 5A(1) and 5A(2)**. Once Escrow Holder becomes aware of any of the following, Escrow Holder shall immediately notify each Agent: **(i)** if Buyer's initial or any additional deposit or down payment is not made pursuant to this Agreement, or is not good at time of deposit with Escrow Holder; or **(ii)** if Buyer and Seller instruct Escrow Holder to cancel escrow.
- H.** A Copy of any amendment that affects any paragraph of this Agreement for which Escrow Holder is responsible shall be delivered to Escrow Holder within **3 Days** after mutual execution of the amendment.
- 21. SELECTION OF SERVICE PROVIDERS:** Agents do not guarantee the performance of any vendors, service or product providers ("Providers"), whether referred by Agent or selected by Buyer, Seller or other person. Buyer and Seller may select ANY Providers of their own choosing.
- 22. MULTIPLE LISTING SERVICE ("MLS"):** Agents are authorized to report to the MLS that an offer has been accepted and, upon Close Of Escrow, the sales price and other terms of this transaction shall be provided to the MLS to be published and disseminated to persons and entities authorized to use the information on terms approved by the MLS. Buyer acknowledges that: **(i)** any pictures, videos, floor plans (collectively, "Images") or other information about the Property that has been or will be inputted into the MLS or internet portals, or both, at the instruction of Seller or in compliance with MLS rules, will not be removed after Close Of Escrow; **(ii)** California Civil Code § 1088(c) requires the MLS to maintain such Images and information for at least three years and as a result they may be displayed or circulated on the Internet, which cannot be controlled or removed by Seller or Agents; and **(iii)** Seller, Seller's Agent, Buyer's Agent, and MLS have no obligation or ability to remove such Images or information from the Internet.
- 23. ATTORNEY FEES AND COSTS:** In any action, proceeding, or arbitration between Buyer and Seller arising out of this Agreement, the prevailing Buyer or Seller shall be entitled to reasonable attorney fees and costs from the non-prevailing Buyer or Seller, except as provided in **paragraph 38A**.
- 24. ASSIGNMENT/NOMINATION:** Buyer shall have the right to assign all of Buyer's interest in this Agreement to Buyer's own trust or to any wholly owned entity of Buyer that is in existence at the time of such assignment. Otherwise, Buyer shall not assign all or any part of Buyer's interest in this Agreement without first having obtained the separate written consent of Seller to a specified assignee. Such consent shall not be unreasonably withheld. Prior to any assignment, Buyer shall disclose to Seller the name of the assignee and the amount of any monetary consideration between Buyer and assignee. Buyer shall provide assignee with all documents related to this Agreement including, but not limited to, the Agreement and any disclosures. If assignee is a wholly owned entity or trust of Buyer, that assignee does not need to re-sign or initial all documents provided. Whether or not an assignment requires seller's consent, at the time of assignment, assignee shall deliver a letter from assignee's lender that assignee is prequalified or preapproved as specified in **paragraph 6B**. Should assignee fail to deliver such a letter, Seller, after first giving Assignee a Notice to Buyer to Perform, shall have the right to terminate the assignment. Buyer shall, within the time specified in **paragraph 3L**, Deliver any request to assign this Agreement for Seller's consent. If Buyer fails to provide the required information within this time frame, Seller's withholding of consent shall be deemed reasonable. Any total or partial assignment shall not relieve Buyer of Buyer's obligations pursuant to this Agreement unless Otherwise Agreed by Seller (C.A.R. Form AOAA). Parties shall provide any assignment agreement to Escrow Holder within **1 Day** after the assignment. Any nomination by Buyer shall be subject to the same procedures, requirements, and terms as an assignment as specified in this paragraph.
- 25. SEVERABILITY:** If any term, condition, or provision of this Agreement is declared illegal or invalid for any reason by a court of competent jurisdiction, or arbitrator, the remaining terms, conditions, and provisions shall, nevertheless, remain in full force and effect.
- 26. EQUAL HOUSING OPPORTUNITY:** The Property is sold in compliance with federal, state and local anti-discrimination Laws.
- 27. DEFINITIONS and INSTRUCTIONS:** The following words are defined terms in this Agreement, shall be indicated by initial capital letters throughout this Agreement, and have the following meaning whenever used:
- A. "Acceptance"** means the time the offer or final counter offer is fully executed, in writing, by the recipient Party and is Delivered to the offering Party or that Party's Authorized Agent.
- B. "Agent"** means the Broker, salesperson, broker-associate or any other real estate licensee licensed under the brokerage firm identified in **paragraph 2B**.
- C. "Agreement"** means this document and any counter offers and any incorporated addenda or amendments, collectively forming the binding agreement between the Parties. Addenda and amendments are incorporated only when Signed and Delivered by all Parties.
- D. "As-Is"** condition: Seller shall disclose known material facts and defects as specified in this Agreement. Buyer has the right to inspect the Property and, within the time specified, request that Seller make repairs or take other corrective action, or exercise any contingency cancellation rights in this Agreement. Seller is only required to make repairs specified in this Agreement or as Otherwise Agreed.
- E. "Authorized Agent"** means an individual real estate licensee specified in the Real Estate Broker Section.
- F. "C.A.R. Form"** means the most current version of the specific form referenced or another comparable form agreed to by the Parties.
- G. "Close Of Escrow"**, including "COE", means the date the grant deed, or other evidence of transfer of title, is recorded for any real property, or the date of Delivery of a document evidencing the transfer of title for any non-real property transaction.
- H. "Copy"** means copy by any means including photocopy, facsimile and electronic.
- I. Counting Days** is done as follows unless Otherwise Agreed: (1) The first Day after an event is the first full calendar date following the event, and ending at 11:59 pm. For example, if a Notice to Buyer to Perform (C.A.R. form NBP) is Delivered at 3 pm on the 7th calendar day of the month, or Acceptance of a counter offer is personally received at 12 noon on the 7th calendar day of the month, then the 7th is Day "0" for purposes of counting days to respond to the NBP or calculating the Close Of Escrow date or contingency removal dates and the 8th of the month is Day 1 for those same purposes. (2) All calendar days are counted in establishing the first Day after an event. (3) All calendar days are counted in determining the date upon which performance must be completed, ending at 11:59 pm on the last day for performance ("Scheduled Performance Day"). (4) After Acceptance, if the Scheduled Performance Day for any act required by this Agreement, including Close Of Escrow, lands on a Saturday, Sunday, or Legal Holiday, the performing party shall be allowed to perform on the next day that is not a Saturday, Sunday or Legal Holiday ("Allowable Performance Day"), and ending at 11:59 pm. "Legal Holiday" shall mean any holiday or optional bank holiday under Civil Code §§ 7 and 7.1 and any holiday under Government Code § 6700. (5) For the purposes of COE, any day that the Recorder's office in the County where the Property is located is closed or any day that the lender or Escrow Holder under this Agreement is closed, the COE shall occur on the next day the Recorder's office in that County, the lender, and the Escrow Holder are open. (6) COE is considered Day 0 for purposes of counting days Seller is allowed to remain in possession, if permitted by this Agreement.
- J. "Day"** or "**Days**" means calendar day or days. However, delivery of deposit to escrow is based on business days.

Property Address: \_\_\_\_\_

Date: \_\_\_\_\_

- K. **“Deliver”, “Delivered” or “Delivery”** of documents, unless Otherwise Agreed, means and shall be effective upon personal receipt of the document by Buyer or Seller or their Authorized Agent. Personal receipt means (i) a Copy of the document, or as applicable, link to the document, is in the possession of the Party or Authorized Agent, regardless of the Delivery method used (i.e. e-mail, text, other). A document, or as applicable link to a document, shall be deemed to be “in possession” if it is located in the inbox for the applicable Party or Authorized Agent; or (ii) an Electronic Copy of the document, or as applicable, link to the document, has been sent to the designated electronic delivery address specified in the Real Estate Broker Section, unless Otherwise Agreed in C.A.R. Form DEDA. After Acceptance, Agent may change the designated electronic delivery address for that Agent by, in writing, Delivering notice of the change in designated electronic delivery address to the other Party (C.A.R. Form DEDA). Links could be, for example, to DropBox or GoogleDrive or other functionally equivalent program. If the recipient of a link is unable or unwilling to open the link or download the documents or otherwise prefers Delivery of the documents directly, Recipient of a link shall notify the sender in writing, within **3 Days** after Delivery of the link (C.A.R. Form RFR). In such case, Delivery shall be effective upon Delivery of the documents and not the link. Failure to notify sender within the time specified above shall be deemed consent to receive, and Buyer opening, the document by link.
  - L. **“DRE”** means the Department of Real Estate.
  - M. **“Electronic Copy” or “Electronic Signature”** means, as applicable, an electronic copy or signature complying with California Law. Unless Otherwise Agreed, Buyer and Seller agreed to the use of Electronic Signatures. Buyer and Seller agree that electronic means will not be used by either Party to modify or alter the content or integrity of this Agreement without the knowledge and consent of the other Party.
  - N. **“Law”** means any law, code, statute, ordinance, regulation, rule or order, which is adopted by a controlling city, county, state or federal legislative, judicial or executive body or agency.
  - O. **“Legally Authorized Signer”** means an individual who has authority to Sign for the principal as specified in **paragraph 40 or paragraph 41**.
  - P. **“Otherwise Agreed”** means an agreement in writing, signed by both Parties and Delivered to each.
  - Q. **“Repairs”** means any repairs (including pest control), alterations, replacements, modifications or retrofitting of the Property provided for under this Agreement.
  - R. **“Sign” or “Signed”** means either a handwritten or Electronic Signature on an original document, Copy or any counterpart.
- 28. FAIR APPRAISAL ACT NOTICE:**
- A. Any appraisal of the property is required to be unbiased, objective, and not influenced by improper or illegal considerations, including, but not limited to, any of the following: race, color, religion (including religious dress, grooming practices, or both), gender (including, but not limited to, pregnancy, childbirth, breastfeeding, and related conditions, and gender identity and gender expression), sexual orientation, marital status, medical condition, military or veteran status, national origin (including language use and possession of a driver’s license issued to persons unable to provide their presence in the United States is authorized under federal law), source of income, ancestry, disability (mental and physical, including, but not limited to, HIV/AIDS status, cancer diagnosis, and genetic characteristics), genetic information, or age.
  - B. If a buyer or seller believes that the appraisal has been influenced by any of the above factors, the seller or buyer can report this information to the lender or mortgage broker that retained the appraiser and may also file a complaint with the Bureau of Real Estate Appraisers at <https://www2.brea.ca.gov/complaint/> or call (916) 552-9000 for further information on how to file a complaint.
- 29. TERMS AND CONDITIONS OF OFFER:** This is an offer to purchase the Property on the terms and conditions herein. The individual Liquidated Damages and Arbitration of Disputes paragraphs are incorporated in this Agreement if initialed by all Parties or if incorporated by mutual agreement in a Counter Offer or addendum. **If at least one but not all Parties initial, a Counter Offer is required until agreement is reached.** Seller has the right to continue to offer the Property for sale and to accept any other offer at any time prior to notification of Acceptance and to market the Property for backup offers after Acceptance. The Parties have read and acknowledge receipt of a Copy of the offer and agree to the confirmation of agency relationships. If this offer is accepted and Buyer subsequently defaults, Buyer may be responsible for payment of Brokers’ compensation. This Agreement and any supplement, addendum or modification, including any Copy, may be Signed in two or more counterparts, all of which shall constitute one and the same writing. By signing this offer or any document in the transaction, the Party Signing the document is deemed to have read the document in its entirety.
- 30. TIME OF ESSENCE; ENTIRE CONTRACT; CHANGES:** Time is of the essence. All understandings between the Parties are incorporated in this Agreement. Its terms are intended by the Parties as a final, complete and exclusive expression of their Agreement with respect to its subject matter and may not be contradicted by evidence of any prior agreement or contemporaneous oral agreement. If any provision of this Agreement is held to be ineffective or invalid, the remaining provisions will nevertheless be given full force and effect. Except as Otherwise Agreed, this Agreement shall be interpreted, and disputes shall be resolved in accordance with the Laws of the State of California. **Neither this Agreement nor any provision in it may be extended, amended, modified, altered or changed, except in writing Signed by Buyer and Seller.**
- 31. LEGALLY AUTHORIZED SIGNER:** Wherever the signature or initials of the Legally Authorized Signer identified in **paragraph 40 and 41** appear on this Agreement or any related documents, it shall be deemed to be in a representative capacity for the entity described and not in an individual capacity, unless otherwise indicated. The Legally Authorized Signer (i) represents that the entity for which that person is acting already exists and is in good standing to do business in California and (ii) shall Deliver to the other Party and Escrow Holder, within **3 Days** after Acceptance, evidence of authority to act in that capacity (such as but not limited to: applicable portion of the trust or Certification Of Trust (Probate Code § 18100.5), letters testamentary, court order, power of attorney, corporate resolution, or formation documents of the business entity).
- 32. DOCUMENTATION TO SUBSEQUENT PURCHASERS:** Buyer is instructed to give any subsequent purchasers all documents related to the sale and purchase that Buyer receives from Seller.
- 33. MAINTENANCE RECOMMENDATIONS:** Provided with the Agreement are Copies of all builder maintenance and preventative maintenance recommendations.
- 34. MANUFACTURED PRODUCTS MAINTENANCE AND LIMITED WARRANTIES:** Provided with the Agreement are Copies of all manufactured products maintenance, preventative maintenance, and limited warranty information.
- 35. PURCHASE MONEY DISTRIBUTIONS TO THIRD PARTIES:** Pursuant to DRE Regulation 2791(b), certain distributions and charges may be made against Buyer’s deposits to Seller. These charges under Regulation 2791(b), and the Seller estimates of such charges, are set forth in **paragraph 3T**.
- 36. RETENTION OF BUYER DEPOSITS IN THE EVENT OF BUYER DEFAULT:** In the event Seller has used Buyer’s deposits pending consummation of this Agreement, Seller shall immediately, upon alleging Buyer’s default, transmit to Escrow Holder funds equal to all of Buyer’s deposits so used.



**37. LIQUIDATED DAMAGES: IF BUYER FAILS TO COMPLETE THE PURCHASE OF THE PROPERTY BY REASON OF DEFAULT OF BUYER, SELLER MAY PURSUE ANY REMEDY IN LAW OR EQUITY THAT IT MAY HAVE AGAINST BUYER ON ACCOUNT OF THE DEFAULT; PROVIDED, HOWEVER, THAT BY PLACING THEIR INITIALS HERE, BUYER \_\_\_\_\_ / \_\_\_\_\_ AND SELLER \_\_\_\_\_ / \_\_\_\_\_ AGREE THAT:**

- A. THE SUMS PAID ON DEPOSIT PURSUANT TO PARAGRAPHS 3D AND 5 HEREOF PLUS ANY AMOUNTS PAID FOR ADDITIONAL ITEMS, EXTRAS AND/OR CUSTOMER SELECTED MATERIALS ORDERED BY BUYER (“PURCHASE MONEY DEPOSIT”) SHALL CONSTITUTE LIQUIDATED DAMAGES PAYABLE TO SELLER IF BUYER FAILS TO COMPLETE THE PURCHASE OF THE PROPERTY BECAUSE OF A DEFAULT BY BUYER.**
- B. THE PAYMENT OF SUCH LIQUIDATED DAMAGES TO SELLER SHALL CONSTITUTE THE EXCLUSIVE REMEDY OF SELLER ON ACCOUNT OF THE DEFAULT OF BUYER.**
- C. LIQUIDATED DAMAGES SHALL BE PAYABLE TO SELLER OUT OF BUYER’S DEPOSIT TOWARD PURCHASE OF THE PROPERTY ACCORDING TO THE FOLLOWING PROCEDURES:**
  - (1) SELLER SHALL GIVE WRITTEN NOTICE (“SELLER’S NOTICE AND DEMAND”), IN THE MANNER PRESCRIBED BY § 116.340 OF THE CODE OF CIVIL PROCEDURE FOR SERVICE IN A SMALL CLAIMS ACTION, TO ESCROW HOLDER AND TO BUYER THAT BUYER IS IN DEFAULT UNDER THE CONTRACT AND THAT SELLER IS DEMANDING THAT ESCROW HOLDER REMIT THE PURCHASE MONEY DEPOSIT TO SELLER AS LIQUIDATED DAMAGES UNLESS, WITHIN 20 DAYS, BUYER GIVES ESCROW HOLDER BUYER’S WRITTEN OBJECTION TO DISBURSEMENT OF PURCHASE MONEY AS LIQUIDATED DAMAGES (“BUYER’S OBJECTION”).**
  - (2) BUYER HAS A PERIOD OF 20 DAYS FROM THE DATE OF RECEIPT OF SELLER’S NOTICE AND DEMAND IN WHICH TO GIVE ESCROW HOLDER BUYER’S OBJECTION.**
  - (3) IF BUYER FAILS TO GIVE ESCROW HOLDER BUYER’S OBJECTION WITHIN 20 DAYS FROM THE DATE OF RECEIPT OF SELLER’S NOTICE AND DEMAND: (i) ESCROW HOLDER SHALL PROMPTLY REMIT THE AMOUNT DEMANDED TO SELLER; AND (ii) SELLER IS RELEASED FROM ANY OBLIGATION TO SELL THE PROPERTY TO BUYER.**
  - (4) IF BUYER GIVES ESCROW HOLDER BUYER’S OBJECTION WITHIN 20 DAYS FROM THE DATE OF RECEIPT OF SELLER’S NOTICE AND DEMAND, THEN THE DETERMINATION AS TO WHETHER SELLER IS ENTITLED TO THE DISBURSEMENT OF PURCHASE MONEY AS LIQUIDATED DAMAGES, AND EVERY OTHER CAUSE OF ACTION THAT HAS ARISEN BETWEEN BUYER AND SELLER UNDER THIS AGREEMENT, SHALL BE DECIDED IN ACCORDANCE WITH PARAGRAPHS 37 AND 38 OF THIS AGREEMENT.**
  - (5) IF THE DETERMINATION AS TO WHETHER SELLER IS ENTITLED TO THE DISBURSEMENT OF PURCHASE MONEY AS LIQUIDATED DAMAGES IS REFERRED TO ARBITRATION, ANY FEE TO INITIATE ARBITRATION SHALL BE PAID BY SELLER, BUT THE COST OF ARBITRATION SHALL ULTIMATELY BE BORNE AS DETERMINED BY THE ARBITRATOR.**

**SELLER AGREES TO INDEMNIFY AND HOLD ESCROW HOLDER HARMLESS FROM ANY CLAIM BY BUYER ARISING OUT OF ANY DISTRIBUTIONS MADE BY ESCROW HOLDER IN ACCORDANCE WITH, AND PURSUANT TO, THE PROVISIONS OF THIS PARAGRAPH. REMITTANCE OF THE AFORESAID LIQUIDATED DAMAGES TO SELLER SHALL PRECLUDE ANY RIGHT OF ACTION SELLER MAY HAVE TO CONTEST THE REASONABLENESS OF THE AMOUNT ACTUALLY PAID AS LIQUIDATED DAMAGES OR THE VALIDITY OF THIS LIQUIDATED DAMAGES PROVISION.**

**NOTE 1: CIVIL CODE § 1675(D) IS APPLICABLE TO THIS PROVISION. § 1675(D) PROVIDES “IF THE AMOUNT ACTUALLY PAID PURSUANT TO THE LIQUIDATED DAMAGES PROVISION EXCEEDS 3 PERCENT OF THE PURCHASE PRICE, THE PROVISION IS INVALID UNLESS THE PARTY SEEKING TO UPHOLD THE PROVISION ESTABLISHES THAT THE AMOUNT ACTUALLY PAID IS REASONABLE AS LIQUIDATED DAMAGES.**

**NOTE 2: IF THE PROPERTY IS AN ATTACHED RESIDENTIAL CONDOMINIUM LOCATED WITHIN A STRUCTURE OF 10 OR MORE RESIDENTIAL CONDOMINIUM UNITS AND PARTIES HAVE AGREED TO LIQUIDATED DAMAGES IN THIS ADDENDUM, SELLER’S RETENTION OF ANY AMOUNT IN EXCESS OF 3 PERCENT OF THE PURCHASE PRICE SHALL BE SUBJECT TO CALIFORNIA CIVIL CODE § 1675(F).**

**38. MEDIATION:**

- A. The Parties agree to mediate any dispute or claim arising between them out of this Agreement, or any resulting transaction, before resorting to arbitration or court action. The mediation shall be conducted through the C.A.R. Real Estate Mediation Center for Consumers ([www.consumermediation.org](http://www.consumermediation.org)) or through any other mediation provider or service mutually agreed to by the Parties. The Parties also agree to mediate any disputes or claims with Agents(s), who, in writing, agree to such mediation prior to, or within a reasonable time after, the dispute or claim is presented to the Agent. Mediation fees, if any, shall be divided equally among the Parties involved, and shall be recoverable under the prevailing party attorney fees clause. If, for any dispute or claim to which this paragraph applies, any Party (i) commences an action without first attempting to resolve the matter through mediation, or (ii) before commencement of an action, refuses to mediate after a request has been made, then that Party shall not be entitled to recover attorney fees, even if they would otherwise be available to that Party in any such action. THIS MEDIATION PROVISION APPLIES WHETHER OR NOT THE ARBITRATION PROVISION IS INITIALED.**

The fees necessary to initiate the mediation shall be advanced by Seller, with the costs of the mediation to be borne as determined by the parties. If the parties cannot resolve their dispute through mediation and they proceed to arbitration or court, then the costs of mediation shall be borne as determined by the arbitrator of judge.



Property Address: \_\_\_\_\_

Date: \_\_\_\_\_

**B. ADDITIONAL MEDIATION TERMS:** (i) Exclusions from this mediation agreement are specified in paragraph 39B; (ii) The obligation to mediate does not preclude the right of either Party to seek a preservation of rights under paragraph 39C; and (iii) Agent's rights and obligations are further specified in paragraph 39D. These terms apply even if the Arbitration of Disputes paragraph is not initialed.

**39. ARBITRATION OF DISPUTES:**

**A. THE PARTIES AGREE THAT ANY CONTROVERSY BETWEEN THEM REGARDING LIQUIDATED DAMAGES, TERMINATION OF THIS AGREEMENT BEFORE CLOSE OF ESCROW, BUYER'S INTEREST IN THE PROPERTY OF OTHER ISSUES WHICH ARISE BEFORE CLOSE OF ESCROW, INCLUDING CONTROVERSY CREATED BY CONFLICTING NOTICES BY BUYER AND SELLER, AND THE DISPOSITION OF FUNDS HELD BY ESCROW HOLDER SHALL BE SETTLED BY ARBITRATION IN ACCORDANCE WITH THE COMMERCIAL ARBITRATION RULES OF THE AMERICAN ARBITRATION ASSOCIATION, PROVIDED THAT THOSE RULES ARE CONSISTENT WITH THE FOLLOWING REQUIREMENTS:**

- (1) THE FEES NECESSARY TO INITIATE THE ARBITRATION SHALL BE ADVANCED BY SELLER, WITH COSTS AND FEES (INCLUDING ONGOING COSTS AND FEES) TO BE PAID AS AGREED BY THE PARTIES. IF THE PARTIES CANNOT AGREE ON THE PAYMENT OF SUCH COSTS AND FEES, ALL COSTS AND FEES OF THE ARBITRATION SHALL ULTIMATELY BE BORNE AS DETERMINED BY THE ARBITRATION.
- (2) THE ARBITRATION SHALL BE ADMINISTERED BY A NEUTRAL AND IMPARTIAL PERSON(S).
- (3) A NEUTRAL AND IMPARTIAL INDIVIDUAL(S) SHALL BE APPOINTED TO SERVE AS ARBITRATOR(S) WITHIN THE SPECIFIED PERIOD OF TIME, WHICH SHALL IN NO EVENT BE MORE THAN 60 DAYS FROM THE ADMINISTRATOR'S RECEIPT OF A WRITTEN REQUEST FROM A PARTY TO ARBITRATE THE CLAIM OR DISPUTE. THE PROVISIONS OF §§ 1297.121, OR 1297.124 OF THE CALIFORNIA CODE OF CIVIL PROCEDURE.
- (4) THE VENUE OF THE ARBITRATION SHALL BE IN THE COUNTY WHERE THE PROPERTY IS LOCATED UNLESS THE BUYER AND SELLER AGREE TO SOME OTHER LOCATION.
- (5) THE ARBITRATION SHALL BE COMMENCED PROMPTLY AND TIMELY IN ACCORDANCE WITH THE RULES OF ARBITRATION. IF THE RULES OF ARBITRATION DO NOT SPECIFY A DATE BY WHICH THE ARBITRATION MUST COMMENCE, THEN IT SHALL COMMENCE ON A DATE AGREED TO BY THE PARTIES. IF THE PARTIES CANNOT AGREE ON AN ARBITRATION COMMENCEMENT DATE, IT SHALL COMMENCE ON THE DATE DETERMINED BY THE ARBITRATOR(S).
- (6) THE ARBITRATION SHALL BE CONDUCTED IN ACCORDANCE WITH RULES AND PROCEDURES WHICH ARE REASONABLE AND FAIR TO BUYER AND SELLER. THE AMERICAN ARBITRATION ASSOCIATION COMMERCIAL RULES OF ARBITRATION IN EFFECT AS OF THE DATE OF THIS AGREEMENT SHALL BE DEEMED IN COMPLIANCE WITH THIS REQUIREMENT.
- (7) THE ARBITRATION SHALL CONCLUDE PROMPTLY AND TIMELY.
- (8) THE ARBITRATOR(S) ARE AUTHORIZED TO PROVIDE ALL RECOGNIZED REMEDIES AVAILABLE IN LAW OR EQUITY FOR ANY CAUSE OF ACTION THAT IS THE BASIS OF THE ARBITRATION
- (9) JUDGMENT UPON THE DECISION RENDERED BY THE ARBITRATOR(S) MAY BE ENTERED INTO ANY COURT HAVING PROPER JURISDICTION.

**B. EXCLUSIONS:** The following matters are excluded from mediation and arbitration: (i) any matter that is within the jurisdiction of a probate, small claims or bankruptcy court; (ii) a judicial or non-judicial foreclosure or other action or proceeding to enforce a deed of trust, mortgage or installment land sale contract as defined in Civil Code § 2985; and (iii) an unlawful detainer action.

**C. PRESERVATION OF ACTIONS:** The following shall not constitute a waiver nor violation of the mediation and arbitration provisions: (i) the filing of a court action to preserve a statute of limitations; (ii) the filing of a court action to enable the recording of a notice of pending action, for order of attachment, receivership, injunction, or other provisional remedies, provided the filing party concurrent with, or immediately after such filing, makes a request to the court for a stay of litigation pending any applicable mediation or arbitration proceeding; or (iii) the filing of a mechanic's lien.

**D. AGENTS; REFERRAL LICENSEE:** Neither Agents nor Referral Licensee shall not be obligated nor compelled to mediate or arbitrate unless they agree to do so in writing. Any Agent(s) or Referral Licensee participating in mediation or arbitration shall not be deemed a party to this Agreement.

**E. "NOTICE: BY INITIALING IN THE SPACE BELOW YOU ARE AGREEING TO HAVE ANY DISPUTE ARISING OUT OF THE MATTERS INCLUDED IN THE 'ARBITRATION OF DISPUTES' PROVISION DECIDED BY NEUTRAL ARBITRATION AS PROVIDED BY CALIFORNIA LAW AND YOU ARE GIVING UP ANY RIGHTS YOU MIGHT POSSESS TO HAVE THE DISPUTE LITIGATED IN A COURT OR JURY TRIAL. BY INITIALING IN THE SPACE BELOW YOU ARE GIVING UP YOUR JUDICIAL RIGHTS TO DISCOVERY AND APPEAL, UNLESS THOSE RIGHTS ARE SPECIFICALLY INCLUDED IN THE 'ARBITRATION OF DISPUTES' PROVISION. IF YOU REFUSE TO SUBMIT TO ARBITRATION AFTER AGREEING TO THIS PROVISION, YOU MAY BE COMPELLED TO ARBITRATE UNDER THE AUTHORITY OF THE CALIFORNIA CODE OF CIVIL PROCEDURE. YOUR AGREEMENT TO THIS ARBITRATION PROVISION IS VOLUNTARY."**

**"WE HAVE READ AND UNDERSTAND THE FOREGOING AND AGREE TO SUBMIT DISPUTES ARISING OUT OF THE MATTERS INCLUDED IN THE 'ARBITRATION OF DISPUTES' PROVISION TO NEUTRAL ARBITRATION."**

Buyer's Initials \_\_\_\_\_ / \_\_\_\_\_

Seller's Initials \_\_\_\_\_ / \_\_\_\_\_



Property Address: \_\_\_\_\_ Date: \_\_\_\_\_

**40. BUYER'S OFFER**

**A. EXPIRATION OF OFFER:** This offer shall be deemed revoked and the deposit, if any, shall be returned to Buyer unless by the date and time specified in **paragraph 3C**, the offer is Signed by Seller and a Copy of the Signed offer is Delivered to Buyer or Buyer's Authorized Agent. **Seller has no obligation to respond to an offer made.**

**B.  ENTITY BUYERS:** (Note: If this paragraph is completed, a Representative Capacity Signature Disclosure (C.A.R. Form RCSD) is not required for the Legally Authorized Signers designated below.)

- (1) One or more Buyers is a trust, corporation, LLC, probate estate, partnership, holding a power of attorney or other entity.
- (2) This Agreement is being Signed by a Legally Authorized Signer in a representative capacity and not in an individual capacity. See **paragraph 31** for additional terms.
- (3) The name(s) of the Legally Authorized Signer(s) is/are: \_\_\_\_\_.
- (4) A. If a trust, identify Buyer as trustee(s) of the trust or by simplified trust name (ex. John Doe, co-trustee, Jane Doe, co-trustee or Doe Revocable Family Trust).
- B. If Property is sold under the jurisdiction of a probate court, identify Buyer as executor or administrator, or by a simplified probate name (John Doe, executor, or Estate (or Conservatorship) of John Doe).
- (5) The following is the full name of the entity (if a trust, enter the complete trust name; if under probate, enter full name of the estate, including case #): \_\_\_\_\_.

**C.** The CCSPA has 18 pages. Buyer acknowledges receipt of, and has read and understands, every page and all attachments that make up the Agreement.

**D. BUYER SIGNATURE(S):**

(Signature) By, \_\_\_\_\_ Date: \_\_\_\_\_

Printed name of BUYER: \_\_\_\_\_

Printed Name of Legally Authorized Signer: \_\_\_\_\_ Title, if applicable, \_\_\_\_\_

(Signature) By, \_\_\_\_\_ Date: \_\_\_\_\_

Printed name of BUYER: \_\_\_\_\_

Printed Name of Legally Authorized Signer: \_\_\_\_\_ Title, if applicable, \_\_\_\_\_

IF MORE THAN TWO SIGNERS, USE Additional Signature Addendum (C.A.R. Form ASA).

**41. ACCEPTANCE**

**A. ACCEPTANCE OF OFFER:** Seller warrants that Seller is the owner of the Property or has the authority to execute this Agreement. Seller accepts the above offer and agrees to sell the Property on the above terms and conditions. Seller has read and acknowledges receipt of a Copy of this Agreement and authorizes Agent to Deliver a Signed Copy to Buyer.

**Seller's acceptance is subject to the attached Counter Offer or Back-Up Offer Addendum, or both, checked below.** Seller shall return and include the entire agreement with any response.

**Seller Counter Offer** (C.A.R. Form SCO or SMCO)

**Back-Up Offer Addendum** (C.A.R. Form BUO)

**Note to Seller: For any counter offer or back-up addendum you intend to use with this Agreement, you must submit them to, and have them accepted by, the DRE.**

**B.  ENTITY SELLERS:** (Note: If this paragraph is completed, a Representative Capacity Signature Disclosure form (C.A.R. Form RCSD) is not required for the Legally Authorized Signers designated below.)

- (1) One or more Sellers is a trust, corporation, LLC, probate estate, partnership, holding a power of attorney or other entity.
- (2) This Agreement is being Signed by a Legally Authorized Signer in a representative capacity and not in an individual capacity. See **paragraph 31** for additional terms.
- (3) The name(s) of the Legally Authorized Signer(s) is/are: \_\_\_\_\_.
- (4) A. If a trust, identify Seller as trustee(s) of the trust or by simplified trust name (ex. John Doe, co-trustee, Jane Doe, co-trustee or Doe Revocable Family Trust).
- B. If Property is sold under the jurisdiction of a probate court, identify Seller as executor or administrator, or by a simplified probate name (John Doe, executor, or Estate (or Conservatorship) of John Doe).
- (5) The following is the full name of the entity (if a trust, enter the complete trust name; if under probate, enter full name of the estate, including case #): \_\_\_\_\_.

**C.** The CCSPA has 18 pages. Seller acknowledges receipt of, and has read and understands, every page and all attachments that make up the Agreement.

**D. SELLER SIGNATURE(S):**

(Signature) By, \_\_\_\_\_ Date: \_\_\_\_\_

Printed name of SELLER: \_\_\_\_\_

Printed Name of Legally Authorized Signer: \_\_\_\_\_ Title, if applicable, \_\_\_\_\_

(Signature) By, \_\_\_\_\_ Date: \_\_\_\_\_

Printed name of SELLER: \_\_\_\_\_

Printed Name of Legally Authorized Signer: \_\_\_\_\_ Title, if applicable, \_\_\_\_\_

IF MORE THAN TWO SIGNERS, USE Additional Signature Addendum (C.A.R. Form ASA).

**OFFER NOT ACCEPTED:** \_\_\_\_\_ / \_\_\_\_\_ No Counter Offer is being made. This offer was not accepted by Seller \_\_\_\_\_ (date)  
Seller's Initials



Property Address: \_\_\_\_\_ Date: \_\_\_\_\_

**REAL ESTATE BROKERS SECTION:**

- 1. Real Estate Agents are not parties to the Agreement between Buyer and Seller.
- 2. Agency relationships are confirmed as stated in paragraph 2.
- 3. **Presentation of Offer:** Pursuant to the National Association of REALTORS® Standard of Practice 1-7, if Buyer's Agent makes a written request, Seller's Agent shall confirm in writing that this offer has been presented to Seller.

**4. Agents' Signatures and designated electronic delivery address:**

**A. Buyer's Brokerage Firm** \_\_\_\_\_ DRE Lic. # \_\_\_\_\_  
 By \_\_\_\_\_ DRE Lic. # \_\_\_\_\_ Date \_\_\_\_\_  
 By \_\_\_\_\_ DRE Lic. # \_\_\_\_\_ Date \_\_\_\_\_  
 Address \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_  
 Email \_\_\_\_\_ Phone # \_\_\_\_\_

- More than one agent from the same firm represents Buyer. Additional Agent Acknowledgement (C.A.R. Form AAA) attached.
- More than one brokerage firm represents Buyer. Additional Broker Acknowledgement (C.A.R. Form ABA) attached.

**Designated Electronic Delivery Address(es): Email above or** \_\_\_\_\_  
 **Attached DEDA:** If Parties elect to have an alternative Delivery method, such method may be indicated on C.A.R. Form DEDA.

**B. Seller's Brokerage Firm** \_\_\_\_\_ DRE Lic. # \_\_\_\_\_  
 By \_\_\_\_\_ DRE Lic. # \_\_\_\_\_ Date \_\_\_\_\_  
 By \_\_\_\_\_ DRE Lic. # \_\_\_\_\_ Date \_\_\_\_\_  
 Address \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_  
 Email \_\_\_\_\_ Phone # \_\_\_\_\_

- More than one agent from the same firm represents Seller. Additional Agent Acknowledgement (C.A.R. Form AAA) attached.
- More than one brokerage firm represents Seller. Additional Broker Acknowledgement (C.A.R. Form ABA) attached.

**Designated Electronic Delivery Address(es) (To be filled out by Seller's Agent): Email above or** \_\_\_\_\_  
 **Attached DEDA:** If Parties elect to have an alternative Delivery method, such method may be indicated on C.A.R. Form DEDA.

Buyer's Initials \_\_\_\_\_ / \_\_\_\_\_ Seller's Initials \_\_\_\_\_ / \_\_\_\_\_

**ESCROW HOLDER ACKNOWLEDGMENT:**

Escrow Holder acknowledges receipt of a Copy of this Agreement, (if checked,  a deposit in the amount of \$ \_\_\_\_\_), Counter Offer numbers \_\_\_\_\_ and \_\_\_\_\_, and agrees to act as Escrow Holder subject to **paragraph 20** of this Agreement, any supplemental escrow instructions and the terms of Escrow Holder's general provisions.

Escrow Holder is advised by \_\_\_\_\_ that the date of Acceptance of the Agreement is \_\_\_\_\_

Escrow Holder \_\_\_\_\_ Escrow # \_\_\_\_\_

By \_\_\_\_\_ Date \_\_\_\_\_

Address \_\_\_\_\_

Phone/Fax/E-mail \_\_\_\_\_

Escrow Holder has the following license number # \_\_\_\_\_

- Department of Financial Protection and Innovation,  Department of Insurance,  Department of Real Estate.

**PRESENTATION OF OFFER:** \_\_\_\_\_ / \_\_\_\_\_ Seller's Brokerage Firm presented this offer to Seller on \_\_\_\_\_ (date).  
 Agent or Seller's Initials

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# COMMERCIAL AND RESIDENTIAL INCOME LISTING AGREEMENT

(May be used for commercial and any residential income property regardless of number of units)  
(C.A.R. Form CLA, Revised 7/24)

Date Prepared: \_\_\_\_\_

**1. EXCLUSIVE AUTHORIZATION:** \_\_\_\_\_ (“Owner”) hereby employs and grants \_\_\_\_\_ (“Broker”) the exclusive and irrevocable right to:  SELL,  LEASE,  EXCHANGE,  OPTION, or  OTHER \_\_\_\_\_ the real property described as \_\_\_\_\_, situated \_\_\_\_\_ (City), \_\_\_\_\_ (County), California, \_\_\_\_\_ (Zip Code), Assessor’s Parcel No. \_\_\_\_\_ (“Property”) for the Listing Period in **paragraph 2A(1)**.

**2. TERMS OF LISTING AGREEMENT:** The items in this paragraph are contractual terms of the Agreement. Referenced paragraphs provide further explanation. This form is 6 pages. Owner is advised to read all 6 pages.

Para #	Paragraph Title or Contract Term	Terms and Conditions
<b>A Representation</b>		
<b>A(1)</b> 4G	<b>Listing Period</b> <b>(Maximum Length)</b>	Beginning on _____ (date) and Ending at 11:59 P.M. on _____ (date)  <i>(Not to exceed 24 months if improved with one to four units and not owned by an entity. If Listing Period exceeds 24 months on a residential 1-4, this Agreement is void, unless Seller is a corporation, LLC or partnership.)</i>
<b>A(2)</b>	<b>Listing Price</b>	_____ Dollars (\$ _____)
<b>B</b>	<b>Property Specific Listings</b>	<input type="checkbox"/> Manufactured (mobile) home (C.A.R. Form MHLA attached) <input type="checkbox"/> Probate, conservatorship or guardianship (C.A.R. Form PLA attached)
<b>C Compensation: NOTICE: The amount or rate of real estate commissions is not fixed by law. They are set by each broker individually and may be negotiable between Owner and Broker. See attached Broker Compensation Advisory (C.A.R. Form BCA).</b>		
<b>C(1)</b> 4B	<b>Compensation to Owner’s Broker (only Owner’s side of transaction)</b>	_____ % of the listing price AND, if any _____ OR <input type="checkbox"/> \$ _____; <i>OR <input type="checkbox"/> see attached compensation schedule.</i> <i>( % above is based on purchase price if Seller and buyer sign a purchase agreement)</i>
<b>C(2)</b> 4C	<input type="checkbox"/> <b>Additional Compensation if transferee is unrepresented</b>	_____ % of the listing price AND, if any _____ OR <input type="checkbox"/> \$ _____; <i>OR <input type="checkbox"/> see attached compensation schedule.</i>
<b>C(3)</b> 4D(2)	<b>Continuation of Right to Compensation for Broker Identified Prospective Transferees</b>	<i>The Continuation Period shall be _____ calendar days after the Listing Period or any extension (“Continuation Period”).</i>
<b>C(4)</b> 4F	<b>Owner Obligation to Pay Previous Brokers</b>	Previous Listing/Other broker(s): _____ Compensation to above broker(s) owed if Property transferred to: _____
<b>D Items Intended to be Included and Excluded</b>		
<b>D(1)</b> 5A	<b>Items Included</b>	<input type="checkbox"/> _____; <input type="checkbox"/> _____; <input type="checkbox"/> _____; <input type="checkbox"/> _____; <input type="checkbox"/> _____.
<b>D(2)</b> 5A	<b>Excluded Items:</b>	<input type="checkbox"/> _____; <input type="checkbox"/> _____; <input type="checkbox"/> _____.
<b>D(3)</b> 5B	<b>Leased Items:</b> <input type="checkbox"/> Propane Tank(s);	<input type="checkbox"/> Solar Power System(s); <input type="checkbox"/> Alarm System(s); <input type="checkbox"/> Water Softener; <input type="checkbox"/> _____.
<b>D(4)</b> 5B	<b>Liened Items:</b> <input type="checkbox"/> Heating/Ventilation/Air conditioning systems	<input type="checkbox"/> Solar Power System(s); <input type="checkbox"/> Windows or Doors; <input type="checkbox"/> _____; <input type="checkbox"/> _____.
<b>D(5)</b> 5B	<b>(a) Smart Home Features Owner prefers to Include:</b> _____ <b>(b) Smart Home Features Owner prefers to Exclude:</b> _____	
<b>E MLS and Public Marketing</b>		
<b>E(1)</b>	<b>Property will be marketed in the following MLS</b>	Primary _____ See C.A.R. Form MLSA, if utilizing MLS or if Residential 1-4. Other(s): _____
<b>E(2)</b> 11A	<input type="checkbox"/> <b>Owner instructs Broker not to take or use photographs in marketing, except as required by MLS rules.</b>	





Property Address: \_\_\_\_\_ Date: \_\_\_\_\_

F Broker's and Owner's Duties			
F(1)	7B	Timing of Presentation of Offers	Owner instructs Broker to present all offers received as soon as practicable OR <input type="checkbox"/> Offers shall be presented on _____ (date) or <input type="checkbox"/> _____ days after the Property is listed as active on the MLS
F(2)	7C	Transferee Supplemental Offer Letters (Transferee Letters)	Owner instructs Broker not to present Transferee letters, OR <input type="checkbox"/> Owner instructs Brokers to present Transferee Letters. If Owner requests or relies on Transferee Letters, Owner is acting against Broker's advice.
F(3)	7E	Investigation Reports	<input checked="" type="checkbox"/> Natural Hazard Disclosure <input type="checkbox"/> Structural Pest Control, <input type="checkbox"/> General Property Inspection, <input type="checkbox"/> Homeowners Association Documents, <input type="checkbox"/> Preliminary (Title) Report, <input type="checkbox"/> Roof Inspection, <input type="checkbox"/> Pool Inspection, <input type="checkbox"/> Septic/Sewer Inspection, <input type="checkbox"/> Other: _____
G	20	Exceptions to Ownership/Title	_____
H		<input type="checkbox"/> Owner intends to include a contingency to purchase a replacement property as part of any transaction (see C.A.R. Form SPRP)	
I	11, 12	Owner Opt Outs	<input type="checkbox"/> Key safe/Lockbox <input type="checkbox"/> Signs
J		Additional Terms	_____

**3. ADVISORIES AND ADDENDA:**

**A. Advisories**

- Broker Compensation Advisory (C.A.R. Form BCA)
- REO Advisory Listing (C.A.R. Form REOL)
- Short Sale Information and Advisory (C.A.R. Form SSIA)
- Trust Advisory (C.A.R. Form TA)
- Other: \_\_\_\_\_

**B. Addenda.** The addenda identified below are incorporated into this Agreement.

- \_\_\_\_\_
- \_\_\_\_\_

**4. COMPENSATION TO BROKER:**

**Notice:** The amount or rate of real estate commissions is not fixed by law. They are set by each Broker individually and may be negotiable between Owner and Broker.

- A. ADVISORY:** Real estate commissions include all compensation and fees to Broker and are fully negotiable.
- B. COMPENSATION TO BROKER:** Owner agrees to pay to Broker as compensation for services under this Agreement, the amount specified in **paragraph 2C(1)**.
- C. OPTIONAL ADDITIONAL COMPENSATION FOR UNREPRESENTED BUYER:** If no other brokerage company is involved in the sale of Owner's property because buyer is not represented by a real estate agent, Owner agrees to pay Broker the additional amount specified in **paragraphs 2C(2)**, if checked, for services rendered.
- D. COMPENSATION TERMS:** Compensation is earned, and Owner shall pay Broker as follows:
  - (1) **Completed Transaction or Seller Default:** If during the Listing Period, or any extension, Broker, cooperating broker, Owner or any other person procures a ready, willing, and able transferee(s) whose offer to purchase the Property on any price and terms is accepted by Owner, provided the transferee completes the transaction or is prevented from doing so by Owner. (Broker is entitled to compensation whether any escrow resulting from such offer closes during or after the expiration of the Listing Period, or any extension.)
  - (2) **Continuation of Right to Compensation for Broker Procured Buyer(s):** If within the **Continuation Period** specified in **paragraph 2C(3)**, or the same period of time after any cancellation of this Agreement, unless otherwise agreed, Owner enters into a contract to sell, convey, lease or otherwise transfer the Property to anyone ("Prospective Transferee") or that person's related entity:
    - who physically entered and was shown the Property during the Listing Period or any extension by Broker or a cooperating broker; or
    - for whom Broker or any cooperating broker submitted to Owner a signed, written offer to acquire, lease exchange or obtain an option on the Property.

Broker's right to compensation pursuant to this paragraph shall only apply if, prior to expiration of this Agreement or any extension, Broker delivers to Owner a written notice of the names of such Prospective Transferees (C.A.R. Form NPB).
  - (3) **Seller Interference with Listing:** If, without Broker's prior written consent, the Property is withdrawn from sale, conveyed, leased, rented, otherwise transferred, or made unmarketable by a voluntary act of Owner during the Listing Period, or any extension.



**E. ADDITIONAL COMPENSATION TERMS:**

- (1) **Buyer Breach and Seller Recovery of Damages:** If completion of the sale is prevented by a party to the transaction other than Owner, then compensation which otherwise would have been earned under **paragraph 4** shall be payable only if and when Owner collects damages by suit, arbitration, settlement or otherwise, and then in an amount equal to the lesser of one-half of the damages recovered or the above compensation, after first deducting title and escrow expenses and the expenses of collection, if any.
- (2) **Escrow Instructions:** Owner hereby irrevocably assigns to Broker the above compensation from Owner's funds and proceeds in escrow. Broker may submit this Agreement, as instructions to compensate Broker pursuant to **paragraph 4**, to any escrow regarding the Property involving Owner and a transferee, Prospective Transferee or other transferee.

**F. OWNER COMPENSATION OBLIGATIONS TO OTHER BROKERS:**

- (1) Owner represents that Owner has not previously entered into a listing agreement with another broker regarding the Property, unless specified in **paragraph 2C(4)**.
- (2) Owner warrants that Owner has no obligation to pay compensation to any other broker regarding the Property unless the Property is transferred to any of the individuals or entities specified in **paragraph 2C(4)**.
- (3) If the Property is sold to anyone specified in **paragraph 2C(4)** during the time Owner is obligated to compensate another broker: **(i)** Broker is not entitled to compensation under this Agreement; and **(ii)** Broker is not obligated to represent Owner in such transaction.

**5. A. ITEMS EXCLUDED AND INCLUDED:** Unless otherwise specified in an agreement between Owner and transferee, all fixtures and fittings that are attached to the Property are included, and personal property items are excluded, from the purchase price. Owner intends that the items specified in **paragraph 2D** be included or excluded in offering the Property for sale, but understands that; **(i)** the purchase agreement supersedes any intention expressed above and will ultimately determine which items are excluded and included in the transaction; and **(ii)** Broker is not responsible for and does not guarantee that the above exclusions and/or inclusions will be in the purchase agreement.

**B. LEASED OR NOT OWNED ITEMS; LIENED ITEMS:** The items specified in **paragraph 2D(3)** are leased or not owned by Owner and the items specified in **paragraph 2D(4)** have been financed and a lien has been placed on the Property to secure payment. Owner will provide to the transferee, as part of the purchase agreement, copies of lease documents, or other documents obligating Owner to pay for any such leased or liened item.

**C. SMART HOME FEATURES:** The smart home features are intended to be included or excluded as specified in **paragraph 2D(5)**.

**6. OWNER REPRESENTATIONS:** Owner represents that, unless otherwise specified in writing, Owner is unaware of: **(i)** any Notice of Default recorded against the Property; **(ii)** any delinquent amounts due under any loan secured by, or other obligation affecting, the Property; **(iii)** any bankruptcy, insolvency or similar proceeding affecting the Property; **(iv)** any litigation, arbitration, administrative action, government investigation, or other pending or threatened action that affects or may affect the Property or Owner's ability to transfer it; and **(v)** any current, pending or proposed special assessments affecting the Property. Owner shall promptly notify Broker in writing if Owner becomes aware of any of these items during the Listing Period or any extension thereof.

**7. BROKER'S AND OWNER'S DUTIES:**

**A. Broker Responsibility, Authority and Limitations:** Broker agrees to exercise reasonable effort and due diligence to achieve the purposes of this Agreement. Unless Owner gives Broker written instructions to the contrary, Broker is authorized, but not required, to **(i)** order reports and disclosures including those specified in **paragraph 7E** as necessary, **(ii)** advertise and market the Property by any method and in any medium selected by Broker, including MLS and the Internet, and, to the extent permitted by these media, control the dissemination of the information submitted to any medium; and **(iii)** disclose to any real estate licensee making an inquiry the receipt of any offers on the Property and the offering price of such offers.

**B. Presentation of Offers:**

- (1) **Strategies Affecting Delayed Offers and Buyer Broker Compensation:** There are different strategies for obtaining the best offer for Owner. Owner is advised that certain transferees may prefer not to be in a competitive situation and either may not make an offer if there is an instruction that all offers will be presented at a later specified time or may try to make a "preemptive" offer that will expire shortly, hoping that Owner will accept before the presentation date. Additionally, certain transferees may not be able or allowed to pay compensation to a transferee's broker. These transferees may request for Owner to pay transferee's broker through a term in the purchase agreement or through a separate compensation agreement. Owner is advised to discuss and consider the best strategy for Owner related to the presentation of offers.
- (2) (A) **Owner instructs Broker to Present Offers:** Broker agrees to present all offers received for Owner's Property, and present them to Owner as soon as possible, unless Owner gives Broker written instructions to the contrary.
- OR (B) **Owner instructs Broker not to Present Offers until a Later Time:** If checked in **paragraph 2F(1)**, Owner has elected to have Broker hold all offers and present them to Owner as specified in **paragraph 2F(1)**. Broker will inform Owner that an offer has come in, but will not submit offer to the Owner, unless specifically instructed otherwise, in writing. Local MLS rules may impact this practice and whether it will provide any benefit to Owner.

**C. TRANSFEREE SUPPLEMENTAL OFFER LETTERS (TRANSFEREE LETTERS):**

- (1) **Advisory Regarding Transferee Letters:** Owner is advised of the practice of many transferees and their agents to include a Transferee Letter with an offer to try to influence an owner to accept the transferee's offer. Transferee Letters may include photos and video. Whether overt or unintentional, Transferee Letters may contain information about a transferee's protected class or characteristics. Deciding whether to accept an offer based upon protected classes or characteristics is unlawful. Broker will not review the content of Transferee Letters. See C.A.R. Form FHDA for further information.
- (2) (A) Owner instructs Broker not to present Transferee Letters, whether submitted with an offer or separately at a different time. Owner authorizes Broker to specify in the MLS that Transferee Letters will not be presented to Owner.
- (B) Owner Instructs Broker to Present Transferee Letters: If checked in **paragraph 2F(2)**, Broker advises Owner that: (i) Transferee Letters may contain information about protected classes or characteristics and such information should not be used in Owner's decision to accept, reject, or counter a transferee's offer; and (ii) If Owner relies on Transferee Letters, Owner is acting against Broker's advice and should seek the advice of counsel before doing so.

**D. SELLER GOOD FAITH:** Owner agrees to consider offers presented by Broker, and to act in good faith to accomplish the sale of the Property by, among other things, making the Property available for showing at reasonable times and, subject to **paragraph 2C(4)**, referring to Broker all inquiries of any party interested in the Property. Owner is responsible for determining at what price to list and sell the Property.

**E. INVESTIGATIONS AND REPORTS:** Owner agrees, within the time specified in **paragraph 2G(3)**, to order and, when required by the service provider, pay for the following reports specified in **paragraph 2G(3)**. If Property is located in a Common Interest Development or Homeowners Association, Owner is advised that there may be benefits to obtaining any required documents prior to entering into escrow with any transferee. Such benefits may include, but not be limited to, potentially being able to lower costs in obtaining the documents and avoiding any potential delays or complications due to late or slow delivery of such documents.

**F. UNDISCLOSED CONDITIONS; INCOMPLETE OR INCORRECT INFORMATION:** Owner further agrees to indemnify, defend and hold Broker harmless from all claims, disputes, litigation, judgments, and costs arising from any incorrect or incomplete information supplied by Owner, or from any material facts that Owner knows but fails to disclose including dangerous or hidden conditions on the Property.

**8. DEPOSIT:** Broker is authorized to accept and hold on Owner's behalf any deposits to be applied toward the contract price.

**9. AGENCY RELATIONSHIP:**

**A. DISCLOSURE:** Owner acknowledges receipt of a  "Disclosure Regarding Real Estate Agency Relationships" (C.A.R. from AD).

**B. OWNER REPRESENTATION:** Broker shall represent Owner in any resulting transaction, except as specified in **paragraph 4F(3)**.

**C. POSSIBLE DUAL AGENCY WITH TRANSFEREE:**

(1) **Disclosure and Consent in a Transaction:** Depending upon the circumstances, it may be necessary or appropriate for Broker to act as an agent for both Owner and transferee, exchange party, or one or more additional parties ("Transferee"). Broker shall, as soon as practicable, disclose to Owner any election to act as a dual agent representing both Owner and Transferee. If a Transferee is procured directly by Broker or an associate licensee in Broker's firm, Owner hereby consents to Broker acting as a dual agent for Owner and such Transferee. In the event of an exchange, Owner hereby consents to Broker collecting compensation from additional parties for services rendered, provided there is disclosure to all parties of such agency and compensation. Owner understands and agrees that: (i) Broker, without the written consent of Owner, will not disclose to Transferee that Owner is willing to transfer the Property at a price less than the listing price; (ii) Broker, without the prior written consent of Transferee, will not disclose to Owner that Transferee is willing to pay a price greater than the offered price; and (iii) except for (i) and (ii) above, a dual agent is obligated to disclose known facts materially affecting the value or desirability of the Property to both parties. **Compensation is not necessarily determinative of agency.**

(2) **Showing Properties:** Owner acknowledges that real estate brokers must have a representation agreement with a Transferee before showing residential properties to that Transferee. Owner consents to Broker entering into a Buyer Representation and Broker Compensation Agreement with a Transferee, and that by doing so the brokerage company will become a dual agent representing both Transferee and Owner.

(3) **Potentially Competing Owners and Transferees:** Owner understands that Broker may have or obtain listings on other properties, and that potential transferees may consider, make offers on, or purchase through Broker, property the same as or similar to Owner's Property. Owner consents to Broker's representation of Owners and transferees of other properties before, during and after the end of this Agreement. Owner acknowledges receipt of a  "Possible Representation of More than One Buyer or Seller – Disclosure and Consent" (C.A.R. Form PRBS).

**D. UNREPRESENTED TRANSFEREES:** If a transferee is interested in viewing Owner's Property is not already represented by a real estate broker, and such transferee refuses to be represented by Broker, Seller authorizes Broker to obtain a signed document from such Transferee refusing representation by Broker. Broker shall provide such transferees, at the earliest practicable time, a disclosure of non-representation, such as Buyer Non-Agency (CAR Form BNA) or Open House Visitor Non Agency Disclosure and Sign-In (C.A.R. Form OHNA-SI).

**E. CONFIRMATION:** Broker shall confirm the agency relationship described above, or as modified, in writing, prior to or concurrent with Owner's execution of an agreement to sell.

- F. TERMINATION OF AGENCY RELATIONSHIP:** Owner acknowledges and agrees that the representation duties of, and agency relationship with, Broker terminate at the expiration of this Agreement or, if it occurs first, the completion of any transaction specified in this Agreement.
- 10. SECURITY, INSURANCE, SHOWINGS, AUDIO AND VIDEO:** Broker is not responsible for loss of or damage to personal or real property, or injury to person, whether attributable to use of a keysafe/lockbox, a showing of the Property, or otherwise. Third parties, including, but not limited to, appraisers, inspectors, brokers and prospective transferees, may have access to, and take videos and photographs of the interior of the Property. Owner agrees: **(i)** to take reasonable precautions to safeguard and protect valuables that might be accessible during showings of the Property; and **(ii)** to obtain insurance to protect against these risks. Broker does not maintain insurance to protect Owner. Persons visiting the Property may not be aware that they could be recorded by audio or visual devices installed by Owner (such as “nanny cams” and hidden security cameras). Owner is advised to post notice disclosing the existence of security devices.
- 11. PHOTOGRAPHS AND INTERNET ADVERTISING:**
- A.** In order to effectively market the Property for sale it is often necessary to provide photographs, virtual tours and other media to transferees. Unless checked in **paragraph 2E(2)**, Seller agrees that Broker or others may photograph or otherwise electronically capture images of the exterior and interior of the Property (“Images”) for static and/or virtual tours of the Property by transferees and others for use on Broker’s website, the MLS, and other marketing materials and sites. Seller acknowledges that if Broker engages third parties to capture and/or reproduce and display Images, the agreement between Broker and those third parties may provide such third parties with certain rights to those Images. The rights to the Images may impact Broker’s control or lack of control of future use of the Images. If Seller is concerned, Seller should request that Broker provide any third parties’ agreement impacting the Images. Seller also acknowledges that once Images are placed on the internet neither Broker nor Seller has control over who can view such Images and what use viewers may make of the Images, or how long such Images may remain available on the Internet. Seller further assigns any rights in all Images to the Broker/Agent and agrees that such Images are the property of Broker/Agent and that Broker/Agent may use such Images for advertising, including post transaction and for Broker/Agent’s business in the future.
- B.** Seller acknowledges that prospective transferees and/or other persons coming onto the Property may take photographs, videos or other images of the Property. Seller understands that Broker does not have the ability to control or block the taking and use of Images by any such persons. Once Images are taken and/or put into electronic display on the Internet or otherwise, neither Broker nor Seller has control over who views such Images nor what use viewers may make of the Images.
- 12. KEYSAFE/LOCKBOX:** A key safe/lockbox is designed to hold a key to the Property to permit access to the Property by Broker, cooperating brokers, MLS participants, their authorized licensees and representatives, authorized inspectors, and accompanied prospective transferees. Owner further agrees that Broker, at Broker’s discretion, and without further approval from Owner, shall have the right to grant access to and convey Owner’s consent to access the Property to inspectors, appraisers, workers, repair persons, and other persons requiring entry to the Property in order to facilitate the sale of the Property. Broker, cooperating brokers, MLS and Association/Boards of REALTORS® are not insurers against injury, theft, loss, vandalism or damage attributed to the use of a key safe/lockbox.
- A.** Unless checked in **paragraph 2I**, Owner authorizes Broker to install a key safe/lockbox.
- B. TENANT OCCUPIED PROPERTY:** If Owner does not occupy the Property, Owner shall be responsible for obtaining occupant(s)’ written permission for use of a key safe/lockbox (C.A.R. Form KLA).
- 13. SIGN:** Unless specified in **paragraph 2I**, Owner authorizes Broker to install a FOR SALE/SOLD/LEASE sign on the Property.
- 14. EQUAL HOUSING OPPORTUNITY:** The Property is offered in compliance with federal, state and local anti-discrimination laws.
- 15. ATTORNEY FEES:** In any action, proceeding or arbitration between Owner and Broker arising out of this Agreement, Owner and Broker are each responsible for paying their own attorney’s fees and costs, except as otherwise specified in **paragraph 18A**.
- 16. MANAGEMENT APPROVAL:** If an associate-licensee in Broker’s office (salesperson or broker-associate) enters into this Listing Agreement on Broker’s behalf, Broker or Manager has the right to cancel this Listing Agreement, in writing, within **5 days** after its execution.
- 17. SUCCESSORS AND ASSIGNS:** This Listing Agreement shall be binding upon Owner and Owner’s successors and assigns.
- 18. DISPUTE RESOLUTION:**
- A. MEDIATION:** (1) Owner and Broker agree to mediate any dispute or claim arising between them under this Listing Agreement, before resorting to arbitration or court action. (2) Mediation fees, if any, shall be divided equally among the parties involved. (3) If, for any dispute or claim to which this paragraph applies, any party (the non-mediating party) **(i)** commences an action without first attempting to resolve the matter through mediation, or **(ii)** before commencement of an action, refuses to mediate after a request has been made, then if the non-mediating party is the losing party in any such action, the prevailing party in such action shall be entitled to recover attorney fees from the non-mediating party, notwithstanding the terms in **paragraph 15**. (4) Exclusions from this mediation agreement are specified in **paragraph 18B**.
- B. ADDITIONAL MEDIATION TERMS:** The following matters shall be excluded from mediation: **(i)** a judicial or non-judicial foreclosure or other action or proceeding to enforce a deed of trust, mortgage or installment land sale contract as defined in Civil Code § 2985; **(ii)** an unlawful detainer action; **(iii)** the filing or enforcement of a mechanic’s lien; and **(iv)** any matter that is within the jurisdiction of a probate, small claims or bankruptcy court. The filing of a court action to enable the recording of a notice of pending action, for order of attachment, receivership, injunction, or other provisional remedies, shall not constitute a waiver or violation of the mediation provisions.

Property Address: \_\_\_\_\_ Date: \_\_\_\_\_

**C. ARBITRATION ADVISORY:** If Owner and Broker desire to resolve disputes arising between them through arbitration rather than court, they can document their agreement by attaching and signing an Arbitration Agreement (C.A.R. Form ARB).

**19. ENTIRE AGREEMENT:** All prior discussions, negotiations and agreements between the parties concerning the subject matter of this Listing Agreement are superseded by this Listing Agreement, which constitutes the entire contract and a complete and exclusive expression of their agreement and may not be contradicted by evidence of any prior agreement or contemporaneous oral agreement. If any provision of this Listing Agreement is held to be ineffective or invalid, the remaining provisions will nevertheless be given full force and effect. This Listing Agreement and any supplement, addendum or modification, including any photocopy or facsimile, may be executed in counterparts.

**20. OWNERSHIP, TITLE AND AUTHORITY:** Owner warrants that: **(i)** Owner is the Owner of the Property; **(ii)** no other persons or entities have title to the Property; and **(iii)** Owner has the authority to both execute this Agreement and sell the Property. Exceptions to Ownership, title and authority are specified in **paragraph 2G**.

**21. LEGALLY AUTHORIZED SIGNER:** Wherever the signature or initials of the Legally Authorized Signer, identified in the signature block below, appear on this Agreement or any related documents, it shall be deemed to be in a representative capacity for the entity described and not in an individual capacity, unless otherwise indicated. The Legally Authorized Signer **(i)** represents that the entity for which that person is acting already exists and is in good standing to do business in California and **(ii)** shall deliver to Broker, within **3 days** after execution of this Agreement, evidence of authority to act in that capacity (such as but not limited to: applicable portion of the trust or Certification Of Trust (Probate Code § 18100.5), letters testamentary, court order, power of attorney, corporate resolution, or formation documents of the business entity).

**By signing below, Owner acknowledges that Owner has read, understands, received a copy of and agrees to the terms of this Listing Agreement and any attached schedule of compensation.**

**ENTITY OWNER: (Note: If this paragraph is completed, a Representative Capacity Signature Disclosure (C.A.R. Form RCSD) is not required for the Legally Authorized Signers designated below.)**

- (1) One or more Owner is a trust, corporation, LLC, probate estate, partnership, other entity or holds a power of attorney.
- (2) This Agreement is being Signed by a Legally Authorized Signer in a representative capacity and not for him/herself as an individual. See **paragraph 21** for additional terms.
- (3) The name(s) of the Legally Authorized Signer(s) is: \_\_\_\_\_.
- (4) A. If a trust, identify Owner as trustee(s) of the trust or by simplified trust name (ex. John Doe, co-trustee, Jane Doe, co-trustee or Doe Revocable Family Trust).  
B. If Property is sold under the jurisdiction of a probate court, identify Owner as executor or administrator, or by a simplified probate name (John Doe, executor, or Estate (or Conservatorship) of John Doe).
- (5) The following is the full name of the entity (if a trust, enter the complete trust name; if under probate, enter full name of the estate, including case #): \_\_\_\_\_

**OWNER SIGNATURE(S):**

(Signature) By, \_\_\_\_\_ Date: \_\_\_\_\_

Printed name of Owner: \_\_\_\_\_

Printed Name of Legally Authorized Signer: \_\_\_\_\_ Title, if applicable, \_\_\_\_\_

Address \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Email \_\_\_\_\_ Phone # \_\_\_\_\_

(Signature) By, \_\_\_\_\_ Date: \_\_\_\_\_

Printed name of Owner: \_\_\_\_\_

Printed Name of Legally Authorized Signer: \_\_\_\_\_ Title, if applicable, \_\_\_\_\_

Address \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Email \_\_\_\_\_ Phone # \_\_\_\_\_

Additional Signature Addendum attached (C.A.R. Form ASA)

**BROKER SIGNATURE(S):**

Real Estate Broker (Firm) \_\_\_\_\_ DRE Lic# \_\_\_\_\_

Address \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

By \_\_\_\_\_ Tel. \_\_\_\_\_ E-mail \_\_\_\_\_ DRE Lic# \_\_\_\_\_ Date \_\_\_\_\_

By \_\_\_\_\_ Tel. \_\_\_\_\_ E-mail \_\_\_\_\_ DRE Lic# \_\_\_\_\_ Date \_\_\_\_\_

More than one agent from the same firm represents Owner. Additional Agent Acknowledgement (C.A.R. Form AAA) attached.

Two Brokers with different companies are co-listing the Property. Co-listing Broker information is on the attached Additional Broker Acknowledgement (C.A.R. Form ABA).

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CANCELLATION OF BUYER REPRESENTATION (C.A.R. Form COBR, Revised 7/24)

1. PARTIES AND PROPERTY: \_\_\_\_\_ (“Broker”) has agreed to represent \_\_\_\_\_ (“Buyer”) for the purpose of locating and acquiring real property or a manufactured home (“Buyer Representation”) pursuant to a written Buyer Representation agreement dated \_\_\_\_\_.

2. NOTICE OF CANCELLATION OF BUYER REPRESENTATION: The representation may be cancelled by either Buyer or Broker or both by signing in the applicable box below and delivering to the other party. However, compensation may still be owed based on the contractual rights of the Buyer Representation agreement or otherwise.

A. By signing in the applicable box below [ ] Buyer [ ] Broker [ ] Both hereby gives notice to the other to cancel the buyer representation and terminate their agency relationship, duties, and responsibilities with and to each other. Compensation may be payable as specified below.

B. Effective date of cancellation:

- (1) If the Buyer Representation agreement is for non-exclusive representation, the cancellation is effective immediately upon (or [ ] \_\_\_\_\_ days after receipt of) this notice.
(2) If the Buyer Representation agreement is for exclusive representation, the cancellation is effective 30 days after receipt of this notice.
(3) Regardless of the type of representation, Buyer and Broker may agree to mutually cancel the Buyer Representation immediately upon (or [ ] \_\_\_\_\_ days after) the last signature in the mutual cancellation box.

C. The notice applies to all properties that may be subject to the Buyer Representation (OR [ ] only for the following property(ies): \_\_\_\_\_).

D. Once cancellation becomes effective, Broker will NOT be Buyer’s agent during any negotiation or transaction that results between Buyer and a Seller. Any questions that Buyer has about the property to be acquired shall be directed to the seller’s broker, if any, or to seller; to any new broker Buyer retains; or to Buyer’s own separate counsel.

E. COMPENSATION DUE BROKER:

(1) Buyer agrees to pay Broker as specified in the written agreement between them. C.A.R. Forms BRBC and PSRA provide that in the event of cancellation Broker shall be entitled to compensation for those properties for which there was Broker Involvement if any such property is acquired during the Representation Period. Broker shall give Buyer a list of such properties within 5 calendar days after effective cancellation of the Buyer Representation agreement.

OR (2) [ ] Compensation shall be paid as specified in paragraph 3, below, and only if both parties agree by signing below paragraph 3.

F. BUYER TO OBTAIN OTHER ADVICE: Broker advises buyer to obtain real estate, legal, tax, title, insurance and other desired advice from a qualified California professional.

Unilateral Buyer OR Broker Cancellation:
Buyer’s or Broker’s/Agent’s Signature (party cancelling the representation) Date
Buyer’s or Broker’s/Agent’s Signature (party cancelling the representation) Date

OR

Buyer AND Broker Mutual Cancellation:
Buyer’s Signature Date
Buyer’s Signature Date
Broker’s Signature (By \_\_\_\_\_) Date



3. (ONLY APPLIES IF PARAGRAPH 2E(2) IS CHECKED ABOVE AND BOTH PARTIES SIGN BELOW)  
BUYER AGREES TO PAY BROKER AS FOLLOWS:

- A. **SUBSEQUENT ACQUISITION OF PROPERTY DURING REPRESENTATION PERIOD OR EXTENSION FOR WHICH THERE WAS BROKER INVOLVEMENT PRIOR TO CANCELLATION:** The amount of compensation specified in the written Buyer Representation agreement if, within \_\_\_\_\_ calendar days after (i) this Cancellation of Buyer Representation; or  (ii) the Representation Period specified in the Buyer Representation Agreement: Buyer enters into contract to buy, lease, or otherwise acquire any **property specified below** for which **there was Broker involvement prior to the effective date of cancellation:** \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_.
- B. **EXPENSES INCURRED:** Buyer agrees to pay Broker \$\_\_\_\_\_ for out-of-pocket expenses, costs incurred, and services rendered to Buyer prior to **the effective date of the cancellation of the Buyer Representation agreement.**
- C. **BROKER TO RECEIVE A REFERRAL FEE:** Broker will receive a referral fee from another broker pursuant to a separate written agreement with Broker.
- D. **NO COMPENSATION:** Buyer owes no compensation to Broker.
- E. **OTHER:** \_\_\_\_\_  
\_\_\_\_\_.

Buyer and Broker each acknowledge by signing below that they have received a copy of this Cancellation of Buyer Representation and have read, understands, and accepts its terms.

Buyer \_\_\_\_\_ Date \_\_\_\_\_  
Address \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_  
Telephone \_\_\_\_\_ E-mail \_\_\_\_\_

Real Estate Broker (Firm) \_\_\_\_\_ DRE Lic# \_\_\_\_\_  
By \_\_\_\_\_ DRE Lic# \_\_\_\_\_ Date \_\_\_\_\_  
By \_\_\_\_\_ DRE Lic# \_\_\_\_\_ Date \_\_\_\_\_



**COMMERCIAL PURCHASE AGREEMENT AND JOINT ESCROW INSTRUCTIONS**  
(C.A.R. Form CPA, Revised 7/24)

Date Prepared: \_\_\_\_\_

**1. OFFER:**

- A. THIS IS AN OFFER FROM** \_\_\_\_\_ (“Buyer”).  
Individual(s),  A Corporation,  A Partnership,  An LLC,  Other \_\_\_\_\_.
- B. THE PROPERTY** to be acquired is \_\_\_\_\_, situated in \_\_\_\_\_ (City), \_\_\_\_\_ (County), California, \_\_\_\_\_ (Zip Code), Assessor’s Parcel No(s) \_\_\_\_\_ (“Property”).  
**(Postal/Mailing address may be different from city jurisdiction. Buyer is advised to investigate.)**
- C. THE TERMS OF THE PURCHASE ARE SPECIFIED BELOW AND ON THE FOLLOWING PAGES.**
- D.** Buyer and Seller are referred to herein as the “Parties.” Brokers and Agents are **not** Parties to this Agreement.

**2. AGENCY:**

- A. DISCLOSURE:** The Parties each acknowledge receipt of a “Disclosure Regarding Real Estate Agency Relationship” (C.A.R. Form AD) if represented by a real estate licensee. Buyer’s Agent is not legally required to give to Seller’s Agent the AD form Signed by Buyer. Seller’s Agent is not legally obligated to give to Buyer’s Agent the AD form Signed by Seller.
- B. CONFIRMATION:** The following agency relationships are hereby confirmed for this transaction.
- Seller’s Brokerage Firm** \_\_\_\_\_ License Number \_\_\_\_\_  
Is the broker of (check one):  the Seller; or  both the Buyer and Seller (Dual Agent).
- Seller’s Agent \_\_\_\_\_ License Number \_\_\_\_\_  
Is (check one):  the Seller’s Agent (Salesperson or broker associate); or  both the Buyer’s and Seller’s Agent (Dual Agent).
- Buyer’s Brokerage Firm** \_\_\_\_\_ License Number \_\_\_\_\_  
Is the broker of (check one):  the Buyer; or  both the Buyer and Seller (Dual Agent).
- Buyer’s Agent \_\_\_\_\_ License Number \_\_\_\_\_  
Is (check one):  the Buyer’s Agent (Salesperson or broker associate); or  both the Buyer’s and Seller’s Agent (Dual Agent).
- C.**  More than one Brokerage represents  Seller,  Buyer. See, Additional Broker Acknowledgement (C.A.R. Form ABA).
- D. POTENTIALLY COMPETING BUYERS AND SELLERS:** The Parties each acknowledge receipt of a  “Possible Representation of More than One Buyer or Seller - Disclosure and Consent” (C.A.R. Form PRBS).

**3. TERMS OF PURCHASE AND ALLOCATION OF COSTS:** The items in this paragraph are contractual terms of the Agreement. Referenced paragraphs provide further explanation. This form is 17 pages. The Parties are advised to read all 17 pages.

	Para #	Paragraph Title or Contract Term	Terms and Conditions	Additional Terms
<b>A</b>	5, 5B (cash)	<b>Purchase Price</b>	\$ _____	<input type="checkbox"/> All Cash
<b>B</b>		<b>Close Of Escrow (COE)</b>	_____ Days after Acceptance OR on _____ (date)	
<b>C</b>	40A	<b>Expiration of Offer</b>	3 calendar days after all Buyer Signature(s) or _____ (date) at 5PM or <input type="checkbox"/> AM/ <input type="checkbox"/> PM	
<b>D(1)</b>	5A(1)	<b>Initial Deposit Amount</b>	\$ _____ (_____% of purchase price) (% number above is for calculation purposes and is not a contractual term)	within 3 (or _____) business days after Acceptance by wire transfer OR <input type="checkbox"/> _____
<b>D(2)</b>	5A(2)	<input type="checkbox"/> <b>Increased Deposit</b> (Money placed into escrow after the initial deposit. Use form DID at time increased deposit is made.)	\$ _____ (_____% of purchase price) (% number above is for calculation purposes and is not a contractual term)	Upon removal of all contingencies OR <input type="checkbox"/> _____ (date) OR <input type="checkbox"/> _____
<b>E(1)</b>	5C(1)	<b>Loan Amount(s):</b> First Interest Rate Points	\$ _____ (_____% of purchase price) Fixed rate or <input type="checkbox"/> Initial adjustable rate, • not to exceed _____% • Buyer to pay up to _____ points to obtain rate above	Conventional or, if checked, <input type="checkbox"/> Seller Financing <input type="checkbox"/> Assumed Financing <input type="checkbox"/> Subject To Financing <input type="checkbox"/> Other: _____
<b>E(2)</b>	5C(2)	Additional Financed Amount Interest Rate Points	\$ _____ (_____% of purchase price) Fixed rate or <input type="checkbox"/> Initial adjustable rate • not to exceed _____% • Buyer to pay up to _____ points to obtain rate above	Conventional or, if checked, <input type="checkbox"/> Seller Financing <input type="checkbox"/> Assumed Financing <input type="checkbox"/> Subject To Financing <input type="checkbox"/> Other: _____
<b>E(3)</b>	7A	<b>Occupancy Type</b>	Investment	
<b>F</b>	5D	<b>Balance of Down Payment</b>	\$ _____	
		<b>PURCHASE PRICE TOTAL</b>	\$ _____	





Property Address: \_\_\_\_\_

Date: \_\_\_\_\_

	Para #	Paragraph Title or Contract Term	Terms and Conditions	Additional Terms
<b>G(1)</b>	5E	<b>Seller Credit, if any, to Buyer</b>	<input type="checkbox"/> \$ _____ (_____% of purchase price) (% number above is for calculation purposes and is not a contractual term)	Seller credit to be applied to closing costs OR <input type="checkbox"/> Other: _____
<b>G(2)</b>	<b>ADDITIONAL FINANCE TERMS:</b> _____			
<b>G(3)</b>	21	<input type="checkbox"/> <b>Seller agrees to pay the obligation of Buyer to compensate Buyer's Broker under a separate agreement (C.A.R. Form SPBB attached).</b>		
<b>H(1)</b>	5B	<b>Verification of All Cash</b> (sufficient funds)	Attached to the offer or <input type="checkbox"/> 3 (or _____) Days after Acceptance	
<b>H(2)</b>	6A	<b>Verification of Down Payment and Closing Costs</b>	Attached to the offer or <input type="checkbox"/> 3 (or _____) Days after Acceptance	
<b>H(3)</b>	6B	<b>Verification of Loan Application</b>	Attached to the offer or <input type="checkbox"/> 3 (or _____) Days after Acceptance	<input type="checkbox"/> Prequalification <input type="checkbox"/> Preapproval
<b>I</b>	<b>Intentionally Left Blank</b>			
<b>J</b>	19	<b>Final Verification of Condition</b>	5 (or _____) Days prior to COE	
<b>K</b>	26	<b>Assignment Request</b>	17 (or _____) Days after Acceptance	
<b>L</b>	<b>CONTINGENCIES</b>		<b>TIME TO REMOVE CONTINGENCIES</b>	<b>CONTINGENCY REMOVED</b>
<b>L(1)</b>	8A	<b>Loan(s)</b>	17 (or _____) Days after Acceptance	<input type="checkbox"/> No loan contingency
<b>L(2)</b>	8B	<b>Appraisal:</b> Appraisal contingency based upon appraised value at a minimum of purchase price or <input type="checkbox"/> \$ _____	17 (or _____) Days after Acceptance	<input type="checkbox"/> No appraisal contingency Removal of appraisal contingency does not eliminate appraisal cancellation rights in FVAC.
<b>L(3)</b>	8C, 15	<b>Investigation of Property</b>	17 (or _____) Days after Acceptance	<b>REMOVAL OR WAIVER OF CONTINGENCY:</b> Any contingency in L(1)-L(8) may be removed or waived by checking the applicable box above or attaching a Contingency Removal (C.A.R. Form CR-B) and checking the applicable box therein. Removal or Waiver at time of offer is against Agent advice. See paragraph 8I.  <input type="checkbox"/> <b>CR attached</b>
		<b>Informational Access to Property</b> Buyer's right to access the Property for informational purposes only is <b>NOT</b> a contingency and does <b>NOT</b> create additional cancellation rights for Buyer.	17 (or _____) Days after Acceptance	
<b>L(4)</b>	8D	<b>Insurance</b>	17 (or _____) Days after Acceptance	
<b>L(5)</b>	8E, 17A	<b>Review of Seller Documents</b>	17 (or _____) Days after Acceptance, or 5 Days after Delivery, whichever is later	
<b>L(6)</b>	8F, 16A	<b>Preliminary ("Title") Report</b>	17 (or _____) Days after Acceptance or 5 Days after Delivery, whichever is later	
<b>L(7)</b>	8G, 11D	<b>Common Interest Disclosures</b> Per by Civil Code § 4525 or this Agreement	17 (or _____) Days after Acceptance, or 5 Days after Delivery, whichever is later	
<b>L(8)</b>	8H, 9B(6)	<b>Review of leased or liened items</b> (E.g. solar panels or propane tanks)	17 (or _____) Days after Acceptance, or 5 Days after Delivery, whichever is later	
<b>L(9)</b>	8K	<b>Sale of Buyer's Property</b> Sale of Buyer's property is not a contingency, UNLESS checked here: <input type="checkbox"/> <b>C.A.R. Form COP attached</b>		
<b>M</b>	<b>Possession</b>		<b>Time for Performance</b>	<b>Additional Terms</b>
<b>M(1)</b>		<b>Vacant Units;</b> Tenant Occupied Units being delivered subject to tenant rights	Upon notice of recordation On COE date	<input type="checkbox"/> Tenant Occupied Unit(s) to be delivered vacant (#s _____)
<b>M(2)</b>	7D	<b>Seller Occupied</b>	Upon Notice or recordation, OR <input type="checkbox"/> 6 PM or _____ <input type="checkbox"/> AM/ <input type="checkbox"/> PM  COE date or, if checked below, <input type="checkbox"/> _____ days after COE (29 or fewer days) <input type="checkbox"/> _____ days after COE (30 or more days)	C.A.R. Form SIP attached if 29 or fewer days. C.A.R. Form CL attached if 30 or more days.
<b>N</b>	<b>Documents/Fees/Compliance</b>		<b>Time for Performance</b>	
<b>N(1)</b>	17A	Seller Delivery of Documents	7 (or _____) Days after Acceptance	
<b>N(2)</b>	22B	Sign and return Escrow Holder General Provisions, Supplemental Instructions	5 (or _____) Days after Delivery	
<b>N(3)</b>	11D(2)	Time to pay fees for ordering HOA Documents	3 (or _____) Days after Acceptance	
<b>N(4)</b>	10B(1)	Install smoke alarm(s), CO detector(s), water heater bracing	7 (or _____) Days after Acceptance	
<b>N(5)</b>	36	Evidence of representative authority	3 Days after Acceptance	



Property Address: \_\_\_\_\_ Date: \_\_\_\_\_

O	<b>Intentionally Left Blank</b>				
P	<b>Items Included and Excluded</b>				
P(1)	9	<b>Items Included - All items specified in Paragraph 9B are included and the following, if checked:</b>			
		<input type="checkbox"/> _____.	<input type="checkbox"/> _____.	<input type="checkbox"/> _____.	
P(2)	9	<b>Excluded Items:</b>			
		<input type="checkbox"/> _____;	<input type="checkbox"/> _____;	<input type="checkbox"/> _____;	
Q	<b>Allocation of Costs</b>				
	<b>Para #</b>	<b>Item Description</b>	<b>Who Pays</b> (if Both is checked, cost to be split equally unless Otherwise Agreed)	<b>Additional Terms</b>	
Q(1)	10A	Natural Hazard Zone Disclosure Report, including tax information	<input type="checkbox"/> Buyer <input type="checkbox"/> Seller <input type="checkbox"/> Both _____	<input type="checkbox"/> Environmental <input type="checkbox"/> Other _____ <input type="checkbox"/> Provided by: _____	
Q(2)	15B(1)(D)	Environmental Survey	<input type="checkbox"/> Buyer <input type="checkbox"/> Seller <input type="checkbox"/> Both _____		
Q(3)		_____ Report			
Q(4)		_____ Report			
Q(5)	10B(1)	Smoke alarms, CO detectors, water heater bracing	<input type="checkbox"/> Buyer <input type="checkbox"/> Seller <input type="checkbox"/> Both _____		
Q(6)	10A, 10B(2)	Government Required Point of Sale <b>inspections, reports</b>	<input type="checkbox"/> Buyer <input type="checkbox"/> Seller <input type="checkbox"/> Both _____		
Q(7)	10B(2)	Government Required Point of Sale <b>corrective/remedial actions</b>	<input type="checkbox"/> Buyer <input type="checkbox"/> Seller <input type="checkbox"/> Both _____		
Q(8)	22B	Escrow Fees	<input type="checkbox"/> Buyer <input type="checkbox"/> Seller <input type="checkbox"/> Both _____ <input type="checkbox"/> Each to pay their own fees		Escrow Holder: _____
Q(9)	16	Owner's title insurance policy	<input type="checkbox"/> Buyer <input type="checkbox"/> Seller <input type="checkbox"/> Both _____		Title Company (If different from Escrow Holder): _____
Q(10)		Buyer's Lender title insurance policy	Buyer		Unless Otherwise Agreed, Buyer shall purchase any title insurance policy insuring Buyer's lender.
Q(11)		County transfer tax, fees	<input type="checkbox"/> Buyer <input type="checkbox"/> Seller <input type="checkbox"/> Both _____		
Q(12)		City transfer tax, fees	<input type="checkbox"/> Buyer <input type="checkbox"/> Seller <input type="checkbox"/> Both _____		
Q(13)	11D(2)	HOA fee for preparing disclosures	Seller		
Q(14)		HOA certification fee	Buyer		
Q(15)		HOA transfer fees	<input type="checkbox"/> Buyer <input type="checkbox"/> Seller <input type="checkbox"/> Both _____	Unless Otherwise Agreed, Seller shall pay for separate HOA move-out fee and Buyer shall pay for separate move-in fee. Applies if separately billed or itemized with cost in transfer fee.	
Q(16)		Private transfer fees	Seller, or if checked, <input type="checkbox"/> Buyer <input type="checkbox"/> Both _____		
Q(17)	10B(4)	Installation of safety features, required by law	<input type="checkbox"/> Buyer <input type="checkbox"/> Seller <input type="checkbox"/> Both _____		
Q(18)		_____ fees or costs	<input type="checkbox"/> Buyer <input type="checkbox"/> Seller <input type="checkbox"/> Both _____		
R	12	<b>Additional Tenancy Documents:</b> <input type="checkbox"/> Income and Expense Statements <input type="checkbox"/> Tenant Estoppel Certificate			
S	<b>OTHER TERMS:</b> _____				

4. **PROPERTY ADDENDA AND ADVISORIES:** (check all that apply)
- A. PROPERTY TYPE ADDENDA:** This Agreement is subject to the terms contained in the Addenda checked below:
- Probate Agreement Purchase Addendum (C.A.R. Form PA-PA)     Residential Units Purchase Addendum (RU-PA)
- Other \_\_\_\_\_
- B. OTHER ADDENDA:** This Agreement is subject to the terms contained in the Addenda checked below:
- Addendum # \_\_\_\_\_ (C.A.R. Form ADM)     Assumed Financing Addendum (C.A.R. Form AFA)
- Back Up Offer Addendum (C.A.R. Form BUO)     Short Sale Addendum (C.A.R. Form SSA)
- Court Confirmation Addendum (C.A.R. Form CCA)     Seller Intent to Exchange Addendum (C.A.R. Form SXA)
- Septic, Well, Property Monument and Propane Addendum (C.A.R. Form SWPI)
- Buyer Intent to Exchange Addendum (C.A.R. Form BXA)
- Other \_\_\_\_\_     Other \_\_\_\_\_



Property Address: \_\_\_\_\_ Date: \_\_\_\_\_

**C. BUYER AND SELLER ADVISORIES: (Note: All Advisories below are provided for reference purposes only and are not intended to be incorporated into this Agreement.)**

- Buyer's Investigation Advisory (C.A.R. Form BIA)
- Wire Fraud Advisory (C.A.R. Form WFA)
- Wildfire Disaster Advisory (C.A.R. Form WFDA)
- Trust Advisory (C.A.R. Form TA)
- REO Advisory (C.A.R. Form REO)
- Other: \_\_\_\_\_
- Fair Housing and Discrimination Advisory (C.A.R. Form FHDA)
- Cal. Consumer Privacy Act Advisory (C.A.R. Form CCPA)
- (Parties may also receive a privacy disclosure from their own Agent.)
- Statewide Buyer and Seller Advisory (C.A.R. Form SBSA)
- Short Sale Information and Advisory (C.A.R. Form SSIA)
- Probate Advisory (C.A.R. Form PA)
- Other \_\_\_\_\_

**5. ADDITIONAL TERMS AFFECTING PURCHASE PRICE:** Buyer represents that funds will be good when deposited with Escrow Holder.

**A. DEPOSIT:**

- (1) **INITIAL DEPOSIT:** Buyer shall deliver deposit directly to Escrow Holder. If a method other than wire transfer is specified in **paragraph 3D(1)** and such method is unacceptable to Escrow Holder, then upon notice from Escrow Holder, delivery shall be by wire transfer.
- (2) **INCREASED DEPOSIT:** Increased deposit specified in **paragraph 3D(2)** to be delivered to Escrow Holder in the same manner as the Initial Deposit. If the Parties agree to liquidated damages in this Agreement, they also agree to incorporate the increased deposit into the liquidated damages amount by signing a new liquidated damages clause (C.A.R. Form DID) at the time the increased deposit is delivered to Escrow Holder.
- (3) **RETENTION OF DEPOSIT: Paragraph 37, if initialed by all Parties or otherwise incorporated into this Agreement, specifies a remedy for Buyer's default. Buyer and Seller are advised to consult with a qualified California real estate attorney: (i) Before adding any other clause specifying a remedy (such as release or forfeiture of deposit or making a deposit non-refundable) for failure of Buyer to complete the purchase. Any such clause shall be deemed invalid unless the clause independently satisfies the statutory liquidated damages requirements set forth in the Civil Code; and (ii) Regarding possible liability and remedies if Buyer fails to deliver the deposit.**

**B. ALL CASH OFFER:** If an all cash offer is specified in **paragraph 3A**, no loan is needed to purchase the Property. This Agreement is NOT contingent on Buyer obtaining a loan. Buyer shall, within the time specified in **paragraph 3H(1)**, Deliver written verification of funds sufficient for the purchase price and closing costs.

**C. LOAN(S):**

- (1) **FIRST LOAN:** This loan will provide for conventional financing **UNLESS** Seller Financing (C.A.R. Form SFA), Subject To Financing, Assumed Financing, or Other is checked in **paragraph 3E(1)**.
- (2) **ADDITIONAL FINANCED AMOUNT:** If an additional financed amount is specified in **paragraph 3E(2)**, that amount will provide for conventional financing **UNLESS** Seller Financing (C.A.R. Form SFA), Subject To Financing, Assumed Financing, or Other is checked in **paragraph 3E(2)**.
- (3) **BUYER'S LOAN STATUS:** Buyer authorizes Seller and Seller's Authorized Agent to contact Buyer's lender(s) to determine the status of any Buyer's loan specified in **paragraph 3E**, or any alternate loan Buyer pursues, whether or not a contingency of this Agreement. If the contact information for Buyer's lender(s) is different from that provided under the terms of **paragraph 6B**, Buyer shall Deliver the updated contact information within 1 Day of Seller's request.
- (4) **ASSUMED OR SUBJECT TO FINANCING:** Seller represents that Seller is not delinquent on any payments due on any loans. If the Property is acquired subject to an existing loan, Buyer and Seller are advised to consult with legal counsel regarding the ability of an existing lender to call the loan due, and the consequences thereof.
- (5) Buyer shall, within the time specified in **paragraph 3E(1)**, Deliver to Seller written notice (C.A.R. Form RR or AEA) **(i)** of any lender requirements that Buyer requests Seller to pay for or otherwise correct or **(ii)** that there are no lender requirements.

**D. BALANCE OF PURCHASE PRICE (DOWN PAYMENT, paragraph 3F) (including all-cash funds)** to be deposited with Escrow Holder pursuant to Escrow Holder instructions.

**E. LIMITS ON CREDITS TO BUYER:** Any credit to Buyer as specified in **paragraph 3G(1)** or Otherwise Agreed, from any source, for closing or other costs that is agreed to by the Parties ("Contractual Credit") shall be disclosed to Buyer's lender, if any, and made at Close Of Escrow. If the total credit allowed by Buyer's lender ("Lender Allowable Credit") is less than the Contractual Credit, then **(i)** the Contractual Credit from Seller shall be reduced to the Lender Allowable Credit, and **(ii)** in the absence of a separate written agreement between the Parties, there shall be no automatic adjustment to the purchase price to make up for the difference between the Contractual Credit and the Lender Allowable Credit.

**6. ADDITIONAL FINANCING TERMS:**

- A. VERIFICATION OF DOWN PAYMENT AND CLOSING COSTS:** Written verification of Buyer's down payment and closing costs, within the time specified in **paragraph 3H(2)** may be made by Buyer or Buyer's lender or loan broker pursuant to **paragraph 6B**.
- B. VERIFICATION OF LOAN APPLICATIONS:** Buyer shall Deliver to Seller, within the time specified in **paragraph 3H(3)** a letter from Buyer's lender or loan broker stating that, based on a review of Buyer's written application and credit report, Buyer is prequalified or preapproved for any NEW loan specified in **paragraph 3E**. If any loan specified in **paragraph 3E** is an adjustable rate loan, the prequalification or preapproval letter shall be based on the qualifying rate, not the initial loan rate.
- C. BUYER STATED FINANCING:** Seller is relying on Buyer's representation of the type of financing specified (including, but not limited to, as applicable, all cash, amount of down payment, or contingent or non-contingent loan). Seller has agreed to a specific closing date, purchase price, and to sell to Buyer in reliance on Buyer's specified financing. Buyer shall pursue the financing specified in this Agreement, even if Buyer also elects to pursue an alternative form of financing. Seller has no obligation to cooperate with Buyer's efforts to obtain any financing other than that specified in this Agreement but shall not interfere with closing at the purchase price on the COE date (**paragraph 3B**) even if based upon alternate financing. Buyer's inability to obtain alternate financing does not excuse Buyer from the obligation to purchase the Property and close escrow as specified in this Agreement.

**7. CLOSING AND POSSESSION:**

**A. OCCUPANCY:** Buyer intends to occupy the Property as indicated in **paragraph 3E(3)**. Occupancy may impact available financing.



**B. CONDITION OF PROPERTY ON CLOSING:**

Unless Otherwise Agreed: (i) the Property shall be delivered "As-Is" in its PRESENT physical condition as of the date of Acceptance; (ii) the Property, including pool, spa, landscaping and grounds, is to be maintained in substantially the same condition as on the date of Acceptance; (iii) Except as specified in **paragraph 9C**, Seller is not responsible to repair any holes left after the removal of any wall hangings (such as pictures and mirrors), brackets, nails or other fastening devices; and (iv) all debris and personal property not included in the sale shall be removed by Close Of Escrow or at the time possession is delivered to Buyer, if not on the same date. If items are not removed when possession is delivered to Buyer, all items shall be deemed abandoned. Buyer, after first Delivering to Seller written notice to remove the items within **3 Days**, may pay to have such items removed or disposed of and may bring legal action, as per this Agreement, to receive reasonable costs from Seller.

**C. Buyer is strongly advised to conduct investigations of the entire Property in order to determine its present condition. Seller and Agents may not be aware of all defects affecting the Property or other factors that Buyer considers important. Property improvements may not be built according to code, in compliance with current Law, or have had all required permits issued and/or finalized.**

**D. SELLER REMAINING IN POSSESSION AFTER CLOSE OF ESCROW:** If Seller has the right to remain in possession after Close Of Escrow pursuant to **paragraph 3M(2)** or as Otherwise Agreed, (i) the Parties are advised to consult with their insurance and legal advisors for information about liability and damage or injury to persons and personal and real property; (ii) Buyer is advised to consult with Buyer's lender about the impact of Seller's occupancy on Buyer's loan; and (iii) consult with a qualified California real estate attorney where the Property is located to determine the ongoing rights and responsibilities of both Buyer and Seller with regard to each other, including possible tenant rights, and what type of written agreement to use to document the relationship between the Parties.

**E. At Close Of Escrow:** (i) Seller assigns to Buyer any assignable warranty rights for items included in the sale; and (ii) Seller shall Deliver to Buyer available Copies of any such warranties. Agents cannot and will not determine the assignability of any warranties.

**F. Seller shall, on Close Of Escrow unless Otherwise Agreed and even if Seller remains in possession, provide keys, passwords, codes and/or means to operate all locks, mailboxes, security systems, alarms, home automation systems, intranet and Internet-connected devices included in the purchase price, garage door openers, and all items included in either **paragraph 3P** or **paragraph 9**.** If the Property is a condominium or located in a common interest development, Seller shall be responsible for securing or providing any such items for Association amenities, facilities, and access. Buyer may be required to pay a deposit to the Owners' Association ("HOA") to obtain keys and accessible HOA facilities.

**8. CONTINGENCIES AND REMOVAL OF CONTINGENCIES:**

**A. LOAN(S):**

(1) This Agreement is, **unless otherwise specified in paragraph 3L(1) or an attached CR form**, contingent upon Buyer obtaining the loan(s) specified. If contingent, Buyer shall act diligently and in good faith to obtain the designated loan(s). **If there is no appraisal contingency or the appraisal contingency has been waived or removed, then failure of the Property to appraise at the purchase price does not entitle Buyer to exercise the cancellation right pursuant to the loan contingency if Buyer is otherwise qualified for the specified loan and Buyer is able to satisfy lender's non-appraisal conditions for closing the loan.**

(2) Buyer is advised to investigate the insurability of the Property as early as possible, as this may be a requirement for lending. Buyer's ability to obtain insurance for the Property, including fire insurance, is part of Buyer's Insurance contingency. Failure of Buyer to obtain insurance may justify cancellation based on the Insurance contingency but not the loan contingency.

(3) Buyer's contractual obligations regarding deposit, balance of down payment and closing costs **are not contingencies** of this Agreement, unless Otherwise Agreed.

(4) If there is an appraisal contingency, removal of the loan contingency shall not be deemed removal of the appraisal contingency.

(5) **NO LOAN CONTINGENCY:** If "No loan contingency" is checked in **paragraph 3L(1)**, obtaining any loan specified is NOT a contingency of this Agreement. If Buyer does not obtain the loan specified, and as a result is unable to purchase the Property, Seller may be entitled to Buyer's deposit or other legal remedies.

**B. APPRAISAL:**

(1) This Agreement is, **unless otherwise specified in paragraph 3L(2) or an attached CR form**, contingent upon a written appraisal of the Property by a licensed or certified appraiser at no less than the amount specified in **paragraph 3L(2)**, without requiring repairs or improvements to the Property. Appraisals are often a reliable source to verify square footage of the subject Property. However, the ability to cancel based on the measurements provided in an appraisal falls within the Investigation of Property contingency. The appraisal contingency is solely limited to the value determined by the appraisal. For any cancellation based upon this appraisal contingency, Buyer shall Deliver a Copy of the written appraisal to Seller, upon request by Seller.

(2) **NO APPRAISAL CONTINGENCY:** If "No appraisal contingency" is checked in **paragraph 3L(2)**, then Buyer may not use the loan contingency specified in **paragraph 3L(1)** to cancel this Agreement if the sole reason for not obtaining the loan is that the appraisal relied upon by Buyer's lender values the property at an amount less than that specified in **paragraph 3L(2)**. If Buyer is unable to obtain the loan specified solely for this reason, Seller may be entitled to Buyer's deposit or other legal remedies.

(3) **Fair Appraisal Act:** See **paragraph 33** for additional information.

**C. INVESTIGATION OF PROPERTY:** This Agreement is, as specified in **paragraph 3L(3)**, contingent upon Buyer's acceptance of the condition of, and any other matter affecting, the Property.

**D. INSURANCE:** This Agreement is, as specified in **paragraph 3L(4)**, contingent upon Buyer's assessment of the availability and approval of the cost for any insurance policy desired under this Agreement.

**E. REVIEW OF SELLER DOCUMENTS:** This Agreement is, as specified in **paragraph 3L(5)**, contingent upon Buyer's review and approval of Seller's documents required in **paragraph 17A**.

**F. TITLE:**

(1) This Agreement is, as specified in **paragraph 3L(6)**, contingent upon Buyer's ability to obtain the title policy provided for in **paragraph 16G** and on Buyer's review of a current Preliminary Report and items that are disclosed or observable even if not on record or not specified in the Preliminary Report, and satisfying Buyer regarding the current status of title. Buyer is advised to review all underlying documents and other matters affecting title, including, but not limited to, any documents or deeds referenced in the Preliminary Report and any plotted easements.

(2) Buyer has **5 Days** after receipt to review a revised Preliminary Report, if any, furnished by the Title Company and cancel the transaction if the revised Preliminary Report reveals material or substantial deviations from a previously provided Preliminary Report.



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- G. **CONDOMINIUM/PLANNED DEVELOPMENT DISCLOSURES (IF APPLICABLE):** This Agreement is, as specified in **paragraph 3L(7)**, contingent upon Buyer's review and approval of Common Interest Disclosures required by Civil Code § 4525 and under **paragraph 11D** ("CI Disclosures").
- H. **BUYER REVIEW OF LEASED OR LIENED ITEMS CONTINGENCY:** Buyer's review of and ability and willingness to assume any lease, maintenance agreement or other ongoing financial obligation, or to accept the Property subject to any lien, disclosed pursuant to **paragraph 9B(6)**, is, as specified in **paragraph 3L(8)**, a contingency of this Agreement. Any assumption of the lease shall not require any financial obligation or contribution by Seller. Seller, after first Delivering a Notice to Buyer to Perform, may cancel this Agreement if Buyer, by the time specified in **paragraph 3L(8)**, refuses to enter into any necessary written agreements to accept responsibility for all obligations of Seller disclosed leased or lienied items.
- I. **REMOVAL OR WAIVER OF CONTINGENCIES WITH OFFER:** Buyer shall have no obligation to remove a contractual contingency unless Seller has provided all required documents, reports, disclosures, and information pertaining to that contingency. If Buyer does remove a contingency without first receiving all required information from Seller, Buyer is relinquishing any contractual rights that apply to that contingency. **If Buyer removes or waives any contingencies without an adequate understanding of the Property's condition or Buyer's ability to purchase, Buyer is acting against the advice of Agent.**
- J. **REMOVAL OF CONTINGENCY OR CANCELLATION:**
  - (1) **For any contingency specified in paragraph 3L, 8, or elsewhere, Buyer shall, within the applicable period specified, remove the contingency or cancel this Agreement.**
  - (2) For the contingencies for review of Seller Documents, Preliminary Report, and Condominium/Planned Development Disclosures, Buyer shall, within the time specified in **paragraph 3L** or **5 Days** after Delivery of the applicable Seller Documents, Preliminary Report, or CI Disclosures, whichever occurs later, remove the applicable contingency in writing or cancel this Agreement.
  - (3) If Buyer does not remove a contingency within the time specified, Seller, after first giving Buyer a Notice to Buyer to Perform (C.A.R. Form NBP), shall have the right to cancel this Agreement.
- K. **SALE OF BUYER'S PROPERTY:** This Agreement and Buyer's ability to obtain financing are NOT contingent upon the sale of any property owned by Buyer unless the Sale of Buyer's Property (C.A.R. Form COP) is checked as a contingency of this Agreement in **paragraph 3L(9)**.
- 9. **ITEMS INCLUDED IN AND EXCLUDED FROM SALE:**
  - A. **NOTE TO BUYER AND SELLER:** Items listed as included or excluded in the Multiple Listing Service (MLS), flyers, marketing materials, or disclosures are NOT included in the purchase price or excluded from the sale unless specified in this paragraph or **paragraph 3P** or as Otherwise Agreed. Any items included herein are components of the Property and are not intended to affect the price. All items are transferred without Seller warranty.
  - B. **ITEMS INCLUDED IN SALE:**
    - (1) All EXISTING fixtures and fittings that are attached to the Property;
    - (2) EXISTING electrical, mechanical, lighting, plumbing and heating fixtures, ceiling fans, fireplace inserts, gas logs and grates, solar power systems, built-in appliances and appliances for which special openings or encasements have been made (whether or not included in **paragraph 3P**), window and door screens, awnings, shutters, window coverings (which includes blinds, curtains, drapery, shutters or any other materials that cover any portion of the window) and any associated hardware and rods, attached floor coverings, television antennas, satellite dishes, air coolers/conditioners, pool/spa equipment (including, but not limited to, any cleaning equipment such as motorized/automatic pool cleaners, pool heaters, pool nets, pool covers), garage door openers/remote controls, mailbox, in-ground landscaping, water features and fountains, water softeners, water purifiers, light bulbs (including smart bulbs) and all items specified as included in **paragraph 3P, if currently existing and owned by Seller at the time of Acceptance.**  
**Note:** If Seller does not intend to include any item specified as being included above because it is not owned by Seller, whether placed on the Property by Agent, stager, tenant, or other third party, the item should be listed as being excluded in **paragraph 3P(2)** or excluded by Seller in a counter offer.
    - (3) Security System includes any devices, hardware, software, or control units used to monitor and secure the Property, including but not limited to, any motion detectors, door or window alarms, and any other equipment utilized for such purpose. If checked in **paragraph 3P**, all such items are included in the sale, whether hard wired or not.
    - (4) Home Automation (Smart Home Features) includes any electronic devices and features including, but not limited to, thermostat controls, kitchen appliances not otherwise excluded, and lighting systems, that are connected (hard wired or wirelessly) to a control unit, computer, tablet, phone, or other "smart" device. Any Smart Home devices and features that are physically affixed to the real property, and also existing light bulbs, are included in the sale. Buyer is advised to use **paragraph 3P(1)** or an addendum to address more directly specific items to be included. Seller is advised to use a counter offer to address more directly any items to be excluded.
    - (5) Non-Dedicated Devices: All smart home and security system control devices are included in the sale, except for any non-dedicated personal computer, tablet, or phone used to control such features. Buyer acknowledges that a separate device and access to wifi or Internet may be required to operate some smart home features and Buyer may have to obtain such device after Close Of Escrow. Seller shall de-list any devices from any personal accounts and shall cooperate with any transfer of services to Buyer. Buyer is advised to change all passwords and ensure the security of any smart home features.
    - (6) **LEASED OR LIENED ITEMS AND SYSTEMS:** Seller, within the time specified in **paragraph 3N(1)**, shall (i) disclose to Buyer if any item or system specified in **paragraph 3P** or **9B** or otherwise included in the sale is leased, or not owned by Seller, or is subject to any maintenance or other ongoing financial obligation, or specifically subject to a lien or other encumbrance or loan, and (ii) Deliver to Buyer all written materials (such as lease, warranty, financing, etc.) concerning any such item.
    - (7) Seller represents that all items included in the purchase price, unless Otherwise Agreed, (i) are owned by Seller and shall be transferred free and clear of liens and encumbrances, except the items and systems identified pursuant to **paragraph 9B(6)**, and (ii) are transferred without Seller warranty regardless of value. Seller shall cooperate with the identification of any software or applications and Buyer's efforts to transfer any services needed to operate any Smart Home Features or other items included in this Agreement, including, but not limited to, utilities or security systems.
    - (8) A complete inventory of all personal property of Seller currently used in the operation of the Property and included in the purchase price shall be delivered to Buyer within the time specified in **paragraph 3N(1)**.
    - (9) Seller shall deliver title to the personal property by Bill of Sale, free of all liens and encumbrances, and without warranty of condition.



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(10) As additional security for any note in favor of Seller for any part of the purchase price, Buyer shall execute a UCC-1 Financing Statement to be filed with the Secretary of State, covering the personal property included in the purchase, replacement thereof, and insurance proceeds.

**C. ITEMS EXCLUDED FROM SALE:** Unless Otherwise Agreed, the following items are excluded from sale: **(i)** All items specified in **paragraph 3P(2)**; **(ii)** audio and video components (such as flat screen TVs, speakers and other items) if any such item is not itself attached to the Property, even if a bracket or other mechanism attached to the component or item is attached to the Property; **(iii)** furniture and other items secured to the Property for earthquake or safety purposes. **Unless otherwise specified in paragraph 3P(1), brackets attached to walls, floors or ceilings for any such component, furniture or item will be removed and holes or other damage shall be repaired, but not painted.**

**10. ALLOCATION OF COSTS:**

**A. INSPECTIONS, REPORTS, TESTS, AND CERTIFICATES:** Paragraphs **3Q(1), (2), (3), and (4)** only determines who is to pay for the inspection, report, test, certificate or service mentioned; **it does not determine who is to pay for any work recommended or identified in any such document. Agreements for payment of required work should be specified elsewhere in paragraph 3Q, or 3S, or in a separate agreement (such as C.A.R. Forms RR, RRRR, ADM or AEA).** Any reports in these paragraphs shall be Delivered in the time specified in **Paragraph 3N(1).**

**B. GOVERNMENT REQUIREMENTS AND CORRECTIVE OR REMEDIAL ACTIONS:**

**(1) LEGALLY REQUIRED INSTALLATIONS AND PROPERTY IMPROVEMENTS:** Any required installation of smoke alarm or carbon monoxide device(s) or securing of water heater shall be completed within the time specified in **paragraph 3N(4)** and paid by Party specified in **paragraph 3Q(4).** If Buyer is to pay for these items, Buyer, as instructed by Escrow Holder, shall deposit funds into escrow or directly to the vendor completing the repair or installation. Prior to Close Of Escrow, Seller shall Deliver to Buyer written statement(s) of compliance in accordance with any Law, unless Seller is exempt. If Seller is to pay for these items and does not fulfill Seller's obligation in the time specified, and Buyer incurs costs to comply with lender requirements concerning those items, Seller shall be responsible for Buyer's costs.

**(2) POINT OF SALE REQUIREMENTS:**

**(A)** Point of sale inspections, reports and repairs refer to any such actions required to be completed before or after Close Of Escrow that are required in order to close under any Law and paid by the Party specified in **paragraphs 3Q(6) and 3Q(7).** Unless Parties Otherwise Agree to another time period, any such repair, shall be completed prior to final verification of Property. If Buyer agrees to pay for any portion of such repair, Buyer, shall **(i)** directly pay to the vendor completing the repair or **(ii)** provide an invoice to Escrow Holder, deposit funds into escrow sufficient to pay for Buyer's portion of such repair and request Escrow Holder pay the vendor completing the repair.

**(B)** Buyer shall be provided, within the time specified in **paragraph 3N(1),** unless Parties Otherwise Agree to another time period, a Copy of any required government-conducted or point-of-sale inspection report prepared pursuant to this Agreement or in anticipation of this sale of the Property.

**(3) REINSPECTION FEES:** If any repair in **paragraph 10B(1)** is not completed within the time specified and the lender requires an additional inspection to be made, Seller shall be responsible for any corresponding reinspection fee. If Buyer incurs costs to comply with lender requirements concerning those items, Seller shall be responsible for those costs.

**(4) INSTALLATION OF SAFETY FEATURES:**

**(A)** The following installations shall be completed prior to final verification of condition unless Otherwise Agreed: **(i)** approved fire extinguisher(s), sprinkler(s), and hose(s), if required by law; and **(ii)** drain cover and anti-entrapment device or system meeting the minimum requirements permitted by the U.S. Consumer Products and Safety Commission for any pool or spa.

**(B)** If Buyer is to pay for these installations, Buyer, as instructed by Escrow Holder, shall deposit funds into escrow or directly to the vendor completing the installation.

**(5) INFORMATION AND ADVICE ON REQUIREMENTS:** Buyer and Seller are advised to seek information from a knowledgeable source regarding local and State mandates and whether they are point of sale requirements or requirements of ownership. Agents do not have expertise in this area and cannot ascertain all of the requirements or costs of compliance.

**11. SELLER DISCLOSURES:**

**A. WITHHOLDING TAXES:** Buyer and Seller hereby instruct Escrow Holder to withhold the applicable required amounts to comply with federal and California withholding Laws and forward such amounts to the Internal Revenue Service and Franchise Tax Board, respectively. However, no federal withholding is required if, prior to Close Of Escrow, Seller Delivers **(i)** to Buyer and Escrow Holder a fully completed affidavit (C.A.R. Form AS) sufficient to avoid withholding pursuant to federal withholding Law (FIRPTA); **OR (ii)** to a qualified substitute (usually a title company or an independent escrow company) a fully completed affidavit (C.A.R. Form AS) sufficient to avoid withholding pursuant to federal withholding Law AND the qualified substitute Delivers to Buyer and Escrow Holder an affidavit signed under penalty of perjury (C.A.R. Form QS) that the qualified substitute has received the fully completed Seller's affidavit and the Seller states that no federal withholding is required; **OR (iii)** to Buyer other documentation satisfying the requirements under Internal Revenue Code § 1445 (FIRPTA). No withholding is required under California Law if, prior to Close Of Escrow, Escrow Holder has received sufficient documentation from Seller that no withholding is required, and Buyer has been informed by Escrow Holder.

**B. NOTICE REGARDING GAS AND HAZARDOUS LIQUID TRANSMISSION PIPELINES:** This notice is being provided simply to inform you that information about the general location of gas and hazardous liquid transmission pipelines is available to the public via the National Pipeline Mapping System (NPMS) Internet Web site maintained by the United States Department of Transportation at <http://www.npms.phmsa.dot.gov/>. To seek further information about possible transmission pipelines near the Property, you may contact your local gas utility or other pipeline operators in the area. Contact information for pipeline operators is searchable by ZIP Code and county on the NPMS Internet Website. (Neither Seller nor Agent are required to check this website. If Buyer wants further information, Agent recommends that Buyer obtain information from this website during Buyer's investigation contingency period. Agents do not have expertise in this area.)

**C. NATURAL AND ENVIRONMENTAL HAZARDS:** Seller shall, within the time specified in **paragraph 3N(1),** if required by Law: **(i)** Deliver to Buyer the earthquake guide and environmental hazards booklet, and for all residential property with 1-4 units and any manufactured or mobile home built before January 1, 1960, fully complete and Deliver the Residential Earthquake Risk Disclosure Statement; and **(ii)** even if exempt from the obligation to provide a NHD, disclose if the Property is located in a Special Flood Hazard Area; Potential Flooding (Inundation) Area; Very High Fire Hazard Zone; State Fire Responsibility Area; Earthquake Fault Zone; Seismic Hazard Zone; and **(iii)** disclose any other zone as required by Law and provide any other information required for those zones.



**D. CONDOMINIUM/PLANNED DEVELOPMENT DISCLOSURES:**

- (1) Seller shall, within the time specified in **paragraph 3N(1)**, disclose to Buyer whether the Property is a condominium or is located in a planned development, other common interest development, or otherwise subject to covenants, conditions, and restrictions (C.A.R. Form CSPQ).
- (2) If the Property is a condominium or is located in a planned development or other common interest development with a HOA, Seller shall, within the time specified in **paragraph 3N(3)**, order from, and pay any required fee as specified in **paragraph 3Q(13)** for the following items to the HOA (C.A.R. Form HOA-IR): (i) Copies of any documents required by Law (C.A.R. Form HOA-RS); (ii) disclosure of any pending or anticipated claim or litigation by or against the HOA; (iii) a statement containing the location and number of designated parking and storage spaces; (iv) Copies of the most recent 12 months of HOA minutes for regular and special meetings; (v) the names and contact information of all HOAs governing the Property; (vi) pet restrictions; and (vii) smoking restrictions ("CI Disclosures"). Seller shall itemize and Deliver to Buyer all CI Disclosures received from the HOA and any CI Disclosures in Seller's possession. Seller shall, as directed by Escrow Holder, deposit funds into escrow or direct to HOA or management company to pay for any of the above.

**E. SOLAR POWER SYSTEMS:** For properties with any solar panels or solar power systems, Seller shall, within the time specified in **paragraph 3N(1)**, Deliver to Buyer all known information about the solar panels or solar system. Seller shall use the Solar Advisory and Questionnaire (C.A.R. Form SOLAR).

**F. WATER CONSERVING PLUMBING DEVICES:** Civil Code § 1101.5 requires all multi-family residential and commercial real property be equipped with water-conserving plumbing devices. Seller shall, within the time specified in **paragraph 3N(1)**, disclose in writing whether the property includes any noncompliant plumbing fixtures. Seller may use C.A.R. Form SPQ or ESD. See C.A.R. Form WCMD for more information.

**G. SURVEY, PLANS, AND ENGINEERING DOCUMENTS:** Seller, within the time specified in **paragraph 3N(1)**, shall provide to Buyer, Copies of surveys, plans, specifications, and engineering documents, if any, prepared on Seller's behalf on in Seller's possession.

**H. PERMITS:** Seller, within the time specified in **paragraph 3N(1)**, shall provide to Buyer, if in Seller's possession, copies of all permits and approvals, certificates of occupancy, conditional use permits, development plans, and licenses and permits pertaining to the operation of the Property.

**I. STRUCTURAL MODIFICATIONS:** Seller, within the time specified in **paragraph 3N(1)**, shall in writing disclose to Buyer, known structural additions or alterations to, or the installation, alteration, repair or replacement of, significant components of the structure(s) upon the Property.

**J. GOVERNMENTAL COMPLIANCE:** Within the time specified in **paragraph 3N(1)**,

- (1) Seller shall disclose to Buyer any improvements, additions, alterations, or repairs to the Property made by Seller, or known to Seller to have been made, without required governmental permits, final inspections, and approvals
- (2) Seller shall disclose to Buyer if Seller has actual knowledge of any notice of violations of Law filed or issued against the Property.

**K. VIOLATION NOTICES:** Within the time specified in **paragraph 3N(1)**, Seller shall disclose any notice of violations of any Law filed or issued against the Property and actually known to Seller

**L. BALCONIES, EXTERIOR STAIRWAYS AND OTHER ELEVATED ELEMENTS:** For properties with any building containing 3 or more dwelling units with elevated balconies, stairways or other elements, Seller shall, within the time specified in **paragraph 3N(1)**, Deliver to Buyer the Wooden Balcony and Stairs Addendum (C.A.R. Form WBSA) and comply with its terms.

**M. KNOWN MATERIAL FACTS:** Seller shall, within the time specified in **paragraph 3N(1)**, DISCLOSE KNOWN MATERIAL FACTS AND DEFECTS affecting the Property, including, but not limited to, known insurance claims within the past five years, or provide Buyer with permission to contact insurer to get such information (C.A.R. Form ARC), and make any and all other disclosures required by Law.

**N. COMMERCIAL SELLER PROPERTY QUESTIONNAIRE:** Seller shall, within the time specified in **paragraph 3N(1)**, complete and provide Buyer with a Commercial Seller Property Questionnaire (C.A.R. Form CSPQ).

**O. SUBSEQUENT DISCLOSURES:** In the event Seller, prior to Close Of Escrow, becomes aware of adverse conditions materially affecting the Property, or any material inaccuracy in disclosures, information, or representations previously provided to Buyer, Seller shall promptly Deliver a subsequent or amended disclosure or notice, in writing, covering those items. **However, a subsequent or amended disclosure shall not be required for conditions and material inaccuracies of which Buyer is otherwise aware or which are disclosed in reports provided to or obtained by Buyer or ordered and paid for by Buyer.**

**12. TENANCY RELATED DISCLOSURES:** Within the time specified in **paragraph 3N(1)**, and subject to Buyer's right of review, Seller shall disclose, make available or Deliver, as applicable, to Buyer, the following information:

**A. RENTAL/SERVICE AGREEMENTS:** (i) All current leases, rental agreements, service contracts, and other agreements pertaining to the operation of the Property; (ii) A rental statement including names of tenants, rental rates, period or rental, date of last rent increase, security deposits, rental concessions, rebates or other benefits, if any, and a list of delinquent rents and their duration. Seller represents that no tenant is entitled to any rebate, concession, or other benefit, except as set forth in these documents. Seller represents that the documents to be furnished are those maintained in the ordinary and normal course of business.

**B. INCOME AND EXPENSE STATEMENTS:** If checked in **paragraph 3R**, the books and records for the Property, if any, including a statement of income and expense for the 12 months preceding Acceptance. Seller represents that the books and records are those maintained in the ordinary and normal course of business and used by Seller in the computation of federal and state income tax returns.

**C. TENANT ESTOPPEL CERTIFICATES:** If checked in **paragraph 3R**, Tenant Estoppel Certificates (C.A.R. Form TEC). Tenant Estoppel Certificates shall be completed by Seller or Seller's agent and delivered to tenant(s) for tenant(s) to sign and acknowledge: (i) that tenant(s)' rental or lease agreements are unmodified and in full force and effect, (or if modified, stating all such modifications); (ii) that no lessor defaults exist; and (iii) stating the amount of any prepaid rent or security deposit. Seller shall exercise good faith to obtain tenant(s)' signature(s), but Seller cannot guarantee tenant(s)' cooperation. In the event Seller cannot obtain signed Tenant Estoppel Certificates within the time specified above, Seller shall notify Buyer and provide the unsigned one that was provided to tenant(s). If, after the time specified for Seller to Deliver the TEC to Buyer, any tenant(s) sign and return a TEC to Seller, Seller shall Deliver that TEC to Buyer.

**D. SELLER REPRESENTATIONS:** Unless otherwise disclosed under **paragraph 11, paragraph 12**, or under any disclosure Delivered to Buyer:

- (1) Seller represents that Seller has no actual knowledge that any tenant(s): (i) has any current pending lawsuit(s), investigation(s), Inquiry(ies), action(s), or other proceeding(s) affecting the Property or the right to use and occupy it; (ii) has any unsatisfied mechanics or materialman lien(s) affecting the Property; and (iii) is the subject of a bankruptcy. If Seller receives any such notice, prior to Close Of Escrow, Seller shall immediately notify Buyer.



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- (2) Seller represents that no tenant is entitled to any rebate, concessions, or other benefit, except as set forth in the rental service agreements.
- (3) Seller represents that the documents to be furnished are those maintained in the ordinary and normal course of business and the income and expense statements are and used by Seller in the computation of federal and state income tax returns.

**13. CHANGES DURING ESCROW:**

- A. Prior to Close Of Escrow, Seller may engage in the following acts ("Proposed Changes"), subject to Buyer's rights in **paragraph 13B**: (i) rent or lease any vacant unit or other part of the premises; (ii) alter, modify, or extend any existing rental or lease agreement; (iii) enter into, alter, modify, or extend any service contract(s); or (iv) change the status of the condition of the Property.
- B. (1) At least **7 Days** prior to any Proposed Changes, Seller shall Deliver written notice to Buyer of such Proposed Change  
(2) Within **5 Days** after receipt of such notice, Buyer, in writing, may give Seller notice of Buyer's objection to the Proposed Changes in which case Seller shall not make the Proposed Changes.

**14. SECURITY DEPOSITS AND UNEARNED RENT:** Security deposits, if any, to the extent they have not been applied by Seller in accordance with any rental agreement and current Law, and all prepaid but unearned rents, if any, shall be transferred to Buyer on Close Of Escrow. Seller shall notify each tenant regarding the security deposit, in compliance with the California Civil Code.

**15. BUYER'S INVESTIGATION OF PROPERTY AND MATTERS AFFECTING PROPERTY:**

- A. Buyer shall, within the time specified in **paragraph 3L(3)**, have the right, at Buyer's expense unless Otherwise Agreed, to conduct inspections, investigations, tests, surveys and other studies ("Buyer Investigations").
- B. Buyer Investigations include, but are not limited to:
  - (1) Inspections regarding any physical attributes of the Property or items connected to the Property, such as:
    - (A) A general inspection.
    - (B) An inspection for lead-based paint and other lead-based paint hazards.
    - (C) An inspection specifically for wood destroying pests and organisms. Any inspection for wood destroying pests and organisms shall be prepared by a registered Structural Pest Control company; shall cover the main building and attached structures; may cover detached structures; shall NOT include water tests of shower pans on upper level units unless the owners of property below the shower consent; shall NOT include roof coverings; and, if the Property is a unit in a condominium or other common interest subdivision, the inspection shall include only the separate interest and any exclusive-use areas being transferred, and shall NOT include common areas; and shall include a report ("Pest Control Report") showing the findings of the company which shall be separated into sections for evident infestation or infections (Section 1) and for conditions likely to lead to infestation or infection (Section 2).
    - (D) A phase one environmental survey, paid for and obtained by the party indicated in **paragraph 3Q(2)**. If Buyer is responsible for obtaining and paying for the survey, Buyer shall act diligently and in good faith to obtain such survey within the time specified in **paragraph 3L(3)**. Buyer has **5 Days** after receiving the survey to remove this portion of the Buyer's Investigation contingency.
  - (2) Investigations of any other matter affecting the Property, other than those that are specified as separate contingencies. Buyer Investigations do not include, among other things, an assessment of the availability and cost of general homeowner's insurance, flood insurance, and fire insurance. See, Buyer's Investigation Advisory (C.A.R. Form BIA) for more.
- C. Without Seller's prior written consent, Buyer shall neither make nor cause to be made: (i) invasive or destructive Buyer Investigations, except for minimally invasive testing required to prepare a Pest Control Report, which shall not include any holes or drilling through stucco or similar material; or (ii) inspections by any governmental building or zoning inspector or government employee, unless required by Law.
- D. Seller shall make the Property available for all Buyer Investigations. Seller is not obligated to move any existing personal property. Seller shall have water, gas, electricity and all operable pilot lights on for Buyer's Investigations and through the date possession is delivered to Buyer. Buyer shall, (i) by the time specified in **paragraph 3L(3)**, complete Buyer Investigations and satisfy themselves as to the condition of the Property, and either remove the contingency or cancel this Agreement, and (ii) by the time specified in **paragraph 3L(3)** or **3 Days** after receipt of any Investigation report, whichever is later, give Seller at no cost, complete Copies of all such reports obtained by Buyer, which obligation shall survive the termination of this Agreement. This Delivery of Investigation reports shall not include any appraisal.
- E. **Buyer indemnity and Seller protection for entry upon the Property:** Buyer shall: (i) keep the Property free and clear of liens; (ii) repair all damage arising from Buyer Investigations; and (iii) indemnify and hold Seller harmless from all resulting liability, claims, demands, damages and costs. Buyer shall carry, or Buyer shall require anyone acting on Buyer's behalf to carry, policies of liability, workers' compensation and other applicable insurance, defending and protecting Seller from liability for any injuries to persons or property occurring during any Buyer Investigations or work done on the Property at Buyer's direction prior to Close Of Escrow. Seller is advised that certain protections may be afforded Seller by recording a "Notice of Non-Responsibility" (C.A.R. Form NNR) for Buyer Investigations and work done on the Property at Buyer's direction. Buyer's obligations under this paragraph shall survive the termination of this Agreement.

**16. TITLE AND VESTING:**

- A. Buyer shall, within the time specified in **paragraph 3N(1)**, be provided a current Preliminary Report by the person responsible for paying for the title report in **paragraph 3Q(9)**. If Buyer is responsible for paying, Buyer shall act diligently and in good faith to obtain such Preliminary Report within the time specified. The Preliminary Report is only an offer by the title insurer to issue a policy of title insurance and may not contain every item affecting title. The company providing the Preliminary Report shall, prior to issuing a Preliminary Report, conduct a search of the General Index for all Sellers except banks or other institutional lenders selling properties they acquired through foreclosure (REOs), corporations, and government entities.
- B. Title is taken in its present condition subject to all encumbrances, easements, covenants, conditions, restrictions, rights and other matters, whether of record or not, as of the date of Acceptance except for: (i) monetary liens of record unless Buyer is assuming those obligations or taking the Property subject to those obligations; and (ii) those matters which Seller has agreed to remove in writing. For any lien or matter not being transferred upon sale, Seller will take necessary action to deliver title free and clear of such lien or matter.
- C. Seller shall within **7 Days** after request, give Escrow Holder necessary information to clear title.
- D. Seller shall, within the time specified in **paragraph 3N(1)**, disclose to Buyer all matters known to Seller affecting title, whether of record or not.
- E. If Buyer is a legal entity and the Property purchase price is at least \$300,000 and the purchase price is made without a bank loan or similar form of external financing, a Geographic Targeting Order (GTO) issued by the Financial Crimes Enforcement Network, U.S. Department of the Treasury, requires title companies to collect and report certain information about the Buyer, depending on where the Property is located. Buyer agrees to cooperate with the title company's effort to comply with the GTO.





Property Address: \_\_\_\_\_

Date: \_\_\_\_\_

- F. Buyer shall, after Close Of Escrow, receive a recorded grant deed or any other conveyance document required to convey title (For example, for stock cooperative or tenancy in common, respectively, an assignment of stock certificate or assignment of seller's interest in the real property), including oil, mineral and water rights if currently owned by Seller. Title shall vest as designated in Buyer's vesting instructions. The recording document shall contain Buyer's post-closing mailing address to enable Buyer's receipt of the recorded conveyance document from the County Recorder. THE MANNER OF TAKING TITLE MAY HAVE SIGNIFICANT LEGAL AND TAX CONSEQUENCES. CONSULT AN APPROPRIATE PROFESSIONAL.
  - G. Buyer shall receive a Standard Coverage Owner's CLTA policy of title insurance. An ALTA policy or the addition of endorsements may provide greater coverage for Buyer. A title company, at Buyer's request, can provide information about the availability, desirability, coverage, and cost of various title insurance coverages and endorsements. If Buyer desires title coverage other than that required by this paragraph, Buyer shall instruct Escrow Holder in writing and shall pay any increase in cost.
- 17. TIME PERIODS; REMOVAL OF CONTINGENCIES; CANCELLATION RIGHTS: The following time periods may only be extended, altered, modified or changed by mutual written agreement. Any removal of contingencies or cancellation under this paragraph by either Buyer or Seller must be exercised in good faith and in writing (C.A.R. Form CR-B, CR-S or CC).**
- A. **SELLER DELIVERY OF DOCUMENTS:** Seller shall, within the time specified in **paragraph 3N(1)**, Deliver to Buyer all reports, disclosures and information ("Reports") for which Seller is responsible as specified in **paragraphs 9B(6), 9B(8), 10, 11A, 11C-N, 12, 16A, 16D, and 36.**
  - B. **BUYER REVIEW OF DOCUMENTS; REPAIR REQUEST; CONTINGENCY REMOVAL OR CANCELLATION**
    - (1) Buyer has the time specified in **paragraph 3** to perform Buyer Investigations; review all disclosures, Reports, lease documents to be assumed by Buyer pursuant to **paragraph 9B(6)**, and other applicable information, which Buyer receives from Seller; and approve all matters affecting the Property.
    - (2) Buyer may, within the time specified in **paragraph 3L(3)**, request that Seller make repairs or take any other action regarding the Property (C.A.R. Form RR). Seller has no obligation to agree to or respond to Buyer's requests (C.A.R. Form RR or RRRR). If Seller does not agree or does not respond, Buyer is not contractually entitled to have the repairs or other requests made and may only cancel based on contingencies in this Agreement.
    - (3) Buyer shall, by the end of the times specified in **paragraph 3L** (or as Otherwise Agreed), Deliver to Seller a removal of the applicable contingency or cancellation of this Agreement (C.A.R. Form CR-B or CC). Buyer is advised not to remove contingencies related to review of documents until after the documents have been Delivered. If Delivery of any Report occurs after a contractual contingency pertaining to that Report has already been waived or removed, the Delivery of the Report does not revive the contingency.
    - (4) **Continuation of Contingency:** Even after the end of the time specified in **paragraph 3L** and before Seller cancels, if at all, pursuant to **paragraph 17C**, Buyer retains the right, in writing, to either (i) remove remaining contingencies, or (ii) cancel this Agreement based on a remaining contingency. Once Buyer's written removal of all contingencies is Delivered to Seller, Seller may not cancel this Agreement pursuant to **paragraph 17C(1)**.
  - C. **SELLER RIGHT TO CANCEL:**
    - (1) **SELLER RIGHT TO CANCEL; BUYER CONTINGENCIES:** If, by the time specified in this Agreement, Buyer does not Deliver to Seller a removal of the applicable contingency or cancellation of this Agreement, then Seller, after first Delivering to Buyer a Notice to Buyer to Perform (C.A.R. Form NBP), may cancel this Agreement. In such event, Seller shall authorize the return of Buyer's deposit, except for fees incurred by Buyer.
    - (2) **SELLER RIGHT TO CANCEL; BUYER CONTRACT OBLIGATIONS:** Seller, after first Delivering to Buyer a Notice to Buyer to Perform, may cancel this Agreement if, by the time specified in this Agreement, Buyer does not take the following action(s): (i) Deposit funds as required by **paragraph 3D(1)** or **3D(2)** or if the funds deposited pursuant to **paragraph 3D(1)** or **3D(2)** are not good when deposited; (ii) Deliver updated contact information for Buyer's lender(s) as required by **paragraph 5C(3)**; (iii) Deliver verification, or a satisfactory verification if Seller reasonably disapproves of the verification already provided, as required by **paragraph 5B** or **6A**; (iv) Deliver a letter as required by **paragraph 6B**; (v) In writing assume or accept leases or liens specified in **paragraph 8H**; (vi) Cooperate with the title company's effort to comply with the GTO as required by **paragraph 16E**; (vii) Sign or initial a separate liquidated damages form for an increased deposit as required by **paragraph 5A(2)** and **37**; (viii) Provide evidence of authority to Sign in a representative capacity as specified in **paragraph 36**; or (ix) Perform any additional Buyer contractual obligation(s) included in this Agreement. In such event, Seller shall authorize the return of Buyer's deposit, except for fees allocated to Seller in this Agreement and already paid by Escrow prior to cancellation of this Agreement and notification to Escrow.
    - (3) **SELLER RIGHT TO CANCEL; SELLER CONTINGENCIES:** Seller may cancel this Agreement by good faith exercise of any Seller contingency included in this Agreement, or Otherwise Agreed, so long as that contingency has not already been removed or waived in writing.
  - D. **BUYER RIGHT TO CANCEL:**
    - (1) **BUYER RIGHT TO CANCEL; SELLER CONTINGENCIES:** If, by the time specified in this Agreement, Seller does not Deliver to Buyer a removal of the applicable contingency or cancellation of this Agreement, then Buyer, after first Delivering to Seller a Notice to Seller to Perform (C.A.R. Form NSP), may cancel this Agreement. In such event, Seller shall authorize the return of Buyer's deposit, except for fees allocated to Seller in the Agreement and already paid by Escrow prior to cancellation of this Agreement and notification to Escrow.
    - (2) **BUYER RIGHT TO CANCEL; SELLER CONTRACT OBLIGATIONS:** If, by the time specified, Seller has not Delivered any item specified in **paragraph 3N(1)** or Seller has not performed any Seller contractual obligation included in this Agreement by the time specified, Buyer, after first Delivering to Seller a Notice to Seller to Perform, may cancel this Agreement.
    - (3) **BUYER RIGHT TO CANCEL; BUYER CONTINGENCIES:** Buyer may cancel this Agreement by good faith exercise of any Buyer contingency included in **paragraph 8**, or Otherwise Agreed, so long as that contingency has not already been removed in writing.
  - E. **NOTICE TO BUYER OR SELLER TO PERFORM:** The Notice to Buyer to Perform or Notice to Seller to Perform shall: (i) be in writing; (ii) be Signed by the applicable Buyer or Seller; and (iii) give the other Party at least **2 Days** after Delivery (or until the time specified in the applicable paragraph, whichever occurs last) to take the applicable action. A Notice to Buyer to Perform or Notice to Seller to Perform may not be Delivered any earlier than **2 Days** prior to the Scheduled Performance Day to remove a contingency or cancel this Agreement or meet an obligation specified in **paragraph 17**, except for Close of Escrow which shall be Delivered under the terms of **paragraph 17G**, whether or not the Scheduled Performance Day falls on a Saturday, or Sunday or legal holiday. If a Notice to Buyer to Perform or Notice to Seller to Perform is incorrectly Delivered or specifies a time less than the agreed time, the notice shall be deemed invalid and void. However, if the notice is for multiple items, the notice shall be valid for all contingencies and contractual actions for which the Delivery of the notice is within the time permitted in the Agreement and void as to the others. Seller or Buyer shall be required to Deliver a new Notice to Buyer to Perform or Notice to Seller to Perform with the specified timeframe.



**F. EFFECT OF REMOVAL OF CONTINGENCIES:**

(1) **REMOVAL OF BUYER CONTINGENCIES:** If Buyer removes any contingency or cancellation rights, unless Otherwise Agreed, Buyer shall conclusively be deemed to have: (i) completed all Buyer Investigations, and review of Reports and other applicable information and disclosures pertaining to that contingency or cancellation right; (ii) elected to proceed with the transaction; and (iii) assumed all liability, responsibility and expense for the non-delivery of any Reports, disclosures or information outside of Seller's control and for any Repairs or corrections pertaining to that contingency or cancellation right, or for the inability to obtain financing.

(2) **REMOVAL OF SELLER CONTINGENCIES:** If Seller removes any contingency or cancellation rights, unless Otherwise Agreed, Seller shall conclusively be deemed to have: (i) satisfied themselves regarding such contingency, (ii) elected to proceed with the transaction; and (iii) given up any right to cancel this Agreement based on such contingency.

**G. DEMAND TO CLOSE ESCROW:** Before Buyer or Seller may cancel this Agreement for failure of the other Party to close escrow pursuant to this Agreement, Buyer or Seller must first Deliver to the other Party a Demand to Close Escrow (C.A.R. Form DCE). The DCE shall: (i) be Signed by the applicable Buyer or Seller; and (ii) give the other Party at least **3 Days** after Delivery to close escrow. A DCE may not be Delivered any earlier than **3 Days** prior to the Scheduled Performance Day for the Close Of Escrow. If a DCE is incorrectly Delivered or specifies a time less than the agreed time, the DCE shall be deemed invalid and void and Seller or Buyer shall be required to Deliver a new DCE.

**H. EFFECT OF CANCELLATION ON DEPOSITS:** If Buyer or Seller gives written notice of cancellation pursuant to rights duly exercised under the terms of this Agreement, the Parties agree to Sign and Deliver mutual instructions to cancel the sale and escrow and release deposits, if any, to the Party entitled to the funds, less (i) fees and costs paid by Escrow Holder on behalf of that Party, if required by this Agreement; and (ii) any escrow fee charged to that party. Fees and costs may be payable to service providers and vendors for services and products provided during escrow. **A release of funds will require mutual Signed release instructions from the Parties, judicial decision or arbitration award. A Party may be subject to a civil penalty of up to \$1,000 for refusal to Sign cancellation instructions if no good faith dispute exists as to which Party is entitled to the deposited funds (Civil Code § 1057.3). Note: Neither Agents nor Escrow Holder are qualified to provide any opinion on whether either Party has acted in good faith or which Party is entitled to the deposited funds. Buyer and Seller are advised to seek the advice of a qualified California real estate attorney regarding this matter.**

**18. REPAIRS:** Repairs shall be completed prior to final verification of condition unless Otherwise Agreed. Repairs to be performed at Seller's expense may be performed by Seller or through others, provided that the work complies with applicable Law, including governmental permit, inspection and approval requirements. Repairs shall be performed in a good, skillful manner with materials of quality and appearance comparable to existing materials. Buyer acknowledges that exact restoration of appearance or cosmetic items following all Repairs may not be possible. Seller shall: (i) obtain invoices and paid receipts for Repairs performed by others; (ii) prepare a written statement indicating the Repairs performed by Seller and the date of such Repairs; and (iii) provide Copies of invoices and paid receipts and statements to Buyer prior to final verification of condition.

**19. FINAL VERIFICATION OF CONDITION:** Buyer shall have the right to make a final verification of the Property condition within the time specified in **paragraph 3J**, NOT AS A CONTINGENCY OF THE SALE, but solely to confirm: (i) the Property is maintained pursuant to **paragraph 7B**; (ii) Repairs have been completed as agreed; and (iii) Seller has complied with Seller's other obligations under this Agreement (C.A.R. Form VP).

**20. PRORATIONS OF PROPERTY TAXES AND OTHER ITEMS:** Unless Otherwise Agreed, the following items shall be PAID CURRENT and prorated between Buyer and Seller as of Close Of Escrow: real property taxes and assessments, interest, Seller rental payments, HOA regular assessments due prior to Close Of Escrow, premiums on insurance assumed by Buyer, payments on bonds and assessments assumed by Buyer, and payments on Mello-Roos and other Special Assessment District bonds and assessments that are now a lien. Seller shall pay any HOA special or emergency assessments due prior to Close Of Escrow. The following items shall be assumed by Buyer WITHOUT CREDIT toward the purchase price: prorated payments on Mello-Roos and other Special Assessment District bonds and assessments and OA special or emergency assessments that are due after Close Of Escrow. Property will be reassessed upon change of ownership. Any supplemental tax bills delivered to Escrow Holder prior to closing shall be prorated and paid as follows: (i) for periods after Close Of Escrow, by Buyer; and (ii) for periods prior to Close Of Escrow, by Seller (see C.A.R. Form SPT or SBSA for further information). Seller agrees all service fees, maintenance costs and utility bills will be paid current up and through the date of Close Of Escrow. **TAX BILLS AND UTILITY BILLS ISSUED AFTER CLOSE OF ESCROW SHALL BE HANDLED DIRECTLY BETWEEN BUYER AND SELLER.** Prorations shall be made based on a 30-day month.

**21. BROKERS AND AGENTS:**

**A. COMPENSATION:** Seller or Buyer, or both, as applicable, agree to pay compensation to Broker as specified in a separate written agreement between Broker and that Seller or Buyer. Compensation is payable upon Close Of Escrow, or if escrow does not close, as otherwise specified in the agreement between Broker and that Seller or Buyer. If Seller agrees to pay the obligation of Buyer to compensate Buyer's Broker (see **paragraph 3G(3)**), Seller shall be entitled to a copy of the portion of the written compensation agreement between Buyer and Buyer's Broker identifying the compensation to be paid. See C.A.R. Form SPBB for further information.

**B. SCOPE OF DUTY:** Buyer and Seller acknowledge and agree that Agent: (i) Does not decide what price Buyer should pay or Seller should accept; (ii) Does not guarantee the condition of the Property; (iii) Does not guarantee the performance, adequacy or completeness of inspections, services, products or repairs provided or made by Seller or others; (iv) Does not have an obligation to conduct an inspection of common areas or areas off the site of the Property; (v) Shall not be responsible for identifying defects on the Property, in common areas, or offsite unless such defects are visually observable by an inspection of reasonably accessible areas of the Property or are known to Agent; (vi) Shall not be responsible for inspecting public records or permits concerning the title or use of Property; (vii) Shall not be responsible for identifying the location of boundary lines or other items affecting title; (viii) Shall not be responsible for verifying square footage, representations of others or information contained in Investigation reports, Multiple Listing Service, advertisements, flyers or other promotional material; (ix) Shall not be responsible for determining the fair market value of the Property or any personal property included in the sale; (x) Shall not be responsible for providing legal or tax advice regarding any aspect of a transaction entered into by Buyer or Seller; and (xi) Shall not be responsible for providing other advice or information that exceeds the knowledge, education and experience required to perform real estate licensed activity. Buyer and Seller agree to seek legal, tax, insurance, title and other desired assistance from appropriate professionals.

**C. BROKERAGE:** Neither Buyer nor Seller has utilized the services of, or for any other reason owes compensation to, a licensed real estate broker (individual or corporate), agent, finder, or other entity, other than as specified in this Agreement, in connection with any act relating to the Property, including, but not limited to, inquiries, introductions, consultations, and negotiations leading to this Agreement. Buyer and Seller each agree to indemnify and hold the other, the Brokers specified herein and their agents, harmless from and against any costs, expenses or liability for compensation claimed inconsistent with the warranty and representation in this paragraph.



**22. JOINT ESCROW INSTRUCTIONS TO ESCROW HOLDER:**

- A. The following paragraphs, or applicable portions thereof, of this Agreement constitute the joint escrow instructions of Buyer and Seller to Escrow Holder,** which Escrow Holder is to use along with any related counter offers and addenda, and any additional mutual instructions to close the escrow: **paragraphs 1, 3A, 3B, 3D-G, 3N(2), 3Q, 3S, 4A, 4B, 5A(1-2) 5D, 5E, 10B(2) (A), 10B(3), 10B(4)(B), 11A, 11D(2), 16 (except 16D), 17H, 20, 21A, 22, 26, 32, 35, 36, 40, and 41.** If a Copy of the separate compensation agreement(s) provided for in **paragraph 21A** is deposited with Escrow Holder by Agent, Escrow Holder shall accept such agreement(s) and pay out from Buyer's or Seller's funds, or both, as applicable, the Broker's compensation provided for in such agreement(s). The terms and conditions of this Agreement not set forth in the specified paragraphs are additional matters for the information of Escrow Holder, but about which Escrow Holder need not be concerned.
  - B. Buyer and Seller will receive Escrow Holder's general provisions, if any, directly from Escrow Holder.** To the extent the general provisions are inconsistent or conflict with this Agreement, the general provisions will control as to the duties and obligations of Escrow Holder only. Buyer and Seller shall Sign and return Escrow Holder's general provisions or supplemental instructions within the time specified in **paragraph 3N(2).** Buyer and Seller shall execute additional instructions, documents and forms provided by Escrow Holder that are reasonably necessary to close the escrow and, as directed by Escrow Holder, within **3 Days,** shall pay to Escrow Holder or HOA or HOA management company or others any fee required by **paragraphs 3, 8, 10, 11,** or elsewhere in this Agreement.
  - C. A Copy of this Agreement including any counter offer(s) and addenda shall be delivered to Escrow Holder within 3 Days after Acceptance.** Buyer and Seller authorize Escrow Holder to accept and rely on Copies and Signatures as defined in this Agreement as originals, to open escrow and for other purposes of escrow. The validity of this Agreement as between Buyer and Seller is not affected by whether or when Escrow Holder Signs this Agreement. Escrow Holder shall provide Seller's Statement of Information to Title Company when received from Seller, if a separate company is providing title insurance. If Seller delivers an affidavit to Escrow Holder to satisfy Seller's FIRPTA obligation under **paragraph 11A,** Escrow Holder shall deliver to Buyer, Buyer's Agent, and Seller's Agent a Qualified Substitute statement that complies with federal Law. If Escrow Holder's Qualified Substitute statement does not comply with federal law, the Parties instruct escrow to withhold all applicable required amounts under **paragraph 11A.**
  - D. Agents are not a party to the escrow except for the sole purpose of receiving compensation pursuant to paragraph 21A.** If a Copy of the separate compensation agreement(s) is deposited with Escrow Holder by Agent, Escrow Holder shall accept such agreement(s) and pay out from Buyer's or Seller's funds, or both, as applicable, the Broker's compensation provided for in such agreement(s). Escrow Holder shall provide to Buyer and Seller, either jointly or separately, a closing statement or other written documentation showing the amount of compensation paid to, respectively, Buyer's Broker and Seller's Broker. Buyer and Seller irrevocably assign to Brokers compensation specified in **paragraph 21A,** and irrevocably instruct Escrow Holder to disburse those funds to Brokers at Close Of Escrow or pursuant to any other mutually executed cancellation agreement. Compensation instructions can be amended or revoked only with the written consent of Brokers. Buyer and Seller shall release and hold harmless Escrow Holder from any liability resulting from Escrow Holder's payment to Broker(s) of compensation pursuant to this Agreement.
  - E. Buyer and Seller acknowledge that Escrow Holder may require invoices for expenses under this Agreement.** Buyer and Seller, upon request by Escrow Holder, within **3 Days** or within a sufficient time to close escrow, whichever is sooner, shall provide any such invoices to Escrow Holder.
  - F. Upon receipt, Escrow Holder shall provide Buyer, Seller, and each Agent verification of Buyer's deposit of funds pursuant to paragraph 5A(1) and 5A(2).** Once Escrow Holder becomes aware of any of the following, Escrow Holder shall immediately notify each Agent: **(i)** if Buyer's initial or any additional deposit or down payment is not made pursuant to this Agreement, or is not good at time of deposit with Escrow Holder; or **(ii)** if Buyer and Seller instruct Escrow Holder to cancel escrow.
  - G. A Copy of any amendment that affects any paragraph of this Agreement for which Escrow Holder is responsible shall be delivered to Escrow Holder within 3 Days after mutual execution of the amendment.**
- 23. SELECTION OF SERVICE PROVIDERS:** Agents do not guarantee the performance of any vendors, service or product providers ("Providers"), whether referred by Agent or selected by Buyer, Seller or other person. Buyer and Seller may select ANY Providers of their own choosing.
- 24. MULTIPLE LISTING SERVICE ("MLS"):** Agents are authorized to report to the MLS that an offer has been accepted and, upon Close Of Escrow, the sales price and other terms of this transaction shall be provided to the MLS to be published and disseminated to persons and entities authorized to use the information on terms approved by the MLS. Buyer acknowledges that: **(i)** any pictures, videos, floor plans (collectively, "Images") or other information about the Property that has been or will be inputted into the MLS or internet portals, or both, at the instruction of Seller or in compliance with MLS rules, will not be removed after Close Of Escrow; **(ii)** California Civil Code § 1088(c) requires the MLS to maintain such Images and information for at least three years and as a result they may be displayed or circulated on the Internet, which cannot be controlled or removed by Seller or Agents; and **(iii)** Seller, Seller's Agent, Buyer's Agent, and MLS have no obligation or ability to remove such Images or information from the Internet.
- 25. ATTORNEY FEES AND COSTS:** In any action, proceeding, or arbitration between Buyer and Seller arising out of this Agreement, the prevailing Buyer or Seller shall be entitled to reasonable attorney fees and costs from the non-prevailing Buyer or Seller, except as provided in **paragraph 38A.**
- 26. ASSIGNMENT/NOMINATION:** Buyer shall have the right to assign all of Buyer's interest in this Agreement to Buyer's own trust or to any wholly owned entity of Buyer that is in existence at the time of such assignment. Otherwise, Buyer shall not assign all or any part of Buyer's interest in this Agreement without first having obtained the separate written consent of Seller to a specified assignee. Such consent shall not be unreasonably withheld. Prior to any assignment, Buyer shall disclose to Seller the name of the assignee and the amount of any monetary consideration between Buyer and assignee. Buyer shall provide assignee with all documents related to this Agreement including, but not limited to, the Agreement and any disclosures. If assignee is a wholly owned entity or trust of Buyer, that assignee does not need to re-sign or initial all documents provided. Whether or not an assignment requires seller's consent, at the time of assignment, assignee shall deliver a letter from assignee's lender that assignee is prequalified or preapproved as specified in **paragraph 6B.** Should assignee fail to deliver such a letter, Seller, after first giving Assignee an Notice to Perform, shall have the right to terminate the assignment. Buyer shall, within the time specified in **paragraph 3K,** Deliver any request to assign this Agreement for Seller's consent. If Buyer fails to provide the required information within this time frame, Seller's withholding of consent shall be deemed reasonable. Any total or partial assignment shall not relieve Buyer of Buyer's obligations pursuant to this Agreement unless Otherwise Agreed by Seller (C.A.R. Form AOAA). Parties shall provide any assignment agreement to Escrow Holder within **1 Day** after the assignment. Any nomination by Buyer shall be subject to the same procedures, requirements, and terms as an assignment as specified in this paragraph.
- 27. SUCCESSORS AND ASSIGNS:** This Agreement shall be binding upon, and inure to the benefit of, Buyer and Seller and their respective successors and assigns, except as otherwise provided herein.



Property Address: \_\_\_\_\_

Date: \_\_\_\_\_

- 28. ENVIRONMENTAL HAZARD CONSULATATION:** Buyer and Seller acknowledge: **(i)** Federal, state, and local legislation impose liability upon existing and former owners and users of real property, in applicable situations, for certain legislatively defined, environmentally hazardous substances; **(ii)** Agent(s) has/have made no representation concerning the applicability of any such Law to this transaction or to Buyer or to Seller, except as otherwise indicated in this Agreement; **(iii)** Agent(s) has/have made no representation concerning the existence, testing, discovery, location, and evaluation of/for, and risks posed by, environmentally hazardous substances, if any, located on or potentially affecting the Property; and **(iv)** Buyer and Seller are each advised to consult with technical and legal experts concerning the existence, testing, discover, location and evaluation of/for, and risks posed by, environmentally hazardous substances, in any, located on or potentially affecting the Property.
- 29. AMERICANS WITH DISABILITIES ACT:** The Americans With Disabilities Act (“ADA”) prohibits discrimination against individuals with disabilities. The ADA affects almost all commercial facilities and public accommodations. Residential properties are not typically covered by the ADA, but may be governed by its provisions if used for certain purposes. The ADA can require, among other things, that building be made readily accessible to the disabled. Different requirements apply to new construction, alterations to existing buildings, and removal of barriers in existing buildings. Compliance with the ADA may require significant costs. Monetary and injunctive remedies may be incurred if the Property is not in compliance. A real estate broker or agent does not have the technical expertise to determine whether a building is in compliance with ADA requirements, or to advise a principal on those requirements. Buyer and Seller are advised to contact a qualified California real estate attorney, contractor, architect, engineer, or other qualified professional of Buyer or Seller’s own choosing to determine to what degree, if any, the ADA impacts that principal or this transaction.
- 30. EQUAL HOUSING OPPORTUNITY:** The Property is sold in compliance with federal, state and local anti-discrimination Laws.
- 31. COPIES:** Seller and buyer each represent that Copies of all reports, certificates, approvals, and other documents that are furnished to the other are true, correct, and unaltered Copies of the original documents, if the originals are in the possession of the furnishing party.
- 32. DEFINITIONS and INSTRUCTIONS:** The following words are defined terms in this Agreement, shall be indicated by initial capital letters throughout this Agreement, and have the following meaning whenever used:
- A. “Acceptance”** means the time the offer or final counter offer is fully executed, in writing, by the recipient Party and is Delivered to the offering Party or that Party’s Authorized Agent.
  - B. “Agent”** means the Broker, salesperson, broker-associate or any other real estate licensee licensed under the brokerage firm identified in **paragraph 2B**.
  - C. “Agreement”** means this document and any counter offers and any incorporated addenda or amendments, collectively forming the binding agreement between the Parties. Addenda and amendments are incorporated only when Signed and Delivered by all Parties.
  - D. “As-Is”** condition: Seller shall disclose known material facts and defects as specified in this Agreement. Buyer has the right to inspect the Property and, within the time specified, request that Seller make repairs or take other corrective action, or exercise any contingency cancellation rights in this Agreement. Seller is only required to make repairs specified in this Agreement or as Otherwise Agreed.
  - E. “Authorized Agent”** means an individual real estate licensee specified in the Real Estate Broker Section.
  - F. “C.A.R. Form”** means the most current version of the specific form referenced or another comparable form agreed to by the Parties.
  - G. “Close Of Escrow”,** including “COE”, means the date the grant deed, or other evidence of transfer of title, is recorded for any real property, or the date of Delivery of a document evidencing the transfer of title for any non-real property transaction.
  - H. “Copy”** means copy by any means including photocopy, facsimile and electronic.
  - I. “Counting Days** is done as follows unless Otherwise Agreed: (1) The first Day after an event is the first full calendar date following the event, and ending at 11:59 pm. For example, if a Notice to Buyer to Perform (C.A.R. form NBP) is Delivered at 3 pm on the 7th calendar day of the month, or Acceptance of a counter offer is personally received at 12 noon on the 7th calendar day of the month, then the 7th is Day “0” for purposes of counting days to respond to the NBP or calculating the Close Of Escrow date or contingency removal dates and the 8th of the month is Day 1 for those same purposes. (2) All calendar days are counted in establishing the first Day after an event. (3) All calendar days are counted in determining the date upon which performance must be completed, ending at 11:59 pm on the last day for performance (“Scheduled Performance Day”). (4) After Acceptance, if the Scheduled Performance Day for any act required by this Agreement, including Close Of Escrow, lands on a Saturday, Sunday, or Legal Holiday, the performing party shall be allowed to perform on the next day that is not a Saturday, Sunday or Legal Holiday (“Allowable Performance Day”), and ending at 11:59 pm. “Legal Holiday” shall mean any holiday or optional bank holiday under Civil Code §§ 7 and 7.1 and any holiday under Government Code § 6700. (5) For the purposes of COE, any day that the Recorder’s office in the County where the Property is located is closed or any day that the lender or Escrow Holder under this Agreement is closed, the COE shall occur on the next day the Recorder’s office in that County, the lender, and the Escrow Holder are open. (6) COE is considered Day 0 for purposes of counting days Seller is allowed to remain in possession, if permitted by this Agreement.
  - J. “Day”** or “Days” means calendar day or days. However, delivery of deposit to escrow is based on business days.
  - K. “Deliver”, “Delivered”** or “Delivery” of documents, unless Otherwise Agreed, means and shall be effective upon personal receipt of the document by Buyer or Seller or their Authorized Agent. Personal receipt means **(i)** a Copy of the document, or as applicable, link to the document, is in the possession of the Party or Authorized Agent, regardless of the Delivery method used (i.e. e-mail, text, other). A document, or as applicable link to a document, shall be deemed to be “in possession” if it located in the in-box for the applicable Party or Authorized Agent; or **(ii)** an electronic Copy of the document, or as applicable, link to the document, has been sent to the designated electronic delivery address specified in the Real Estate Broker Section, unless Otherwise Agreed in C.A.R. Form DEDA. After Acceptance, Agent may change the designated electronic delivery address for that Agent by, in writing, Delivering notice of the change in designated electronic delivery address to the other Party (C.A.R. Form DEDA). Links could be, for example, to DropBox or GoogleDrive or other functionally equivalent program. If the recipient of a link is unable or unwilling to open the link or download the documents or otherwise prefers Delivery of the documents directly, Recipient of a link shall notify the sender in writing, within **3 Days** after Delivery of the link (C.A.R. Form RFR). In such case, Delivery shall be effective upon Delivery of the documents and not the link. Failure to notify sender within the time specified above shall be deemed consent to receive, and Buyer opening, the document by link.
  - L. “Electronic Copy”** or “Electronic Signature” means, as applicable, an electronic copy or signature complying with California Law. Unless Otherwise Agreed, Buyer and Seller agreed to the use of Electronic Signatures. Buyer and Seller agree that electronic means will not be used by either Party to modify or alter the content or integrity of this Agreement without the knowledge and consent of the other Party.
  - M. “Law”** means any law, code, statute, ordinance, regulation, rule or order, which is adopted by a controlling city, county, state or federal legislative, judicial or executive body or agency.
  - N. “Legally Authorized Signer”** means an individual who has authority to Sign for the principal as specified in **paragraph 40** or **paragraph 41**.



Property Address: \_\_\_\_\_ Date: \_\_\_\_\_

- O. "Otherwise Agreed" means an agreement in writing, signed by both Parties and Delivered to each.
- P. "Repairs" means any repairs (including pest control), alterations, replacements, modifications or retrofitting of the Property provided for under this Agreement.
- Q. "Sign" or "Signed" means either a handwritten or Electronic Signature on an original document, Copy or any counterpart.

**33. FAIR APPRAISAL ACT NOTICE:**

- A. Any appraisal of the property is required to be unbiased, objective, and not influenced by improper or illegal considerations, including, but not limited to, any of the following: race, color, religion (including religious dress, grooming practices, or both), gender (including, but not limited to, pregnancy, childbirth, breastfeeding, and related conditions, and gender identity and gender expression), sexual orientation, marital status, medical condition, military or veteran status, national origin (including language use and possession of a driver's license issued to persons unable to provide their presence in the United States is authorized under federal law), source of income, ancestry, disability (mental and physical, including, but not limited to, HIV/AIDS status, cancer diagnosis, and genetic characteristics), genetic information, or age.
- B. If a buyer or seller believes that the appraisal has been influenced by any of the above factors, the seller or buyer can report this information to the lender or mortgage broker that retained the appraiser and may also file a complaint with the Bureau of Real Estate Appraisers at <https://www2.brea.ca.gov/complaint/> or call (916) 552-9000 for further information on how to file a complaint.

**34. TERMS AND CONDITIONS OF OFFER:** This is an offer to purchase the Property on the terms and conditions herein. The individual Liquidated Damages and Arbitration of Disputes paragraphs are incorporated in this Agreement if initialed by all Parties or if incorporated by mutual agreement in a Counter Offer or addendum. **If at least one but not all Parties initial, a Counter Offer is required until agreement is reached.** Seller has the right to continue to offer the Property for sale and to accept any other offer at any time prior to notification of Acceptance and to market the Property for backup offers after Acceptance. The Parties have read and acknowledge receipt of a Copy of the offer and agree to the confirmation of agency relationships. If this offer is accepted and Buyer subsequently defaults, Buyer may be responsible for payment of Brokers' compensation. This Agreement and any supplement, addendum or modification, including any Copy, may be Signed in two or more counterparts, all of which shall constitute one and the same writing. By signing this offer or any document in the transaction, the Party Signing the document is deemed to have read the document in its entirety.

**35. TIME OF ESSENCE; ENTIRE CONTRACT; CHANGES:** Time is of the essence. All understandings between the Parties are incorporated in this Agreement. Its terms are intended by the Parties as a final, complete and exclusive expression of their Agreement with respect to its subject matter and may not be contradicted by evidence of any prior agreement or contemporaneous oral agreement. If any provision of this Agreement is held to be ineffective or invalid, the remaining provisions will nevertheless be given full force and effect. Except as Otherwise Agreed, this Agreement shall be interpreted, and disputes shall be resolved in accordance with the Laws of the State of California. **Neither this Agreement nor any provision in it may be extended, amended, modified, altered or changed, except in writing Signed by Buyer and Seller.**

**36. LEGALLY AUTHORIZED SIGNER:** Wherever the signature or initials of the Legally Authorized Signer identified in **paragraph 40 or 41** appear on this Agreement or any related documents, it shall be deemed to be in a representative capacity for the entity described and not in an individual capacity, unless otherwise indicated. The Legally Authorized Signer **(i)** represents that the entity for which that person is acting already exists and is in good standing to do business in California and **(ii)** shall Deliver to the other Party and Escrow Holder, within as specified in **paragraph 3N(5)**, evidence of authority to act in that capacity (such as but not limited to: applicable portion of the trust or Certification Of Trust (Probate Code § 18100.5), letters testamentary, court order, power of attorney, corporate resolution, or formation documents of the business entity).

**37. LIQUIDATED DAMAGES:**

**If Buyer fails to complete this purchase because of Buyer's default, Seller shall retain, as liquidated damages, the deposit actually paid. Buyer and Seller agree that this amount is a reasonable sum given that it is impractical or extremely difficult to establish the amount of damages that would actually be suffered by Seller in the event Buyer were to breach this Agreement. Release of funds will require mutual, Signed release instructions from both Buyer and Seller, judicial decision or arbitration award. AT THE TIME OF ANY INCREASED DEPOSIT BUYER AND SELLER SHALL SIGN A SEPARATE LIQUIDATED DAMAGES PROVISION INCORPORATING THE INCREASED DEPOSIT AS LIQUIDATED DAMAGES (C.A.R. FORM DID).**

Buyer's Initials \_\_\_\_\_ / \_\_\_\_\_

Seller's Initials \_\_\_\_\_ / \_\_\_\_\_

**38. MEDIATION:**

- A. The Parties agree to mediate any dispute or claim arising between them out of this Agreement, or any resulting transaction, before resorting to arbitration or court action. The mediation shall be conducted through the C.A.R. Real Estate Mediation Center for Consumers ([www.consumermediation.org](http://www.consumermediation.org)) or through any other mediation provider or service mutually agreed to by the Parties. The Parties **also agree to mediate any disputes or claims with Agents(s), who, in writing, agree to such mediation prior to, or within a reasonable time after, the dispute or claim is presented to the Agent.** Mediation fees, if any, shall be divided equally among the Parties involved, and shall be recoverable under the prevailing party attorney fees clause. If, for any dispute or claim to which this paragraph applies, any Party **(i)** commences an action without first attempting to resolve the matter through mediation, or **(ii)** before commencement of an action, refuses to mediate after a request has been made, then that Party shall not be entitled to recover attorney fees, even if they would otherwise be available to that Party in any such action. **THIS MEDIATION PROVISION APPLIES WHETHER OR NOT THE ARBITRATION PROVISION IS INITIALED.**
- B. **ADDITIONAL MEDIATION TERMS: (i) Exclusions from this mediation agreement are specified in paragraph 39B; (ii) The obligation to mediate does not preclude the right of either Party to seek a preservation of rights under paragraph 39C; and (iii) Agent's rights and obligations are further specified in paragraph 39D. These terms apply even if the Arbitration of Disputes paragraph is not initialed.**



**39. ARBITRATION OF DISPUTES:**

- A. The Parties agree that any dispute or claim in Law or equity arising between them out of this Agreement or any resulting transaction, which is not settled through mediation, shall be decided by neutral, binding arbitration. The Parties also agree to arbitrate any disputes or claims with Agents(s), who, in writing, agree to such arbitration prior to, or within a reasonable time after, the dispute or claim is presented to the Agent. The arbitration shall be conducted through any arbitration provider or service mutually agreed to by the Parties. The arbitrator shall be a retired judge or justice, or an attorney with at least 5 years of transactional real estate Law experience, unless the Parties mutually agree to a different arbitrator. Enforcement of, and any motion to compel arbitration pursuant to, this agreement to arbitrate shall be governed by the procedural rules of the Federal Arbitration Act, and not the California Arbitration Act, notwithstanding any language seemingly to the contrary in this Agreement. The Parties shall have the right to discovery in accordance with Code of Civil Procedure § 1283.05. The arbitration shall be conducted in accordance with Title 9 of Part 3 of the Code of Civil Procedure. Judgment upon the award of the arbitrator(s) may be entered into any court having jurisdiction.
- B. **EXCLUSIONS:** The following matters are excluded from mediation and arbitration: (i) Any matter that is within the jurisdiction of a probate, small claims or bankruptcy court; (ii) an unlawful detainer action; and (iii) a judicial or non-judicial foreclosure or other action or proceeding to enforce a deed of trust, mortgage or installment land sale contract as defined in Civil Code § 2985.
- C. **PRESERVATION OF ACTIONS:** The following shall not constitute a waiver nor violation of the mediation and arbitration provisions: (i) the filing of a court action to preserve a statute of limitations; (ii) the filing of a court action to enable the recording of a notice of pending action, for order of attachment, receivership, injunction, or other provisional remedies, provided the filing party concurrent with, or immediately after such filing, makes a request to the court for a stay of litigation pending any applicable mediation or arbitration proceeding; or (iii) the filing of a mechanic's lien.
- D. **AGENTS:** Agents shall not be obligated nor compelled to mediate or arbitrate unless they agree to do so in writing. Any Agents(s) participating in mediation or arbitration shall not be deemed a party to this Agreement.
- E. **"NOTICE: BY INITIALING IN THE SPACE BELOW YOU ARE AGREEING TO HAVE ANY DISPUTE ARISING OUT OF THE MATTERS INCLUDED IN THE 'ARBITRATION OF DISPUTES' PROVISION DECIDED BY NEUTRAL ARBITRATION AS PROVIDED BY CALIFORNIA LAW AND YOU ARE GIVING UP ANY RIGHTS YOU MIGHT POSSESS TO HAVE THE DISPUTE LITIGATED IN A COURT OR JURY TRIAL. BY INITIALING IN THE SPACE BELOW YOU ARE GIVING UP YOUR JUDICIAL RIGHTS TO DISCOVERY AND APPEAL, UNLESS THOSE RIGHTS ARE SPECIFICALLY INCLUDED IN THE 'ARBITRATION OF DISPUTES' PROVISION. IF YOU REFUSE TO SUBMIT TO ARBITRATION AFTER AGREEING TO THIS PROVISION, YOU MAY BE COMPELLED TO ARBITRATE UNDER THE AUTHORITY OF THE CALIFORNIA CODE OF CIVIL PROCEDURE. YOUR AGREEMENT TO THIS ARBITRATION PROVISION IS VOLUNTARY."**

**"WE HAVE READ AND UNDERSTAND THE FOREGOING AND AGREE TO SUBMIT DISPUTES ARISING OUT OF THE MATTERS INCLUDED IN THE 'ARBITRATION OF DISPUTES' PROVISION TO NEUTRAL ARBITRATION."**

Buyer's Initials \_\_\_\_\_ / \_\_\_\_\_

Seller's Initials \_\_\_\_\_ / \_\_\_\_\_

**40. OFFER**

- A. **EXPIRATION OF OFFER:** This offer shall be deemed revoked and the deposit, if any, shall be returned to Buyer unless by the date and time specified in **paragraph 3C**, the offer is Signed by Seller and a Copy of the Signed offer is Delivered to Buyer or Buyer's Authorized Agent. **Seller has no obligation to respond to an offer made.**
- B.  **ENTITY BUYERS:** (Note: If this paragraph is completed, a Representative Capacity Signature Disclosure (C.A.R. Form RCSD) is not required for the Legally Authorized Signers designated below.)
  - (1) One or more Buyers is a trust, corporation, LLC, probate estate, partnership, holding a power of attorney or other entity.
  - (2) This Agreement is being Signed by a Legally Authorized Signer in a representative capacity and not in an individual capacity. See **paragraph 36** for additional terms.
  - (3) The name(s) of the Legally Authorized Signer(s) is/are: \_\_\_\_\_.
  - (4) A. If a trust, identify Buyer as trustee(s) of the trust or by simplified trust name (ex. John Doe, co-trustee, Jane Doe, co-trustee or Doe Revocable Family Trust).
  - B. If Property is sold under the jurisdiction of a probate court, identify Buyer as executor or administrator, or by a simplified probate name (John Doe, executor, or Estate (or Conservatorship) of John Doe).
  - (5) The following is the full name of the entity (if a trust, enter the complete trust name; if under probate, enter full name of the estate, including case #): \_\_\_\_\_.

C. The CPA has 17 pages. Buyer acknowledges receipt of, and has read and understands, every page and all attachments that make up the Agreement.

**D. BUYER SIGNATURE(S):**

(Signature) By, \_\_\_\_\_ **Date:** \_\_\_\_\_

Printed name of BUYER: \_\_\_\_\_

Printed Name of Legally Authorized Signer: \_\_\_\_\_ Title, if applicable, \_\_\_\_\_

(Signature) By, \_\_\_\_\_ **Date:** \_\_\_\_\_

Printed name of BUYER: \_\_\_\_\_

Printed Name of Legally Authorized Signer: \_\_\_\_\_ Title, if applicable, \_\_\_\_\_

IF MORE THAN TWO SIGNERS, USE Additional Signature Addendum (C.A.R. Form ASA).



Property Address: \_\_\_\_\_ Date: \_\_\_\_\_

**41. ACCEPTANCE**

**A. ACCEPTANCE OF OFFER:** Seller warrants that Seller is the owner of the Property or has the authority to execute this Agreement. Seller accepts the above offer and agrees to sell the Property on the above terms and conditions. Seller has read and acknowledges receipt of a Copy of this Agreement and authorizes Agent to Deliver a Signed Copy to Buyer.

**Seller's acceptance is subject to the attached Counter Offer or Back-Up Offer Addendum, or both, checked below.** Seller shall return and include the entire agreement with any response.

- Seller Counter Offer** (C.A.R. Form SCO or SMCO)
- Back-Up Offer Addendum** (C.A.R. Form BUO)

**B. ENTITY SELLERS:** (Note: If this paragraph is completed, a Representative Capacity Signature Disclosure form (C.A.R. Form RCSD) is not required for the Legally Authorized Signers designated below.)

- (1) One or more Sellers is a trust, corporation, LLC, probate estate, partnership, holding a power of attorney or other entity.
- (2) This Agreement is being Signed by a Legally Authorized Signer in a representative capacity and not in an individual capacity. See **paragraph 36** for additional terms.
- (3) The name(s) of the Legally Authorized Signer(s) is/are: \_\_\_\_\_.
- (4) A. If a trust, identify Seller as trustee(s) of the trust or by simplified trust name (ex. John Doe, co-trustee, Jane Doe, co-trustee or Doe Revocable Family Trust).
- B. If Property is sold under the jurisdiction of a probate court, identify Seller as executor or administrator, or by a simplified probate name (John Doe, executor, or Estate (or Conservatorship) of John Doe).
- (5) The following is the full name of the entity (if a trust, enter the complete trust name; if under probate, enter full name of the estate, including case #): \_\_\_\_\_.

**C.** The CPA has 17 pages. Seller acknowledges receipt of, and has read and understands, every page and all attachments that make up the Agreement.

**D. SELLER SIGNATURE(S):**

(Signature) By, \_\_\_\_\_ **Date:** \_\_\_\_\_

Printed name of SELLER: \_\_\_\_\_

Printed Name of Legally Authorized Signer: \_\_\_\_\_ Title, if applicable, \_\_\_\_\_

(Signature) By, \_\_\_\_\_ **Date:** \_\_\_\_\_

Printed name of SELLER: \_\_\_\_\_

Printed Name of Legally Authorized Signer: \_\_\_\_\_ Title, if applicable, \_\_\_\_\_

IF MORE THAN TWO SIGNERS, USE Additional Signature Addendum (C.A.R. Form ASA).

**OFFER NOT ACCEPTED:** \_\_\_\_\_/\_\_\_\_\_/\_\_\_\_\_ No Counter Offer is being made. This offer was not accepted by Seller \_\_\_\_\_ (date)  
Seller's Initials



Property Address: \_\_\_\_\_ Date: \_\_\_\_\_

**REAL ESTATE BROKERS SECTION:**

- 1. Real Estate Agents are not parties to the Agreement between Buyer and Seller.
- 2. Agency relationships are confirmed as stated in paragraph 2.
- 3. **Presentation of Offer:** Pursuant to the National Association of REALTORS® Standard of Practice 1-7, if Buyer's Agent makes a written request, Seller's Agent shall confirm in writing that this offer has been presented to Seller.
- 4. **Agents' Signatures and designated electronic delivery address:**

A. Buyer's Brokerage Firm \_\_\_\_\_ DRE Lic. # \_\_\_\_\_  
 By \_\_\_\_\_ DRE Lic. # \_\_\_\_\_ Date \_\_\_\_\_  
 By \_\_\_\_\_ DRE Lic. # \_\_\_\_\_ Date \_\_\_\_\_  
 Address \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_  
 Email \_\_\_\_\_ Phone # \_\_\_\_\_

- More than one agent from the same firm represents Buyer. Additional Agent Acknowledgement (C.A.R. Form AAA) attached.
- More than one brokerage firm represents Buyer. Additional Broker Acknowledgement (C.A.R. Form ABA) attached.

**Designated Electronic Delivery Address(es): Email above or** \_\_\_\_\_

- Attached DEDA: If Parties elect to have an alternative Delivery method, such method may be indicated on C.A.R. Form DEDA.

B. Seller's Brokerage Firm \_\_\_\_\_ DRE Lic. # \_\_\_\_\_  
 By \_\_\_\_\_ DRE Lic. # \_\_\_\_\_ Date \_\_\_\_\_  
 By \_\_\_\_\_ DRE Lic. # \_\_\_\_\_ Date \_\_\_\_\_  
 Address \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_  
 Email \_\_\_\_\_ Phone # \_\_\_\_\_

- More than one agent from the same firm represents Seller. Additional Agent Acknowledgement (C.A.R. Form AAA) attached.
- More than one brokerage firm represents Seller. Additional Broker Acknowledgement (C.A.R. Form ABA) attached.

**Designated Electronic Delivery Address(es) (To be filled out by Seller's Agent): Email above or** \_\_\_\_\_

- Attached DEDA: If Parties elect to have an alternative Delivery method, such method may be indicated on C.A.R. Form DEDA.

Buyer's Initials \_\_\_\_\_ / \_\_\_\_\_ Seller's Initials \_\_\_\_\_ / \_\_\_\_\_

**ESCROW HOLDER ACKNOWLEDGMENT:**

Escrow Holder acknowledges receipt of a Copy of this Agreement, (if checked,  a deposit in the amount of \$ \_\_\_\_\_), Counter Offer numbers \_\_\_\_\_ and \_\_\_\_\_, and agrees to act as Escrow Holder subject to **paragraph 22** of this Agreement, any supplemental escrow instructions and the terms of Escrow Holder's general provisions.

Escrow Holder is advised by \_\_\_\_\_ that the date of Acceptance of the Agreement is \_\_\_\_\_

Escrow Holder \_\_\_\_\_ Escrow # \_\_\_\_\_

By \_\_\_\_\_ Date \_\_\_\_\_

Address \_\_\_\_\_

Phone/Fax/E-mail \_\_\_\_\_

Escrow Holder has the following license number # \_\_\_\_\_

- Department of Financial Protection and Innovation,  Department of Insurance,  Department of Real Estate.

**PRESENTATION OF OFFER:** \_\_\_\_\_ / \_\_\_\_\_ Seller's Brokerage Firm presented this offer to Seller on \_\_\_\_\_ (date).  
 Broker or Designee Initials

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DISCLOSURE AND MODIFICATION TO BUYER REPRESENTATION AGREEMENT (Intended for use with a BRBC revised 12/22 or earlier) (C.A.R. Form DM-BR, Revised 7/24)

\_\_\_\_\_ (“Broker”) and \_\_\_\_\_ (“Buyer”), entered into a Buyer Representation, dated \_\_\_\_\_, for the real property, or manufactured home described as stated therein, commencing \_\_\_\_\_ (date) and expiring \_\_\_\_\_ (date).

1. DISCLOSURE:

A. COMPENSATION TO BUYER’S BROKERS: You, Buyer, authorized me as your broker to represent you and to be compensated under the terms of the Buyer Representation and Broker Compensation Agreement, or other agreement (“Buyer Representation Agreement”). The National Association of REALTORS® has entered into a nationwide settlement agreement to resolve a class-action lawsuit (“NAR Settlement”). One of the terms of the NAR Settlement is that the Multiple Listing Service (“MLS”) will no longer be used for listing brokers to make offers of compensation to brokers representing buyers. Additionally, the NAR Settlement requires the Buyer Representation Agreement to state a definite compensation, and the buyer’s broker is prohibited from receiving an amount higher than what is in the Buyer Representation Agreement unless amended by mutual agreement. The NAR Settlement is expected to take effect sometime in August 2024, but some local MLSs may implement the prohibition sooner. Until the MLS in which the property you purchase makes a change, there may be an offer of compensation in the MLS. Once the MLS changes its rules to prohibit offers of compensation, you will be solely responsible for the compensation amount in the BRBC, unless another party agrees to pay the compensation, such as by including a term in the purchase agreement. See C.A.R. Form BCA for more information.

B. NEED TO MODIFY THE BUYER REPRESENTATION: Many Buyer Representation Agreements have provisions to allow a buyer’s broker to be compensated from the seller’s broker, whether through the MLS or separate agreement. Additionally, there may be provisions that allow the buyer’s broker to receive what the seller’s broker is offering, even if more than what the buyer is obligated to pay. Buyer and Broker agree it is mutually beneficial to modify the Buyer Representation Agreement to reflect the NAR Settlement.

2. MODIFICATION OF BUYER REPRESENTATION AGREEMENT: Broker agrees to notify Buyer once the MLS can no longer be used to offer compensation to buyer’s brokers. Buyer and Broker agree that Broker retains the right to be compensated by other parties, provided such compensation is disclosed to Buyer and does not exceed Buyer’s obligation pursuant to the Buyer Representation Agreement. Buyer and Broker agree that once the MLS prohibits offers of compensation: (i) Any Buyer Representation Agreement term allowing Broker to retain any excess compensation offered by a third party shall be unenforceable; and (ii) If the Buyer Representation Agreement provides that some or all of any excess compensation shall be paid to Buyer, Buyer understands that since Broker may not collect any compensation in excess of the amount Buyer is required to pay, there will be no excess funds to be paid to Buyer.

3. All other terms of the Buyer Representation Agreement remain in full force and effect, except as modified herein.

I acknowledge that I have read, understand, have received a copy of, and agree to this Disclosure and Modification to Buyer Representation Agreement.

Buyer \_\_\_\_\_ Date \_\_\_\_\_
Buyer \_\_\_\_\_ Date \_\_\_\_\_
Real Estate Broker (Firm) \_\_\_\_\_ DRE Lic. # \_\_\_\_\_
By \_\_\_\_\_ DRE Lic. # \_\_\_\_\_ Date \_\_\_\_\_

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DISCLOSURE AND MODIFICATION TO LISTING AGREEMENT
(Intended for use with a RLA revised 12/23 or earlier)
(C.A.R. Form DM-LA, Revised 7/24)

\_\_\_\_\_ (“Broker”)
and \_\_\_\_\_ (“Seller”),
entered into a listing agreement, dated \_\_\_\_\_, for the real property, or manufactured home described as:
\_\_\_\_\_,
commencing \_\_\_\_\_ (date) and expiring \_\_\_\_\_ (date).

1. DISCLOSURE:

A. OFFERING COMPENSATION TO BROKERS REPRESENTING BUYERS THROUGH THE MULTIPLE LISTING SERVICE: You, Seller, authorized me as your broker to use the MLS to offer compensation to brokers who represent buyers who purchase your property. The amount paid to the broker representing the buyer will come from the total compensation that you, Seller, agreed to pay my brokerage. The National Association of REALTORS® has entered into a nationwide settlement agreement to resolve a class-action lawsuit (“NAR Settlement”). One of the terms of the NAR Settlement is that the Multiple Listing Service (“MLS”) will no longer be used for listing brokers to make offers of compensation to brokers representing buyers. The MLS may still be used to expose your property to the maximum number of prospective buyers. The NAR Settlement is expected to take effect sometime in August 2024, but some local MLSs may implement the prohibition sooner. Until the MLS in which your property is marketed for sale makes a change, the offer of compensation will remain in the MLS. Once the MLS changes its rules to prohibit offers of compensation, it will no longer be available on the MLS. You, Seller, may be asked to deal with compensation in other ways. See C.A.R. Form BCA for more information.

B. NEED TO MODIFY THE LISTING AGREEMENT: Seller and Broker agree it is mutually beneficial to modify the listing agreement to allow your property to be exposed to as many buyers as possible once the MLS changes to reflect the NAR Settlement.

2. MODIFICATION OF LISTING AGREEMENT: Broker agrees to notify Seller once the MLS will no longer be able to be used to offer compensation to buyer’s brokers. Broker also agrees to discuss the various ways a buyer’s broker may be compensated. Broker agrees to use reasonable efforts, consistent with the NAR Settlement, to continue to market Seller’s property. Seller agrees that the Listing Agreement term authorizing Broker to “cooperate with and compensate brokers participating through” the MLS will no longer be in effect as of the date the MLS prohibits such offers of compensation. Seller and Broker agree that the total compensation shall ( ) shall not be reduced by the amount authorized to be offered in the MLS.

3. All other terms of the Listing Agreement remain in full force and effect, except as modified herein.

I acknowledge that I have read, understand, have received a copy of, and agree to this Disclosure and Modification to Listing Agreement.

Seller \_\_\_\_\_ Date \_\_\_\_\_
Seller \_\_\_\_\_ Date \_\_\_\_\_
Real Estate Broker (Firm) \_\_\_\_\_ DRE Lic. # \_\_\_\_\_
By \_\_\_\_\_ DRE Lic. # \_\_\_\_\_ Date \_\_\_\_\_

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Date Prepared: \_\_\_\_\_

1. EXCLUSIVE RIGHT TO LEASE: \_\_\_\_\_ ("Rental Property Owner" or "RPO") hereby employs and grants \_\_\_\_\_ ("Broker") beginning (date) \_\_\_\_\_ and ending at 11:59 P.M. on (date) \_\_\_\_\_ ("Listing Period") the exclusive and irrevocable right to lease or rent the real property in the City of \_\_\_\_\_, County of \_\_\_\_\_, California, described as \_\_\_\_\_ ("Premises").

2. LISTING TERMS:

- A. RENT AMOUNT: \_\_\_\_\_ Dollars \$ \_\_\_\_\_ per \_\_\_\_\_
B. SECURITY DEPOSIT \_\_\_\_\_
C. TYPE OF TENANCY: (Check all that apply): [ ] Month-to-month; [ ] One year [ ] Other \_\_\_\_\_
D. ITEMS INCLUDED IN LEASE/RENTAL: All fixtures and fittings attached to the Premises and the following items of personal property: \_\_\_\_\_
E. PERSONAL PROPERTY THAT WILL NOT BE MAINTAINED OR REPLACED BY RPO: The following items of personal property are being left on the Premises as a courtesy by RPO and are not warranted in any way, nor will they be maintained or replaced by RPO: \_\_\_\_\_
F. ITEMS EXCLUDED FROM LEASE/RENTAL: [ ] Garage/Carport; [ ] \_\_\_\_\_
G. ADDITIONAL TERMS: \_\_\_\_\_

3. COMPENSATION:

Notice: The amount or rate of real estate commissions is not fixed by law. They are set by each Broker individually and may be negotiable between RPO and Broker.

- A. ADVISORY: Real estate commissions include all compensation and fees to Broker and are fully negotiable.
B. COMPENSATION TO BROKER: RPO agrees to pay to Broker as compensation for services, (Does not include compensation, if any, to a broker representing tenant) irrespective of agency relationship(s), as specified below:
(1) For fixed-term leases:
(A) Either (i) \_\_\_\_\_ percent of the total rent payments due under the term specified in paragraph 2C, (term shall be the term in the rental agreement if rental agreement is signed and tenant takes possession or is prevented from doing so by RPO); or (ii) [ ] \$ \_\_\_\_\_; or (iii) [ ] \_\_\_\_\_
(B) RPO agrees to pay Broker additional compensation of \_\_\_\_\_, if a fixed term lease is extended or renewed for an additional fixed term. Payment is due upon such extension or renewal.
(2) For month-to-month rental: Either (i) \_\_\_\_\_ percent of \_\_\_\_\_; or (ii) [ ] \$ \_\_\_\_\_; or (iii) [ ] \_\_\_\_\_ (Does not include compensation, if any, to a broker representing tenant).
(3) For either a fixed term or month-to-month:
(A) Completed Lease Transaction or Seller Default: If during the Listing Period, or any extension, Broker, cooperating broker, RPO or any other person procures a ready, willing, and able Tenant(s) whose offer to lease/rent the Premises on any price and terms is accepted by RPO, provided the Tenant takes possession of the Premises under the terms of the lease or rental or is prevented from doing so by RPO. (Broker is entitled to compensation whether any tenancy resulting from such offer begins during or after the expiration of the Listing Period, or any extension.)
(B) Continuation of Right to Compensation for Broker Procured Buyer(s): If RPO, within \_\_\_\_\_ calendar days after the end of the Listing Period or any extension thereof, enters into a contract to transfer, lease or rent the Premises to anyone ("Prospective Transferee") or that person's related entity: (i) who physically entered and was shown the Premises during the Listing Period or any extension thereof by Broker or a cooperating broker; or (ii) for whom Broker or any cooperating broker submitted to RPO a signed, written offer to lease or rent the Premises. RPO, however, shall have no obligation to Broker under this subparagraph 3B(3)(B) unless, not later than the end of the Listing Period or any extension or cancellation, Broker has given RPO a written notice of the names of such Prospective Transferees.
(C) Seller Interference with Listing: If, without Broker's prior written consent, the Premises are withdrawn from lease/rental, are leased, rented, or otherwise transferred, or made unmarketable by a voluntary act of RPO during the Listing Period, or any extension.



Property Address: \_\_\_\_\_ Date: \_\_\_\_\_

**C. BUYER BREACH AND SELLER RECOVERY OF DAMAGES:** If commencement of the lease or rental is prevented by a party to the transaction other than RPO, then compensation which otherwise would have been earned under **paragraph 3B** shall be payable only if and when RPO collects damages by suit, arbitration, settlement or otherwise, and then in an amount equal to the lesser of one-half of the damages recovered or the above compensation, after first deducting the expenses of collection, if any.

**D. ADDITIONAL COMPENSATION:** In addition, RPO agrees to pay: \_\_\_\_\_

**E. COLLECTION OF COMPENSATION:** Broker may retain compensation due from any move-in payments made by Tenant to Broker pursuant to the lease or rental agreement. Broker is authorized to instruct Tenant to deduct the amount of Broker compensation from any move-in payment and make a separate payment to Broker for such amount.

**F.  COMPENSATION ON SUBSEQUENT SALE TO TENANT:** RPO agrees to pay Broker if Tenant directly or indirectly acquires, or enters into an agreement to acquire title to Premises or any part thereof, whether by sale, exchange or otherwise, during the term or any extension of tenancy, compensation equal to \_\_\_\_\_ percent of the selling price or total consideration in said transfer, whichever is greater (Does not include compensation, if any, to a broker representing tenant). Payment is due upon Tenant's direct or indirect acquisition of any legal or equitable interest in the Premises and, if there is an escrow, shall be through escrow.

**G.  ADDITIONAL COMPENSATION DUE BROKER IF TENANT IS UNREPRESENTED:**

(1) For a fixed term lease, either  \_\_\_\_\_ percent of the total rent payments due under the lease or  \$ \_\_\_\_\_;  or \_\_\_\_\_; **OR**

(2) For a month to month rental, either  \_\_\_\_\_ percent of amount specified in **paragraph 3B(2)** used to calculate Broker's percentage compensation, or  \$ \_\_\_\_\_; or  \_\_\_\_\_.

**H. COMPENSATION OBLIGATIONS TO OTHER BROKERS:**

(1) RPO warrants that RPO has no obligation to pay compensation to any other broker regarding the lease or rental of Premises unless the Premises are leased or rented to: \_\_\_\_\_

(2) If Premises are leased or rented to anyone listed in **paragraph 3H(1)** during the time RPO is obligated to compensate another broker: **(i)** Broker is not entitled to compensation under this Agreement; and **(ii)** Broker is not obligated to represent RPO with respect to such transaction.

**4. TENANT PAYMENTS:**

**A.** The following are due and payable to RPO, unless otherwise specified:

1. First Month's Rent:  to Broker; due  at execution,  upon possession,  other \_\_\_\_\_

2. Security Deposit:  to Broker; due  at execution,  upon possession,  other \_\_\_\_\_

3. Other: \_\_\_\_\_  to Broker;  When due: \_\_\_\_\_

4. Other: \_\_\_\_\_  to Broker;  When due: \_\_\_\_\_

**B.  DIRECT ELECTRONIC RENTAL PAYMENTS:** If RPO permits Tenant to pay rent by direct deposit such as wire or electronic payment or other online method, RPO should discuss with a Landlord-Tenant attorney the implications of doing so in the event Tenant defaults and an eviction becomes necessary. See also: Wire Fraud Advisory (C.A.R. Form WFA) for additional information.

**5. KEYSAFE/LOCKBOX:**  (If checked) RPO authorizes the use of a keysafe/lockbox to allow entry into the Premises and agrees to sign a keysafe/lockbox addendum (C.A.R. Form KLA).

**6. SIGN:** (If checked)  RPO authorizes Broker to install a FOR LEASE sign on the Premises.

**7. MULTIPLE LISTING SERVICE:** Information about this listing will (or  will not) be provided to a multiple listing service(s) ("MLS") of Broker's selection. If not, then MLS rules may require an exclusion form, such as C.A.R Form SELM, be submitted to the MLS. All terms of the transaction will be provided to the selected MLS for publication, dissemination and use by persons and entities on terms approved by the MLS. RPO authorizes Broker to comply with all applicable MLS rules. MLS rules allow MLS data to be made available by the MLS to additional Internet sites unless Broker gives the MLS instructions to the contrary.

**8. SECURITY AND INSURANCE:** Broker is not responsible for loss of or damage to personal or real property, or person, whether attributable to use of a keysafe/lockbox, a showing of the Premises, or otherwise. Third parties, including, but not limited to, inspectors, brokers and prospective tenants, may have access to, and take videos and photographs of, the interior of the Premises. RPO agrees: **(i)** to take reasonable precautions to safeguard and protect valuables that might be accessible during showings of the Premises; and **(ii)** to obtain insurance to protect against these risks. Broker does not maintain insurance to protect RPO.

**9. OWNERSHIP, TITLE AND AUTHORITY:** RPO warrants that: **(i)** RPO is the legal RPO of the Premises; **(ii)** no other persons or entities have title to the Premises; and **(iii)** RPO has the authority to both execute this Agreement and lease or rent the Premises. Exceptions to ownership, title and authority: \_\_\_\_\_

**10. RPO REPRESENTATIONS:** RPO represents that, unless otherwise specified in writing, RPO is unaware of: **(i)** any recorded Notice of Default affecting the Premises; **(ii)** any delinquent amounts due under any loan secured by, or other obligation affecting, the Premises; **(iii)** any bankruptcy, insolvency or similar proceeding affecting the Premises; **(iv)** any litigation, arbitration, administrative action, government investigation, or other pending or threatened action that does or may affect the Premises or RPO's ability to lease, rent or transfer it; and **(v)** any current, pending or proposed special assessments affecting the Premises. RPO shall promptly notify Broker in writing if RPO becomes aware of any of these items during the Listing Period or any extension thereof.



**11. TAX WITHHOLDING AND REPORTING:**

- A. CALIFORNIA WITHHOLDINGS:** If RPO is not a California Resident or a corporation or LLC qualified to conduct business in California, RPO authorizes Broker to withhold and transmit to California Franchise Tax Board (“FTB”) 7% of the GROSS payments to RPO that exceed \$1,500 received by Broker in a calendar year, unless RPO completes and transmits to Broker FTB form 589, nonresident reduced withholding request, FTB form 588, nonresident withholding waiver, or FTB form 590, withholding exemption certificate.
- B. FEDERAL WITHHOLDINGS:** If RPO is a nonresident alien individual, a foreign entity, or other non-U.S. person, (Foreign Investor) RPO authorizes Broker to withhold and transmit to the Internal Revenue Service (IRS) 30% of the GROSS rental receipts unless RPO elects to treat rental income as “effectively connected income” by submitting to Broker a fully completed IRS form W-8ECI, Certificate of Foreign Person’s Claim for Exemption from Withholding on Income Connected With the Conduct of a Trade of Business in the United States. A Foreign Investor RPO will need to obtain a U.S. tax payer identification number and file declaration with the IRS regarding effectively connected income in order to complete the form given to Broker. Further, the Foreign Investor RPO will be responsible for making any necessary estimated tax payments.
- C.** Broker has a legal duty to report rental income received to tax collection agencies via IRS form 1099.

**12. BROKER’S AND RPO’S DUTIES:**

- A. BROKER RESPONSIBILITY, AUTHORITY AND LIMITATIONS:** Broker agrees to exercise reasonable effort and due diligence to achieve the purposes of this Agreement. Unless RPO gives Broker written instructions to the contrary, Broker is authorized to advertise and market the Premises in any medium, selected by Broker including MLS and the Internet and, to the extent permitted by these media, including MLS, control the dissemination of the information submitted to any medium.
- B. RPO DISCLOSURES:** RPO agrees to complete a Rental Property Owner Disclosure (C.A.R. Form RPOD) and Rental Property Owner Questionnaire (C.A.R. Form RPOQ), which shall be provided to Broker within **3 Days** of completing (or  with) this Agreement. RPO authorizes Broker to provide tenant with the RPOD completed by RPO with any lease or rental agreement.
- C. RPO GOOD FAITH:** RPO agrees to consider offers presented by Broker and to act in good faith to accomplish the lease or rental of the Premises by, among other things, making the Premises available for showing at reasonable times and referring to Broker all inquiries of any party interested in the Premises subject to **3G**, and following all applicable fair housing laws. RPO is responsible for determining at what price and terms to list and lease or rent the Premises. RPO, but NOT Broker, is responsible for compliance with all health and safety legal requirements, such as but not limited to smoke alarm and carbon monoxide detector installation, and water heater bracing.
- D. INDEMNITY:** RPO agrees to indemnify, defend and hold harmless Broker and all persons in Broker’s firm, as permitted by law, from all costs, expenses, suits, claims, liabilities, damages, judgments, and claims of every type, including but not limited to those arising out of injury or death of any person, or damage to any real or personal property of any person, including RPO, **(i)** for those acts relating to the leasing of the Property by Broker, or any person operating through Broker’s license, or the performance or exercise of any of the duties, powers, or authorities granted to Broker; **(ii)** from any incorrect or incomplete information supplied by RPO; **(iii)** from any material facts that RPO knows but fails to disclose including dangerous or hidden conditions on the Premises, and **(iv)** actions brought by the Department of Fair Employment and Housing or other government regulatory body. This paragraph shall apply to all actions and claims, including those arising out of Broker’s negligence but not to the willful misconduct or gross negligence of Broker and shall extend to claims occurring after this Agreement is terminated as well as while it is in force. RPO’s obligations under this paragraph will not be limited by insurance requirements or by any other provision of this Agreement.

**13. AGENCY RELATIONSHIPS:**

- A. Disclosure:** If the listing is for a tenancy in excess of one year or compensation is owed to Broker under **paragraph 3F**, RPO acknowledges receipt of the “Disclosure Regarding Agency Real Estate Relationship” form (C.A.R. Form AD).
- B. RPO Representation:** Broker shall represent RPO in any resulting transaction, except as specified in **paragraph 3H**.
- C. Possible Dual Agency With Tenant:** Depending upon the circumstances, it may be necessary or appropriate for Broker to act as an agent for both RPO and Tenant. Broker shall, as soon as practicable, disclose to RPO any election to act as a dual agent representing both RPO and Tenant. If a Tenant is procured directly by Broker or an associate licensee in Broker’s firm, RPO hereby consents to Broker acting as a dual agent for RPO and such Tenant.
- D. Other RPOs:** RPO understands that Broker may have or obtain listings on other properties and that potential tenants may consider, make offers on, or lease or rent through Broker, premises the same as or similar to RPO’s Premises. RPO consents to Broker’s representation of RPOs and tenants of other properties before, during and after the end of this Agreement.
- E. Confirmation:** If the Premises includes residential property with one to four dwelling units, and the agreed-upon lease is for a tenancy in excess of one year, Broker shall confirm the agency relationship described above, or as modified, in writing, prior to or coincident with RPO’s and Tenant’s execution of such lease.



Property Address: \_\_\_\_\_ Date: \_\_\_\_\_

**F. Termination of Agency Relationship:** RPO acknowledges and agrees that unless RPO and Broker enter into a separate property management agreement, Broker will not represent RPO in any manner regarding the management of the Premises. RPO further agrees that the representation duties of, and agency relationship with, Broker terminate at the earlier of (i) or (ii) Below:

(i) Entering into a rental or lease agreement for the Premises and, if checked, (choose all that apply)  Tenant occupancy,  delivering to Tenant keys or other means of entering the Premises,  Tenant walkthrough,  completion of Move In Inspection (such as C.A.R. Form MII or comparable form agreed-to by the parties); or (ii) If no lease is already entered into, at the expiration of this Agreement.

**14. ATTORNEY'S FEES:** In any action, proceeding or arbitration between RPO and Broker arising out of this Agreement, RPO and Broker shall be responsible for paying their own attorney's fees and costs except as provided in **paragraph 15A**.

**15. DISPUTE RESOLUTION:**

**A. MEDIATION:** (1) RPO and Broker agree to mediate any dispute or claim arising between them regarding the obligation to pay compensation under this Agreement, before resorting to arbitration or court action. (2) Mediation fees, if any, shall be divided equally among the parties involved. (3) \_\_\_\_\_ If, for any dispute or claim to which this paragraph applies, any party (i) commences an action without first attempting to resolve the matter through mediation, or (ii) before commencement of an action, refuses to mediate after a request has been made, and that party is the losing party in any such action, the prevailing party shall be entitled to recover attorney fees, notwithstanding **paragraph 14**. **Exclusions from this mediation agreement are specified in paragraph 15B.**

**B. ADDITIONAL MEDIATION TERMS:** The following matters shall be excluded from mediation: (i) a judicial or non-judicial foreclosure or other action or proceeding to enforce a deed of trust, mortgage or installment land sale contract as defined in Civil Code §2985; (ii) an unlawful detainer action; (iii) the filing or enforcement of a mechanic's lien; and (iv) any matter that is within the jurisdiction of a probate, small claims or bankruptcy court. The filing of a court action to enable the recording of a notice of pending action, for order of attachment, receivership, injunction, or other provisional remedies, shall not constitute a waiver or violation of the mediation provisions.

**C. ADVISORY:** If RPO and Broker desire to resolve disputes arising between them through arbitration rather than court, they can document their agreement by attaching and signing an Arbitration Agreement (C.A.R. Form ARB).

**16. MANAGEMENT APPROVAL:** If a salesperson or broker-associate enters this Agreement on Broker's behalf, Broker/Manager has the right to cancel this Agreement, in writing, within **5 calendar days** after its execution.

**17. EQUAL HOUSING OPPORTUNITY:** The Premises is offered in compliance with federal, state and local anti-discrimination laws.

**18. ADDITIONAL TERMS:**

- A.  Rental Property Owner Disclosure (C.A.R. Form RPOD);
- B.  Rental Property Owner Questionnaire (C.A.R. Form RPOQ);
- C.  Fair Housing and Discrimination Advisory (C.A.R. Form FHDA)
- D.  California Consumer Privacy Act Advisory (C.A.R. Form CCPA);
- E.  Disclosure Regarding Real Estate Agency Relationships (C.A.R. Form AD)
- F.  Keysafe/Lockbox-Addendum (C.A.R. Form KLA);
- G. Other: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**19. SUCCESSORS AND ASSIGNS:** This Agreement shall be binding upon RPO and RPO's successors and assigns.

**20. TIME OF ESSENCE; ENTIRE CONTRACT; CHANGES:** Time is of the essence. All understandings between the parties are incorporated in this Agreement. Its terms are intended by the parties as a final, complete and exclusive expression of their Agreement with respect to its subject matter, and may not be contradicted by evidence of any prior agreement or contemporaneous oral agreement. If any provision of this Agreement is held to be ineffective or invalid, the remaining provisions will nevertheless be given full force and effect. Neither this Agreement nor any provision in it may be extended, amended, modified, altered or changed except in writing. This Agreement and any supplement, addendum or modification, including any copy, may be signed in two or more counterparts, all of which shall constitute one and the same writing.

**21. LEGALLY AUTHORIZED SIGNER:** Wherever the signature or initials of the Legally Authorized Signer, identified in the signature block below, appear on this Agreement or any related documents, it shall be deemed to be in a representative capacity for the entity described and not in an individual capacity, unless otherwise indicated. The Legally Authorized Signer (i) represents that the entity for which that person is acting already exists and is in good standing to do business in California and (ii) shall deliver to Broker, within **3 Days** after execution of this Agreement, evidence of authority to act in that capacity (such as but not limited to: applicable portion of the trust or Certification Of Trust (Probate Code § 18100.5), letters testamentary, court order, power of attorney, corporate resolution, or formation documents of the business entity).



Property Address: \_\_\_\_\_ Date: \_\_\_\_\_

**By signing below, RPO acknowledges that RPO has read, understands, received a copy of, and agrees to the terms of this Agreement.**

**ENTITY RENTAL PROPERTY OWNERS:** (Note: If this paragraph is completed, a Representative Capacity Signature Disclosure (C.A.R. Form RCSD) is not required for the Legally Authorized Signers designated below.)

- (1) One or more RPO's is a trust, corporation, LLC, probate estate, partnership, other entity or holds a power of attorney .
- (2) This Agreement is being Signed by a Legally Authorized Signer in a representative capacity and not for him/herself as an individual. See **paragraph 21** for additional terms.
- (3) The name(s) of the Legally Authorized Signer(s) is: \_\_\_\_\_.
- (4) A. If a trust, identify RPO as trustee(s) of the trust or by simplified trust name (ex. John Doe, co-trustee, Jane Doe, co-trustee or Doe Revocable Family Trust).
- B. If Property is sold under the jurisdiction of a probate court, identify RPO as executor or administrator, or by a simplified probate name (John Doe, executor, or Estate (or Conservatorship) of John Doe).
- (5) The following is the full name of the entity (if a trust, enter the complete trust name; if under probate, enter full name of the estate, including case #): \_\_\_\_\_

**RENTAL PROPERTY OWNER SIGNATURE(S):**

(Signature) By, \_\_\_\_\_ Date: \_\_\_\_\_

Printed name of RPO: \_\_\_\_\_

Printed Name of Legally Authorized Signer: \_\_\_\_\_ Title, if applicable, \_\_\_\_\_

Address \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Email \_\_\_\_\_ Phone # \_\_\_\_\_

Social Security/Tax ID # (for reporting purposes): \_\_\_\_\_

(Signature) By, \_\_\_\_\_ Date: \_\_\_\_\_

Printed name of RPO: \_\_\_\_\_

Printed Name of Legally Authorized Signer: \_\_\_\_\_ Title, if applicable, \_\_\_\_\_

Address \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Email \_\_\_\_\_ Phone # \_\_\_\_\_

Social Security/Tax ID # (for reporting purposes): \_\_\_\_\_

Additional Signature Addendum attached (C.A.R. Form ASA)

Real Estate Broker (Firm) \_\_\_\_\_ DRE Lic.# \_\_\_\_\_

Address \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

By \_\_\_\_\_ Date \_\_\_\_\_

Tel. \_\_\_\_\_ E-mail \_\_\_\_\_ DRE Lic# \_\_\_\_\_

By \_\_\_\_\_ Date \_\_\_\_\_

Tel. \_\_\_\_\_ E-mail \_\_\_\_\_ DRE Lic# \_\_\_\_\_

Two Brokers with different companies are co-listing the Premises. Co-listing Broker information is on the attached Additional Broker Acknowledgement (C.A.R. Form ABA).

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