



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 12/24)

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. 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).
- 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 if checking this paragraph. If you become an Agent in the transaction add a Confirmation of Real Estate 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 19 pages. The Parties are advised to read all 19 pages.

Para #	Paragraph Title or Contract Term	Terms and Conditions	Additional Terms
A	5, 5B (cash)	Purchase Price	\$ _____ <input type="checkbox"/> All Cash
B		Close Of Escrow (COE)	_____ Days after Acceptance OR on _____ (date) (mm/dd/yyyy)
C	44A	Expiration of Offer	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)	Initial Deposit Amount	\$ _____ (_____% 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"/> Increased Deposit	See attached Increased Deposit Addendum (C.A.R. Form IDA)
E(1)	5C(1)	Loan Amount(s): 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: _____
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	Occupancy Type	Primary, or if checked, <input type="checkbox"/> Secondary <input type="checkbox"/> Investment



Property Address: _____

Date: _____

F	5D	Balance of Down Payment	\$ _____		
		PURCHASE PRICE TOTAL	\$ _____		
G	SELLER PAYMENT TO COVER BUYER EXPENSES AND COSTS				
G(1)	5E	<input type="checkbox"/> Seller Credit to Buyer	\$ _____	For closing costs	
G(2)	ADDITIONAL SELLER CREDIT TERMS (does not include buyer broker compensation): _____				
G(3)	19	<input type="checkbox"/> Seller Payment for Buyer's Obligation to compensate Buyer's Broker. Buyer Compensation Affirmation	Seller agrees to pay , out of the transaction proceeds, _____% of the final purchase price AND, if applicable \$ _____ OR, if checked <input type="checkbox"/> \$ _____ toward the obligation of Buyer to compensate Buyer's Broker . Buyer affirmatively represents that, at the time this offer is made, Buyer has a written agreement with Buyer's Broker that: (i) is valid; (ii) covers the Property; and (iii) provides for compensation for no less than the amount stated above.		
	Para #	Paragraph Title or Contract Term	Terms and Conditions	Additional Terms	
H(1)	5B	Verification of All Cash (sufficient funds)	Attached to the offer or <input type="checkbox"/> 3 (or _____) Days after Acceptance		
H(2)	6A	Verification of Down Payment and Closing Costs	Attached to the offer or <input type="checkbox"/> 3 (or _____) Days after Acceptance		
H(3)	6B	Verification of Loan Application	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	Intentionally Left Blank				
J	11	Public Report Status	<input type="checkbox"/> Final Public Report <input type="checkbox"/> Conditional Public Report <input type="checkbox"/> Amended/Renewed Public Report	If Conditional Public Report is checked: 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	Final Verification of Condition	5 (or _____) Days prior to COE		
L	24	Assignment Request	17 (or _____) Days after Acceptance		
M	CONTINGENCIES		TIME TO REMOVE CONTINGENCIES	CONTINGENCY REMOVED	
M(1)	8A	Loan(s)	17 (or _____) Days after Acceptance	<input type="checkbox"/> No loan contingency	
M(2)	8B	Appraisal: 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	Investigation of Property Informational Access to Property Buyer's right to access the Property for informational purposes is NOT a contingency, does NOT create additional cancellation rights, and applies even if contingencies are removed.	17 (or _____) Days after Acceptance 17 (or _____) Days after Acceptance	REMOVAL OR WAIVER OF CONTINGENCY: 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"/> CR attached	
M(4)	8D	Insurance	17 (or _____) Days after Acceptance		
M(5)	8E, 16A	Review of Seller Documents	17 (or _____) Days after Acceptance, or 5 Days after Delivery, whichever is later		
M(6)	8F, 11	Review of Public Report	17 (or _____) Days after Acceptance, or 5 Days after Delivery, whichever is later		
M(7)	8G, 15A	Preliminary ("Title") Report	17 (or _____) Days after Acceptance or 5 Days after Delivery, whichever is later		
M(8)	8H, 12F	Common Interest Disclosures 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)	Review of leased or liened items (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	Possession		Time for Performance		Additional Terms
N(1)		Delivery of Possession (unless N(2) is checked)	Upon notice of recordation On COE date		
N(2)	7A	Occupied units by tenants or anyone other than Seller	<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.	

Property Address: _____

Date: _____

O	Intentionally Left Blank		
P		Documents/Fees/Compliance	Time for Performance
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	Items Included and Excluded		
Q(1)	9	Items Included - All items specified in Paragraph 9B are included and the following, if checked: <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); Additional Items Included: <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"/> 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"/> _____;
Q(2)		Excluded Items: <input type="checkbox"/> _____;	<input type="checkbox"/> _____;
R	Allocation of Costs		
	Para #	Item Description	Who Pays (if Both is checked, cost to be split equally unless Otherwise Agreed)
R(1)	12B	Natural Hazard Zone Disclosure Report, including tax information	<input type="checkbox"/> Buyer <input type="checkbox"/> Seller <input type="checkbox"/> Both _____
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
R(4)	15G	Owner's title insurance policy	<input type="checkbox"/> Buyer <input type="checkbox"/> Seller <input type="checkbox"/> Both _____
R(5)		Buyer's Lender title insurance policy	Buyer
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)	12E(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 _____
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 _____
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
S	13	INSULATION INFORMATION: Exterior Walls: Type _____ Thickness _____ R-Value _____ Ceilings: Type _____ Thickness _____ R-Value _____ Interior Walls: Type _____ Thickness _____ R-Value _____ Other _____: Type _____ Thickness _____ R-Value _____	



Property Address: _____ Date: _____

T	39, 40	SELLER ESTIMATES FOR THIRD PARTY CHARGES: Credit Reports _____ Preliminary Title Reports _____ Escrow Services _____ Appraisals _____ Loan Processing Fees _____
U	35	SELLER'S WARRANTY BEING PROVIDED: Standard Warranty
V	OTHER TERMS: 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. 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.	

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
 - 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) **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**.
- (3) **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)**.
- (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.



Property Address: _____ Date: _____

- 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.
- (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.

Property Address: _____

Date: _____

- (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 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.
 - (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.



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- (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.
 - 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**. 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.
 - (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.



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- (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 8I**; **(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 **C.A.R. Form IDA and paragraph 41**; **(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.

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.



Property Address: _____ Date: _____

- 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:**
- (1) **Timing of Broker 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.
 - (2) **Buyer Representation; Seller Payment to Compensate Buyer's Broker:** Buyer affirmatively represents that Buyer, at the time this offer is made, has a written agreement with Buyer's Broker that: (i) is valid; (ii) covers the Property; and (iii) provides for compensation for no less than the amount stated in **paragraph 3G(3)**. If any representation (i)-(iii) is not true, then Seller has no obligation to pay Buyer's Broker. The amount of compensation, if a percentage, will be based on the final purchase price. Buyer's obligation to pay Buyer's Broker shall be offset by any amount that Seller pays Buyer's Broker.
 - (3) **Third party beneficiary:** Seller acknowledges and agrees that Buyer's Broker is a third-party beneficiary of this agreement and may pursue Seller for failure to pay the amount specified in this document.
- 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. ESCROW INSTRUCTION PARAGRAPHS:** 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, 31, 44 and 45.** 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 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. ESCROW HOLDER GENERAL PROVISIONS: 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. COPIES; STATEMENT OF INFORMATION; TAX WITHHOLDING INSTRUCTIONS: 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. BROKER COMPENSATION

- (1) **Payment:** 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). 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.
- (2) **Compensation Disclosure:** Escrow Holder shall provide to Buyer a closing statement or other written documentation disclosing the amount of compensation paid to Buyer's Broker. Escrow Holder shall provide to Seller a closing statement or other written documentation disclosing: (i) the amount of compensation paid to Seller's Broker; and (ii) if applicable pursuant to **paragraph 3G(3)** or other mutual instruction of the parties, the amount of compensation paid by Seller to Buyer's Broker. Escrow Holder's obligation pursuant to **paragraph 20D**, is not intended to alter any preexisting practice of Escrow Holder to issue, as applicable, joint or separate closing statements. Escrow Holder's obligation pursuant to **paragraph 20D** is independent of, but may be satisfied by, any closing statement mandated by Buyer's lender.

F. INVOICES: 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. VERIFICATION OF DEPOSIT: Upon receipt, Escrow Holder shall provide Buyer, Seller, and each Agent verification of Buyer's deposit of funds pursuant to **paragraph 5A(1)** and **C.A.R. Form IDA**. 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. DELIVERY OF AMENDMENTS: 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 AOOA). 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 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 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 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 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) 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) **Non-Individual (entity) Buyers:** One or more Buyers is a trust, corporation, LLC, probate estate, partnership, holding a power of attorney or other entity.

(2) **Full entity name:** 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 #): _____

(3) **Contractual Identity of Buyer:** For purposes of this Agreement, when the name described below is used, it shall be deemed to be the full entity name.

(A) If a trust: The trustee(s) of the trust or a 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: The name of the executor or administrator, or a simplified probate name (John Doe, executor, or Estate (or Conservatorship) of John Doe).

(4) **Legally Authorized Signer:**

(A) 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.

(B) The name(s) of the Legally Authorized Signer(s) is/are: _____

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).



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) **Non-Individual (entity) Sellers:** One or more Sellers is a trust, corporation, LLC, probate estate, partnership, holding a power of attorney or other entity.

(2) **Full entity name:** 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 #): _____

(3) **Contractual Identity of Seller:** For purposes of this Agreement, when the name described below is used, it shall be deemed to be the full entity name.

(A) If a trust: The trustee(s) of the trust or a 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: The name of the executor or administrator, or a simplified probate name (John Doe, executor, or Estate (or Conservatorship) of John Doe).

(4) **Legally Authorized Signer:**

(A) This Agreement is being Signed by a Legally Authorized Signer in a representative capacity and not for him/herself as an individual. See **paragraph 31** for additional terms.

(B) The name(s) of the Legally Authorized Signer(s) is/are: _____

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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**DISCLOSURE REGARDING
REAL ESTATE AGENCY RELATIONSHIP**
(As required by the Civil Code)
(C.A.R. Form AD, Revised 12/24)

(If checked) This form is being provided in connection with a transaction for a leasehold interest exceeding one year as per Civil Code §§ 2079.13(j), (k), and (l).

When you enter into a discussion with a real estate agent regarding a real estate transaction, you should from the outset understand what type of agency relationship or representation you wish to have with the agent in the transaction.

SELLER'S AGENT

A Seller's agent under a listing agreement with the Seller acts as the agent for the Seller only. A Seller's agent or a subagent of that agent has the following affirmative obligations:

To the Seller: A Fiduciary duty of utmost care, integrity, honesty and loyalty in dealings with the Seller.

To the Buyer and the Seller:

- (a) Diligent exercise of reasonable skill and care in performance of the agent's duties.
- (b) A duty of honest and fair dealing and good faith.
- (c) A duty to disclose all facts known to the agent materially affecting the value or desirability of the property that are not known to, or within the diligent attention and observation of, the parties. An agent is not obligated to reveal to either party any confidential information obtained from the other party that does not involve the affirmative duties set forth above.

BUYER'S AGENT

A Buyer's agent can, with a Buyer's consent, agree to act as agent for the Buyer only. **This includes a Buyer's agent under a buyer-broker representation agreement with the Buyer.** In these situations, the agent is not the Seller's agent, even if by agreement the agent may receive compensation for services rendered, either in full or in part from the Seller. An agent acting only for a Buyer has the following affirmative obligations:

To the Buyer: A fiduciary duty of utmost care, integrity, honesty and loyalty in dealings with the Buyer.

To the Buyer and the Seller:

- (a) Diligent exercise of reasonable skill and care in performance of the agent's duties.
- (b) A duty of honest and fair dealing and good faith.
- (c) A duty to disclose all facts known to the agent materially affecting the value or desirability of the property that are not known to, or within the diligent attention and observation of, the parties. An agent is not obligated to reveal to either party any confidential information obtained from the other party that does not involve the affirmative duties set forth above.

AGENT REPRESENTING BOTH SELLER AND BUYER

A real estate agent, either acting directly or through one or more salespersons and broker associates, can legally be the agent of both the Seller and the Buyer in a transaction, but only with the knowledge and consent of both the Seller and the Buyer. In a dual agency situation, the agent has the following affirmative obligations to both the Seller and the Buyer:

- (a) A fiduciary duty of utmost care, integrity, honesty and loyalty in the dealings with either the Seller or the Buyer.
- (b) Other duties to the Seller and the Buyer as stated above in their respective sections.

In representing both Seller and Buyer, a dual agent may not, without the express permission of the respective party, disclose to the other party confidential information, including, but not limited to, facts relating to either the Buyer's or Seller's financial position, motivations, bargaining position, or other personal information that may impact price, including the Seller's willingness to accept a price less than the listing price or the Buyer's willingness to pay a price greater than the price offered.

SELLER AND BUYER RESPONSIBILITIES

Either the purchase agreement or a separate document will contain a confirmation of which agent is representing you and whether that agent is representing you exclusively in the transaction or acting as a dual agent. Please pay attention to that confirmation to make sure it accurately reflects your understanding of your agent's role.

The above duties of the agent in a real estate transaction do not relieve a Seller or Buyer from the responsibility to protect **their** own interests. You should carefully read all agreements to assure that they adequately express your understanding of the transaction. A real estate agent is a person qualified to advise about real estate. If legal or tax advice is desired, consult a competent professional. If you are a Buyer, you have the duty to exercise reasonable care to protect yourself, including as to those facts about the property which are known to you or within your diligent attention and observation.

Both Sellers and Buyers should strongly consider obtaining tax advice from a competent professional because the federal and state tax consequences of a transaction can be complex and subject to change.

Throughout your real property transaction you may receive more than one disclosure form, depending upon the number of agents assisting in the transaction. The law requires each agent with whom you have more than a casual relationship to present you with this disclosure form. You should read its contents each time it is presented to you, considering the relationship between you and the real estate agent in your specific transaction. **This disclosure form includes the provisions of §§ 2079.13 to 2079.24, inclusive, of the Civil Code set forth on page 2. Read it carefully.**

Note: Real estate broker commissions are not set by law and are fully negotiable.

I/WE ACKNOWLEDGE RECEIPT OF A COPY OF THIS DISCLOSURE AND THE PORTIONS OF THE CIVIL CODE PRINTED ON THE SECOND PAGE.

Buyer/Seller/Landlord/Tenant _____ Date _____

Buyer/Seller/Landlord/Tenant _____ Date _____

Agent _____ DRE Lic. # _____
Real Estate Broker (Firm)

By _____ DRE Lic. # _____ Date _____
(Salesperson or Broker-Associate, if any)



CIVIL §§ 2079.13 - 2079.24 (2079.16 APPEARS ON THE FRONT)

2079.13. As used in this section and §§ 2079.7 and 2079.14 to 2079.24, inclusive, the following terms have the following meanings:

(a) "Agent" means a person acting under provisions of Title 9 (commencing with § 2295) in a real property transaction, and includes a person who is licensed as a real estate broker under Chapter 3 (commencing with § 10130) of Part 1 of Division 4 of the Business and Professions Code, and under whose license a listing is executed or an offer to purchase is obtained. The agent in the real property transaction bears responsibility for that agent's salespersons or broker associates who perform as agents of the agent. When a salesperson or broker associate owes a duty to any principal, or to any buyer or seller who is not a principal, in a real property transaction, that duty is equivalent to the duty owed to that party by the broker for whom the salesperson or broker associate functions. (b) "Buyer" means a transferee in a real property transaction, and includes a person who executes an offer to purchase real property from a seller through an agent, or who seeks the services of an agent in more than a casual, transitory, or preliminary manner, with the object of entering into a real property transaction. "Buyer" includes a vendee or lessee of real property. (c) "Commercial real property" means all real property in the state, except (1) single-family residential real property, (2) dwelling units made subject to Chapter 2 (commencing with § 1940) of Title 5, (3) a mobilehome, as defined in § 798.3, (4) vacant land, or (5) a recreational vehicle, as defined in § 799.29. (d) "Dual agent" means an agent acting, either directly or through a salesperson or broker associate, as agent for both the seller and the buyer in a real property transaction. (e) "Listing agreement" means a written contract between a seller of real property and an agent, by which the agent has been authorized to sell the real property or to find or obtain a buyer, including rendering other services for which a real estate license is required to the seller pursuant to the terms of the agreement. (f) "Seller's agent" means a person who has obtained a listing of real property to act as an agent for compensation. (g) "Listing price" is the amount expressed in dollars specified in the listing for which the seller is willing to sell the real property through the seller's agent. (h) "Offering price" is the amount expressed in dollars specified in an offer to purchase for which the buyer is willing to buy the real property. (i) "Offer to purchase" means a written contract executed by a buyer acting through a buyer's agent that becomes the contract for the sale of the real property upon acceptance by the seller. (j) "Real property" means any estate specified by subdivision (1) or (2) of § 761 in property, and includes (1) single-family residential property, (2) multiunit residential property with more than four dwelling units, (3) commercial real property, (4) vacant land, (5) a ground lease coupled with improvements, or (6) a manufactured home as defined in § 18007 of the Health and Safety Code, or a mobilehome as defined in § 18008 of the Health and Safety Code, when offered for sale or sold through an agent pursuant to the authority contained in § 10131.6 of the Business and Professions Code. (k) "Real property transaction" means a transaction for the sale of real property in which an agent is retained by a buyer, seller, or both a buyer and seller to act in that transaction, and includes a listing or an offer to purchase. (l) "Single-family residential property" or "single-family residential real property" means any of the following: (1) Real property improved with one to four dwelling units, including a leasehold exceeding one year's duration. (2) A unit in a residential stock cooperative, condominium, or planned unit development. (3) A mobilehome or manufactured home when offered for sale or sold through a real estate broker pursuant to § 10131.6 of the Business and Professions Code. (m) "Sell," "sale," or "sold" refers to a transaction for the transfer of real property from the seller to the buyer and includes exchanges of real property between the seller and buyer, transactions for the creation of a real property sales contract within the meaning of § 2985, and transactions for the creation of a leasehold exceeding one year's duration. (n) "Seller" means the transferor in a real property transaction and includes an owner who lists real property with an agent, whether or not a transfer results, or who receives an offer to purchase real property of which he or she is the owner from an agent on behalf of another. "Seller" includes both a vendor and a lessor of real property. (o) "Buyer's agent" means an agent who represents a buyer in a real property transaction. (p) "Buyer-broker representation agreement" means a written contract between a buyer of real property and a buyer's agent by which the buyer's agent has been authorized by the buyer to provide services set forth in subdivision (a) of § 10131 of the Business and Professions Code for or on behalf of the buyer for which a real estate license is required pursuant to the terms of the contract.

2079.14. A seller's agent and buyer's agent shall provide the seller and buyer in a real property transaction with a copy of the disclosure form specified in § 2079.16, and shall obtain a signed acknowledgment of receipt from that seller and buyer, except as provided in § 2079.15, as follows: (a) The seller's agent, if any, shall provide the disclosure form to the seller prior to entering into the listing agreement. (b) The buyer's agent shall provide the disclosure form to the buyer as soon as practicable before execution of a buyer-broker representation agreement and execution of the buyer's offer to purchase. If the offer to purchase is not prepared by the buyer's agent, the buyer's agent shall present the disclosure form to the buyer not later than the next business day after receiving the offer to purchase from the buyer.

2079.15. In any circumstance in which the seller or buyer refuses to sign an acknowledgment of receipt pursuant to § 2079.14, the agent shall set forth, sign, and date a written declaration of the facts of the refusal.

2079.16 Reproduced on Page 1 of this AD form.

2079.17(a) As soon as practicable, the buyer's agent shall disclose to the buyer and seller whether the agent is acting in the real property transaction as the buyer's agent, or as a dual agent representing both the buyer and the seller. This relationship shall be confirmed in the contract to purchase and sell real property or in a separate writing executed or acknowledged by the seller, the buyer, and the buyer's agent prior to or coincident with execution of that contract by the buyer and the seller, respectively. (b) As soon as practicable, the seller's agent shall disclose to the seller whether the seller's agent is acting in the real property transaction as the seller's agent, or as a dual agent representing both the buyer and seller. This relationship shall be confirmed in the contract to purchase and sell real property or in a separate writing executed or acknowledged by the seller and the seller's agent prior to or coincident with the execution of that contract by the seller.

CONFIRMATION: (c) The confirmation required by subdivisions (a) and (b) shall be in the following form:

Seller's Brokerage Firm _____ DO NOT COMPLETE. SAMPLE ONLY _____ License Number _____
Is the broker of (check one): the seller; or both the buyer and seller. (dual agent)
Seller's Agent _____ DO NOT COMPLETE. SAMPLE ONLY _____ License Number _____
Is (check one): the Seller's Agent. (salesperson or broker associate) both the Buyer's and Seller's Agent. (dual agent)
Buyer's Brokerage _____ DO NOT COMPLETE. SAMPLE ONLY _____ License Number _____
Is the broker of (check one): the buyer; or both the buyer and seller. (dual agent)
Buyer's Agent _____ DO NOT COMPLETE. SAMPLE ONLY _____ License Number _____
Is (check one): the Buyer's Agent. (salesperson or broker associate) both the Buyer's and Seller's Agent. (dual agent)

(d) The disclosures and confirmation required by this section shall be in addition to the disclosure required by § 2079.14. An agent's duty to provide disclosure and confirmation of representation in this section may be performed by a real estate salesperson or broker associate affiliated with that broker.

2079.18 (Repealed pursuant to AB-1289)

2079.19 The payment of compensation or the obligation to pay compensation to an agent by the seller or buyer is not necessarily determinative of a particular agency relationship between an agent and the seller or buyer. A listing agent and a selling agent may agree to share any compensation or commission paid, or any right to any compensation or commission for which an obligation arises as the result of a real estate transaction, and the terms of any such agreement shall not necessarily be determinative of a particular relationship.

2079.20 Nothing in this article prevents an agent from selecting, as a condition of the agent's employment, a specific form of agency relationship not specifically prohibited by this article if the requirements of § 2079.14 and § 2079.17 are complied with.

2079.21 (a) A dual agent may not, without the express permission of the seller, disclose to the buyer any confidential information obtained from the seller.

(b) A dual agent may not, without the express permission of the buyer, disclose to the seller any confidential information obtained from the buyer. (c) "Confidential information" means facts relating to the client's financial position, motivations, bargaining position, or other personal information that may impact price, such as the seller is willing to accept a price less than the listing price or the buyer is willing to pay a price greater than the price offered. (d) This section does not alter in any way the duty or responsibility of a dual agent to any principal with respect to confidential information other than price.

2079.22 Nothing in this article precludes a seller's agent from also being a buyer's agent. If a seller or buyer in a transaction chooses to not be represented by an agent, that does not, of itself, make that agent a dual agent.

2079.23 A contract between the principal and agent may be modified or altered to change the agency relationship at any time before the performance of the act which is the object of the agency with the written consent of the parties to the agency relationship.

2079.24 Nothing in this article shall be construed to either diminish the duty of disclosure owed buyers and sellers by agents and their associate licensees, subagents, and employees or to relieve agents and their associate licensees, subagents, and employees from liability for their conduct in connection with acts governed by this article or for any breach of a fiduciary duty or a duty of disclosure.





ASSIGNMENT OF AGREEMENT AMENDMENT (C.A.R. Form AOAA, Revised 6/24)

The following terms and conditions are hereby incorporated in and made a part of the Purchase Agreement, OR [] Other, dated [] ("Agreement"), on property known as [] ("Property"), between [] ("Buyer") and [] ("Seller"). Buyer and Seller are referred to as the "Parties."

In consideration, of the covenants contained herein, Buyer hereby assigns to assignee and assignee accepts the assignment, subject to Seller's consent if required by the Agreement, of all or a partial interest of Buyer's right, title, and interest under the Agreement, including without limitation, the right, title, and interest in any deposit or down payment upon the following terms and conditions:

1. PARTIAL OR TOTAL ASSIGNMENT:

A. [] PARTIAL ASSIGNMENT (Adding a buyer): Buyer is adding the Assignee(s) named below to the Agreement and granting to such Assignee(s) a partial interest in the Agreement.

OR B. [] TOTAL ASSIGNMENT (New buyer(s) replaces all original Buyers): Buyer is assigning all of Buyer's interest in the Agreement to the Assignee(s) named below.

OR C. [] OTHER ASSIGNMENT (Replacing a Buyer and at least one original Buyer remaining; or Deleting a Buyer): [] (buyer(s) being removed) is assigning all of that buyer(s) interest in the Agreement to the new or remaining buyer(s) (Assignee(s)) named below.

D. ASSIGNEE(S) NAMES: []

E. [] Assignee is Buyer's own trust or a wholly-owned entity of Buyer.

2. PRIOR DOCUMENTS: Assignee shall initial the first page of each document and Deliver to Seller all of the transaction documents previously approved by Buyer including, but not limited to, all contract documents, inspection reports, pamphlets, advisories, and disclosures ("Prior Documents") within the time specified below. Unless Otherwise Agreed, Assignee acknowledges that all time frames in the Agreement remain the same and no additional time shall be provided for any matter including, but not limited to, investigation, review of documents, or Close Of Escrow.

A. DELIVERY OF PRIOR DOCUMENTS:

(1) Prior Documents already delivered to Assignee: Assignee acknowledges that Buyer has already provided Assignee all Prior Documents.

OR (2) [] Prior Documents not yet delivered to Assignee: Seller shall Deliver to Buyer and Assignee a seller-signed copy of this Assignment of Agreement Addendum ("Assignment"). Upon receipt of the seller-signed Assignment, Buyer shall immediately Deliver to Assignee all Prior Documents.

B. PREQUALIFICATION OR PREAPPROVAL OF ASSIGNEES: Assignee has been prequalified or preapproved by Buyer's lender as per the Agreement and a copy is attached. This requirement applies even if 1E is checked.

C. TIME TO RETURN ASSIGNEE-INITIALED PRIOR DOCUMENTS:

(1) Initialed copies of all Prior Documents are attached to this Assignment.

OR (2) [] Assignee shall Deliver initialed copies of all Prior Documents to Seller within 3 (or []) Days after Seller Delivers to Assignee a Signed Copy of this Assignment.

(3) If 1E is checked, Delivery and Return of Prior Documents is not required because Assignee is Buyer's own trust or a wholly-owned entity of Buyer.

D. EFFECT OF FAILURE TO RETURN OR ATTACH DOCUMENTS: Seller, after first Delivering a Notice to Buyer to Perform, may cancel this Assignment and the Assignment shall have no further force and effect:

(1) Prior Documents: If Assignee does not Deliver to Seller all Prior Documents within the time specified in 2C.

(2) Prequalification or preapproval: If Assignee does not attach same prequalification or preapproval from Buyer's lender as required by Buyer.

3. CONSIDERATION FOR ASSIGNMENT:

A. Buyer has not received and will not receive any monetary consideration from Assignee for this Assignment.

OR B. [] Buyer has received or will receive consideration from Assignee in the amount of \$ [] (or []).

4. Assignee represents for the benefit of Seller that Assignee ratifies and approves as Assignee's own acts all prior approvals and acts of Buyer pursuant to the Agreement up to and including the date of this Assignment.

5. Assignee assumes and agrees to perform and observe all of the obligations and covenants of Buyer in the Agreement to be performed after the date of this Assignment.

6. Buyer acknowledges and agrees that, notwithstanding Seller's agreement to this Assignment, Buyer is not released from any obligations or covenants under the Agreement.

7. Other terms: []

8. Without releasing Buyer from any obligations or covenants under the Agreement and preserving all rights and remedies under the Agreement, in consideration of the covenants contained herein, Seller consents to the foregoing Assignment.



9. The parties acknowledge and agree that they have been advised to review this Assignment with a qualified California real estate attorney and/or accountant prior to signing this Assignment. The Brokers and agents make no representation as to the propriety, adequacy, legality or tax consequences of this Assignment.

By signing below, Buyer assigns the Agreement to Assignee, and Assignee accepts the assignment from Buyer, and Buyer and Assignee, acknowledge that each has read, understands, received a copy of and agrees to the terms of this Assignment of Agreement Amendment.

Buyer _____ Date _____

Buyer _____ Date _____

ENTITY ASSIGNEE: (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) **Non-Individual (entity) Assignee:** One or more Assignees is a trust, corporation, LLC, probate estate, partnership, holding a power of attorney or other entity.

(2) **Full entity name:** 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 #): _____

(3) **Contractual Identity of Assignee:** For purposes of this Agreement, when the name described below is used it shall be deemed to be the full entity name.

(A) If a trust: The trustee(s) of the trust or a 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: The name of the executor or administrator, or a simplified probate name (John Doe, executor, or Estate (or Conservatorship) of John Doe).

(4) **Legally Authorized Signer:**

(A) This Agreement is being Signed by a Legally Authorized Signer in a representative capacity and not for him/herself as an individual. 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 Seller and Escrow Holder, within **3 Days** of signing, evidence of authority to act in that capacity.

(B) The name(s) of the Legally Authorized Signer(s) is: _____

ASSIGNEE SIGNATURE(S):

(Signature) By, _____ Date: _____

Printed name of ASSIGNEE: _____

Printed Name of Legally Authorized Signer: _____ Title, if applicable: _____

(Signature) By, _____ Date: _____

Printed name of ASSIGNEE: _____

Printed Name of Legally Authorized Signer: _____ Title, if applicable: _____

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

By signing below, Seller consents to the assignment and acknowledges that Seller has read, understands, received a copy of and agrees to the terms of this Assignment of Agreement Amendment.

Seller _____ Date _____

Seller _____ Date _____

ASSIGNMENT NOT ACCEPTED: _____/_____. This assignment was **NOT** accepted by Seller on _____ (date).
Seller Initials

Seller's right to disapprove an assignment, if applicable, is established in the Agreement.

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Date _____

This is a counter offer to the Seller Counter Offer No. _____, OR Seller Multiple Counter Offer No. _____, Other _____
("Offer"),
dated _____, on property known as _____ ("Property"),
between _____ ("Buyer")
and _____ ("Seller").
Buyer and Seller are referred to as the "Parties."

- 1. **TERMS:** The terms and conditions of the above referenced document are accepted subject to the following:
 - A. The Liquidated Damages and Arbitration of Disputes paragraphs in the Offer each require initials by all Parties. If either of those paragraphs is not initialed by all Parties, that paragraph is excluded from the final Agreement unless specifically referenced for inclusion in **paragraph 1D** of this or another Counter Offer or an addendum.
 - B. Unless Otherwise Agreed or altered in another Counter Offer, down payment and loan amount(s) will be adjusted in the same proportion as in the original Offer, but the dollar amount of any initial and increased deposit and Seller credits shall remain unchanged from the original Offer.
 - C. Unless Otherwise Agreed or altered in another Counter Offer, if in the original offer (such as **paragraph 3L(2)** of the RPA) the appraisal contingency amount is lower than the original offered price, then the dollar amount of any difference ("Appraisal Gap") shall remain unchanged and be deducted from the final contract price to create the final appraisal contingency amount. (For example, if the purchase price in the offer is \$1,000,000, and Buyer reduces the appraisal contingency value to \$950,000, the "Appraisal Gap" is \$50,000. If the purchase price is increased to \$1,200,000 as a result of this counter offer, the appraisal contingency value shall be adjusted to \$1,150,000 (\$1,200,000 less \$50,000). If the property appraises below \$1,150,000, Buyer may exercise the appraisal contingency right to cancel this Agreement.)
 - D. **OTHER TERMS:** _____

- E. The following attached addenda are incorporated into this Buyer Counter Offer only when Signed by both Parties (if both Parties do not Sign and Deliver all attached addenda then any acceptance of this Buyer Counter Offer is not valid):
 - Addendum No. _____
 - _____

- 2. **EXPIRATION:** This Buyer Counter Offer shall be deemed revoked and the deposits, if any, shall be returned:
 - A. Unless by 5:00PM on the third Day after the date this Buyer Counter Offer is signed in **paragraph 3** (if more than one signature then, the last signature date)(or by _____ AM/ PM on _____ (date)) **(i)** it is Signed in **paragraph 4** by Seller and **(ii)** a copy of the Signed Buyer Counter Offer is Delivered to Buyer or Buyer's Authorized Agent
 - B. OR If Buyer withdraws this Buyer Counter Offer anytime prior to Seller's Acceptance by communicating withdrawal to Seller or Seller's Agent (C.A.R. Form WOO may be used).

3. **OFFER:** BUYER MAKES THIS COUNTER OFFER ON THE TERMS ABOVE AND ACKNOWLEDGES RECEIPT OF A COPY. BY MAKING THIS COUNTER OFFER, ANY PREVIOUS OFFER OR COUNTER OFFER CAN NO LONGER BE ACCEPTED. **THIS COUNTER OFFER IS VALID REGARDLESS OF WHETHER ANY PREVIOUS OFFER OR COUNTER OFFER EXPIRED BY ITS TERMS.** The terms and conditions of those documents are incorporated into this Buyer Counter Offer unless Otherwise Agreed.

Buyer _____ Date _____
Buyer _____ Date _____

- 4. **ACCEPTANCE:** I/WE accept the above Buyer Counter Offer and all Signed Addenda, if any, (**if checked** **SUBJECT TO THE ATTACHED SELLER COUNTER OFFER No. _____ OR SELLER MULTIPLE COUNTER OFFER No. _____**) and acknowledge receipt of a Copy.

Seller _____ Date _____
Seller _____ Date _____

5. **LATE ACCEPTANCE:** If the date of seller's signature in **paragraph 4** is after the expiration specified in **paragraph 2A**, Seller's acceptance is only binding if Buyer agrees to the late acceptance by signing below before 5:00 PM on the third Day after the date this Buyer Counter Offer is signed in **paragraph 4**.

I, Buyer, ratify the acceptance and agree to all terms of this Buyer Counter Offer.
Buyer _____ Date _____
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 **without Buyer’s permission**.
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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BUYER IDENTIFICATION OF PREFERENCES AND PRIORITIES, NO. _____

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

□ 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 Buyer Identification of Preferences and Priorities. Buyer is encouraged to read it carefully.

Buyer _____ Date: _____
Buyer _____ Date: _____

I acknowledge receipt of a copy of this Buyer Identification of Preferences and Priorities.

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

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BUSINESS LISTING AGREEMENT

(C.A.R. Form BLA, Revised 6/24)

(A separate listing agreement is required for any real property to be included in the sale.)

1. EXCLUSIVE AUTHORIZATION: _____ ("Seller") doing business as: _____ a (check one) [] sole proprietor, [] partnership, [] corporation, [] limited liability company, [] other _____, [] a franchise of _____ hereby employs and grants _____ ("Broker") beginning (date) _____ and ending at 11:59 P.M. on (date) _____ ("Listing Period") the exclusive and irrevocable right to sell the business situated in the City of _____, County of _____, California, commonly described as: _____ ("Business").

2. BUSINESS DISCLOSURE STATEMENT:

- A. PURPOSE OF BDS: Seller acknowledges and agrees that the attached Business Disclosure Statement ("BDS") is provided to Broker as: (i) a tool to assist in establishing the listing price; (ii) a disclosure of material facts regarding the operation of the Business; and (iii) a proposal of items included in or excluded from the offering of the Business for sale.
B. RELATION TO PURCHASE AGREEMENT: Seller acknowledges and agrees that: (i) the agreement between Seller and Buyer supersedes any intention expressed in the BDS and will ultimately determine which items are either included in or excluded from the sale; and (ii) Broker is not responsible for and does not guarantee that the items included or excluded in the BDS will be in the agreement.
C. SELLER WARRANTY: Seller warrants the accuracy of the information furnished herein, and on the attached BDS, or as modified hereafter with respect to the Business, and Seller agrees to indemnify, defend and hold harmless Broker from all claims, costs, expenses, disputes, litigation, arbitration, judgments and awards arising from any incorrect information supplied by Seller or from any material fact that Seller knows but fails to disclose.
D. AUTHORIZATION: Broker is authorized to provide the BDS to prospective buyers.

3. DOCUMENTATION: Seller shall provide to Broker the following lists of items or documents, or copies thereof, within 10 calendar days of the execution of this agreement. For each item, as applicable, Seller shall include a statement of whether the item is owned or leased and whether Seller has any legal, proprietary interest, or intellectual property rights in, or restrictions on, the item:

- [] Inventory, including work progress [] Signs and advertising materials
[] Machinery [] Telephone and fax numbers
[] Furniture, fixtures, and other equipment [] Websites, URL names and E-mail addresses
[] Other personal property [] Social Media Accounts
[] Leases [] Customer lists
[] Leasehold improvements [] Vendor lists and catalogs
[] Government licenses and permits [] Employee lists, and employee information (C.A.R form BP-ECET)
[] Franchise agreements [] Goodwill
[] Fictitious business name statement [] Distribution rights
[] Trade names and trademarks [] Agreements not to compete
[] Logos [] Computer and customer software
[] Copyrights and patents [] Customer deposits/Gift Certificates
[] Schedule of accounts receivable [] Allocation of Purchase Price
[] Business appraisal [] Other assets: _____
[] Other assets: _____ [] Other assets: _____
[] Other assets: _____ [] Other assets: _____
[] Schedule of accounts payable [] Service/maintenance/advertising agreements
[] Other Liabilities: _____
[] Sales tax returns for the years _____ to _____
[] Federal and state income tax returns for the years _____ to _____
[] Financial statements for the years _____ to _____
[] Employment withholding returns for the years _____ to _____
[] Flash Report/Sale Report/POS System Report for date range... _____ to _____

SELLER REPRESENTS THAT: (i) THE BOOKS AND RECORDS THAT SELLER PROVIDES ARE THOSE MAINTAINED IN THE ORDINARY AND NORMAL COURSE OF BUSINESS; AND (ii) FEDERAL AND STATE TAX RETURNS THAT SELLER PROVIDES ARE COPIES OF THOSE FILED WITH THE APPLICABLE GOVERNMENTAL AGENCY.

4. REAL PROPERTY:

- A. INTENTION TO SELL: [] (If checked) Seller owns the real property on which the Business operates and intends that the sale of the Business is contingent upon Seller's sale of such real property. A separate real property listing agreement is required.
B. RELATION TO PURCHASE AGREEMENT: Seller acknowledges and agrees that: (i) the agreement between Seller and Buyer supersedes any intention expressed above in paragraph 4A and will ultimately determine whether any real property is included in the sale or whether the sale of the Business is contingent upon the sale of any real property, and (ii) Broker is not responsible for and does not guarantee that any real property will be included in the purchase agreement or that the sale will be contingent upon the sale of any real property.

5. TERMS OF SALE:

- A. LIST PRICE: The list price shall be _____ Dollars (\$)
B. ADDITIONAL PURCHASE TERMS: _____



6. COMPENSATION TO BROKER:

- A. Seller agrees to pay to Broker as compensation for services irrespective of agency relationship(s): EITHER ____ percent of the list price (or if a contract is entered into, of the contract price) (compensation due Broker shall be calculated on all assets of the Business that are either offered for sale on the BDS or in the contract entered into, whichever is applicable), OR \$ _____, as follows:
 - (1) If during the Listing Period, or any extension, Broker, cooperating broker, Seller or any other person procures a ready, willing, and able buyer(s) whose offer to acquire the Business on any price and terms is accepted by Seller, provided the Buyer completes the transaction or is prevented from doing so by Seller. (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) If Seller, within **180** (or _____) **calendar days** after the end of the Listing Period or any extension, enters into a contract to sell, convey, lease or otherwise transfer the Business to anyone ("Prospective Buyer") or that person's related entity: **(i)** who physically entered and was shown the Business during the Listing Period or any extension by Broker or a cooperating broker; **(ii)** for whom Broker or any cooperating broker submitted to Seller a signed, written offer to acquire, lease, exchange or obtain an option on the Business; or **(iii)** to whom Broker submitted written information regarding the Business at the request of such person. Seller, however, shall have no obligation to Broker under this **paragraph 6A(2)** unless, not later than **10 calendar days** after the end of the Listing Period or any extension, Broker has given Seller a written notice of the names of such Prospective Buyers. A Prospective Buyer shall not include a person to whom Broker furnished unsolicited information concerning the Business.
 - (3) If, without Broker's prior written consent, the Business is: **(i)** withdrawn from the market; **(ii)** sold, conveyed, exchanged, optioned, or otherwise transferred; or **(iii)** made unmarketable by a voluntary act of Seller during the Listing Period, or any extension.
 - (4) If, without Broker's prior written consent, the entire entity a majority interest in the entity that owns the Business is transferred. Seller acknowledges that Broker may perform an online search of the Secretary of State database to determine the entity status of the ownership of the Business. Broker is not licensed to sell stock, or partnership interests, or other business entity interests. Seller will seek the advice of a qualified broker or attorney if the transaction is to be accomplished as the sale of an entire or partial interest in an entity rather than the sale of assets by an entity.
- B. If Seller enters into a listing agreement with another broker within the time period set forth in **paragraph 6A(2)**, Seller shall provide to such broker the names of Prospective Buyers, as supplied to Seller by Broker.
- C. If completion of the transaction is prevented by a party to the transaction other than Seller, then compensation due under **paragraph 6A** shall be payable only if and when Seller 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.
- D. In addition, Seller agrees to pay Broker: _____.
- E. Seller has been advised on Broker's policy regarding cooperation with, and the amount of compensation offered to, buyer's brokers. Broker is authorized to cooperate and compensate brokers: **(i)** in any manner consistent with that policy, **OR (ii)** (if checked) Broker shall only offer: either ____ percent of the sales price, or \$ _____.
- F. Seller hereby irrevocably assigns to Broker the above compensation from Seller's funds and proceeds in escrow. Broker may submit this listing agreement to any escrow holder as instructions to compensate Broker pursuant to **paragraph 6A**, if the terms of compensation are consistent with the business purchase agreement between Seller and the buyer.
- G. (1) Seller represents that Seller has not previously entered into a listing agreement with another broker regarding the Business, except as follows: _____.
- (2) Seller warrants that Seller has no obligation to pay compensation to any other broker regarding the Business unless the Business is transferred to any of the following individuals or entities: _____.
- (3) If the Business is transferred to anyone listed above during the time Seller is obligated to compensate another broker: **(i)** Broker is not entitled to compensation under this Agreement; and **(ii)** Broker is not obligated to represent Seller with respect to such transaction.

7. BUSINESS ESCROW AND APPRAISAL:

- A. **Business Escrow:** (If checked) Seller agrees to cooperate with and use a business escrow in any resulting sale pursuant to this agreement.
- B. **Appraisal:** (If checked) Seller agrees to hire and pay for a qualified business appraiser to appraise the Business.

8. MARKETING:

A. MULTIPLE LISTING SERVICE:

- (1) The MLS is a database of properties and businesses for sale that is available and disseminated to and accessible by all other real estate agents who are participants or subscribers to the MLS. Information submitted to the MLS describes the price, terms, and conditions under which the Seller's property or business is offered for sale.
- (2) Information about this listing will not (or will) be provided to the MLS of Broker's selection and all terms of the transaction, including, if applicable, financing, will be provided to the MLS for publication, dissemination and use by persons and entities on terms approved by the MLS. Seller authorizes Broker to comply with all applicable MLS rules.

B. OTHER ADVERTISING PLATFORMS:

- (1) Various other platforms are available to market the Business and provide exposure of what is available on the market. These platforms may be available to not only brokers but also any other individuals who have access to the platform. The rules and terms of use will be dictated by the platform.
- (2) Broker is (or is not) authorized to provide information about the terms of the transaction on any platform that Broker chooses to utilize or only on the following platforms: _____.

9. OWNERSHIP OF ASSETS:

- A. Unless otherwise agreed, Seller warrants that, except as specified in writing: **(i)** Seller has good and marketable ownership to the business and personal property that are offered for sale; and **(ii)** The business and personal property either are free of liens or are capable of being transferred free of liens.
- B. Upon close of escrow, Seller shall provide any buyer with a Bill of Sale covering the assets of the Business.



Business Name: _____ Date: _____

10. SELLER REPRESENTATIONS: Seller represents that unless otherwise specified in writing, Seller is unaware of: **(i)** any Notice of Default recorded against the Business; **(ii)** any delinquent amounts due under any loan secured by, or other obligation affecting, the Business; **(iii)** any bankruptcy, insolvency or similar proceeding affecting the Business; **(iv)** any current, pending or proposed special assessments affecting the Business; or **(v)** any pending or threatened action or adverse condition which does or may affect the Business or Seller's ability to transfer it, including but not limited to, any litigation, arbitration, administrative action, or government investigation. Seller is not aware of any UCC lien or other encumbrances on the Business or Business assets, except: _____

Seller shall promptly notify Broker in writing if Seller becomes aware of any of these items during the term or any extension of the Listing Period.

11. BROKER'S AND SELLER'S DUTIES: Broker agrees to exercise reasonable effort and due diligence to achieve the purposes of this agreement. Unless Seller gives Broker written instructions to the contrary, Broker is authorized to advertise and market the Business, including the Business name and address, in any method and in any medium, including the internet, selected by Broker, and, to the extent permitted by these media, including MLS, control the dissemination of the information submitted to any medium. Seller agrees to consider offers presented by Broker, and to act in good faith toward accomplishing the transfer of the Business. Seller agrees to immediately refer to Broker any party interested in the Business. All negotiations are to be disclosed to Broker. Seller agrees to provide Broker and transferee(s) all written disclosures, as required by law. Seller further agrees to immediately disclose in writing any condition known to Seller that affects the Business, including, but not limited to, any past or current generation, storage, release, threatened release, disposal, and presence and location of asbestos, PCB transformers, petroleum products, flammable explosives, underground storage tanks and other hazardous, toxic or contaminated substance or condition in, on, or about the Business. Seller shall maintain public liability and property damage insurance on the Business during the Listing Period, or any extension. Seller waives all subrogation rights under any insurance against Broker, cooperating brokers or employees. **Seller further agrees to indemnify, defend and hold Broker harmless from all claims, disputes, litigation, judgments and attorney fees arising from any incorrect information supplied by Seller, or from any material facts that Seller knows but fails to disclose.**

12. DEPOSIT: Broker is authorized to accept and hold on Seller's behalf a deposit to be applied toward the sales price.

13. SIGN: Seller does not (or does) authorize Broker to install a FOR SALE/SOLD sign on the Business premises.

14. INSPECTIONS: Seller shall make the Business available for all inspections called for in any purchase agreement.

15. CONFIDENTIALITY AND NON-DISCLOSURE AGREEMENT:

A. Information about the Business will need to be disclosed to buyers and potentially to interested buyers. This may include financial information or other information that Seller may wish to keep confidential. In order to do so, Seller will need to obtain a confidentiality agreement with a buyer. If a buyer is unwilling to sign a confidentiality agreement or the buyer finds the process too burdensome, they may choose not to make an offer.

B. Seller instructs Broker to obtain a confidentiality agreement (C.A.R. Form CML-CNDA) from a buyer or potential buyer before disclosing any confidential information.

16. AGENCY RELATIONSHIPS:

A. Seller Representation: Broker shall represent Seller in any resulting transaction, except as specified in **paragraph 6G**.

B. Possible Dual Agency With Buyer: Depending upon the circumstances, it may be necessary or appropriate for Broker to act as an agent for both Seller and Buyer, exchange party, or one or more additional parties ("Buyer"). Broker shall, as soon as practicable, disclose to Seller any election to act as a dual agent representing both Seller and Buyer. If a Buyer is procured directly by Broker or an associate licensee in Broker's firm, Seller hereby consents to Broker acting as a dual agent for Seller and Buyer. Seller understands and agrees that: a dual agent may not, without the express permission of the respective party, disclose to the other party confidential information, including, but not limited to, facts relating to either the Buyer's or Seller's financial position, motivations, bargaining position, or other personal information that may impact price, including the Seller's willingness to accept a price less than the listing price or the Buyer's willingness to pay a price greater than the price offered; and except as set forth above, a dual agent is obligated to disclose known facts materially affecting the value or desirability of the Property to both parties.

C. Confirmation: Broker shall confirm the agency relationship described above, or as modified, in writing, prior to or concurrent with Seller's execution of a purchase agreement.

D. Potentially Competing Sellers and Buyers: Seller understands that Broker may have or obtain listings on other businesses, and that potential buyers may consider, make offers to, or purchase through Broker, businesses the same as or similar to Seller's Business. Seller consents to Broker's representation of sellers and buyers of other businesses before, during, and after the end of this Agreement. Seller acknowledges the receipt of a "Possible Representation of More than One Buyer or Seller - Disclosure and Consent" (C.A.R. Form PRBS).

E. Termination of Agency Relationship: Seller 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.

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

18. ATTORNEY FEES: In any action, proceeding, or arbitration between Seller and Broker arising out of this Agreement, Seller and Broker are each responsible for their own attorney's fees and costs, except as provided in **paragraph 20A**.

19. ADDITIONAL TERMS: _____

20. DISPUTE RESOLUTION:

A. MEDIATION: Seller and Broker agree to mediate any dispute or claim arising between them 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 (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 18**. (4) Exclusions from this mediation agreement are specified in **paragraph 20B**.



Business: _____ Date: _____

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. ARBITRATION ADVISORY: If Seller 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).

21. ENTIRE CONTRACT: 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. This listing agreement and any addendum or modification shall be binding upon, and inure to the benefit of, the heirs, successors and assignees of the parties.

22. 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, Seller acknowledges that Seller has read, understands, accepts, and has received a copy of this Agreement, including any attached schedule of compensation. If additional signatures are required, use an addendum.

ENTITY SELLERS: (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) **Non-Individual (entity) Sellers:** One or more Sellers is a trust, corporation, LLC, probate estate, partnership, holding a power of attorney or other entity.

(2) **Full entity name:** 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 #): _____

(3) **Contractual Identity of Seller:** For purposes of this Agreement, when the name described below is used it shall be deemed to be the full entity name.

(A) If a trust: The trustee(s) of the trust or a 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: The name of the executor or administrator, or a simplified probate name (John Doe, executor, or Estate (or Conservatorship) of John Doe).

(4) **Legally Authorized Signer:**

(A) This Agreement is being Signed by a Legally Authorized Signer in a representative capacity and not for him/herself as an individual. See **paragraph 22** for additional terms.

(B) The name(s) of the Legally Authorized Signer(s) is/are: _____, _____.

SELLER SIGNATURE(S):

(Signature) By, _____ Date: _____

Printed name of SELLER: _____

Printed Name of Legally Authorized Signer: _____ Title, if applicable, _____

Address _____ City _____ State _____ Zip _____

Email _____ Phone # _____

(Signature) By, _____ Date: _____

Printed name of SELLER: _____

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 _____

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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**BUSINESS PURCHASE AGREEMENT
AND JOINT ESCROW INSTRUCTIONS**
(C.A.R. Form BPA, 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 BUSINESS to be acquired is doing business as (with a filed fictitious business name) _____, and is situated at _____ (Address), _____ (City), _____ (County), California, _____ (Zip Code), (“Business”).
(Postal/Mailing address may be different from city jurisdiction. Buyer is advised to investigate.)

C. PURCHASE OF REAL PROPERTY: The sale is contingent upon the ability of Buyer’s or Buyer’s related entity to purchase, concurrently with the Close Of Escrow, the real property on which the Business operates. A separate Real Property Purchase Agreement is required (C.A.R. Form CPA).

D. THE TERMS OF THE PURCHASE ARE SPECIFIED BELOW AND ON THE FOLLOWING PAGES.

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 Relationships” (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 15 pages. The Parties are advised to read all 15 pages.

	Para #	Paragraph Title or Contract Term	Terms and Conditions	Additional Terms
A	5, 5B (cash)	Purchase Price	\$ _____	<input type="checkbox"/> All Cash
B(1)	9B(6)	Inventory Value	Inventory Estimated Value is (<input type="checkbox"/> IS NOT) included in Purchase Price	Estimated Value: \$ _____ OR <input type="checkbox"/> shall be provided within 10 (or _____) Days after Acceptance
B(2)	9B(6)	Confirmation of Inventory	To be made by 3rd party OR <input type="checkbox"/> Buyer <input type="checkbox"/> Seller	within 10 (or _____) Days prior to Close of Escrow
C		Close Of Escrow (COE)	_____ Days after Acceptance OR on _____ (date) (mm/dd/yyyy)	
D	43A	Expiration of Offer	3 calendar days after all Buyer Signature(s) or _____ (date) at 5PM or _____ <input type="checkbox"/> AM/ <input type="checkbox"/> PM	
E(1)	5A(1)	Initial Deposit Amount	\$ _____	within 3 (or _____) business days after Acceptance by wire transfer OR <input type="checkbox"/> _____
E(2)	5A(2)	<input type="checkbox"/> Increased Deposit	\$ _____	Upon removal of all contingencies OR <input type="checkbox"/> _____ (date) OR <input type="checkbox"/> _____
F(1)	5C(1)	Loan Amount(s): 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	Small Business Administration <input type="checkbox"/> Seller Financing (SFA attached) <input type="checkbox"/> To be secured by real property <input type="checkbox"/> Other: _____



Business Name: _____

Date: _____

	Para #	Paragraph Title or Contract Term	Terms and Conditions	Additional Terms
F(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	Seller Financing (SFA attached) <input type="checkbox"/> To be secured by real property <input type="checkbox"/> Other: _____
F(3)	5C(4)	<input type="checkbox"/> Real Property Security: The loan specified in 3F(2) (<input type="checkbox"/> 3F(1)) shall be secured by a first (<input type="checkbox"/> _____) deed of trust on real property identified as _____ (<input type="checkbox"/> TBD within _____ Days after Acceptance) and owned by Buyer or Buyer related individual or entity (<input type="checkbox"/> _____) in addition to (<input type="checkbox"/> instead of) being secured by the assets of the Business.		
G	5D	Balance of Down Payment	\$ _____	
PURCHASE PRICE TOTAL			\$ _____	
H(1)		Seller Credit, if any, to Buyer	<input type="checkbox"/> \$ _____	Seller credit to be applied to closing costs OR <input type="checkbox"/> Other: _____
H(2)	ADDITIONAL FINANCE TERMS: _____			
I	Intentionally Left Blank			
J(1)	5B	Verification of All Cash (sufficient funds)	Attached to the offer or <input type="checkbox"/> 3 (or _____) Days after Acceptance	
J(2)	6A	Verification of Down Payment and Closing Costs	Attached to the offer or <input type="checkbox"/> 3 (or _____) Days after Acceptance	
J(3)	6B	Verification of Loan Application	30 (or _____) Days after Acceptance	<input type="checkbox"/> Lender Letter of Intent OR <input type="checkbox"/> Other: _____
K	30	Assignment Request	17 (or _____) Days after Acceptance	
L		CONTINGENCIES	TIME TO REMOVE CONTINGENCIES	ADDITIONAL INFORMATION
L(1)	8A	Loan(s)	60 (or _____) Days after Acceptance	<input type="checkbox"/> No loan contingency
L(2)	8B	Appraisal: Appraisal contingency based upon appraised value at a minimum of purchase price or <input type="checkbox"/> \$ _____	60 (or _____) Days after Acceptance	<input type="checkbox"/> No appraisal contingency
L(3)	8C, 15	Investigation of Business (excluding inventory) Informational Access to the Business and the Premises on which it is located 45 (or _____) Days after Acceptance Buyer's right to access is for informational purposes only is NOT a contingency and does NOT create additional cancellation rights for Buyer.	30 (or _____) Days after Acceptance	
L(4)	8D	<input type="checkbox"/> Environmental Investigation (Phase 1 or <input type="checkbox"/> _____)	30 (or _____) Days after Acceptance	
L(5)	8E, 17A	Review of Seller Documents	30 (or _____) Days after Acceptance, or 10 Days after Delivery, whichever is later	
L(6)	1C, 8F	Purchase of Real Property	Through COE if checked in paragraph 1C	
L(7)	8G	Lease (check all that apply) <input type="checkbox"/> Assignment of existing lease <input type="checkbox"/> New lease <input type="checkbox"/> Option to extend existing lease for an additional _____ year(s) <input type="checkbox"/> Sublease with Seller <input type="checkbox"/> Other _____	45 (or _____) Days after Acceptance	Lease application to be submitted by 15 (or _____) Days after Acceptance
L(8)	8H	Licenses/Permits with city, county, and state, if applicable (check all that apply) <input type="checkbox"/> Alcohol Beverage Control <input type="checkbox"/> Tobacco <input type="checkbox"/> Professional License <input type="checkbox"/> Health Permit <input type="checkbox"/> Conditional Use Permit <input type="checkbox"/> Business License <input type="checkbox"/> Other: _____	Through COE (or _____) Days after Acceptance	Application/paperwork to be submitted by 30 (or _____) Days after Acceptance
L(9)	8I	Franchise Agreement Acceptance by Franchisor	30 (or _____) Days after Acceptance Through COE (or _____) Days after Acceptance	



Business Name: _____

Date: _____

L		CONTINGENCIES	TIME TO REMOVE CONTINGENCIES	ADDITIONAL INFORMATION	
L(10)	8J, 9B(2)	Review of leased or liened items	30 (or _____) Days after Acceptance, or 5 Days after Delivery, whichever is later		
M		Documents/Fees/Compliance	Time for Performance		
M(1)	15A	Seller Delivery of Documents	7 (or _____) Days after Acceptance		
M(2)	26B	Sign and return Escrow Holder General Provisions, Supplemental Instructions	5 (or _____) Days after Delivery		
M(3)	39	Evidence of representative authority	3 Days after Acceptance		
N Assets Included and Excluded					
N(1)	9	Assets Included - All assets specified in Paragraph 9B are included AND the following, if checked: <input type="checkbox"/> Alcoholic Beverage Control License (indicate license type): _____ <input type="checkbox"/> Tobacco License(s) _____ <input type="checkbox"/> Conditional Use permit _____ <input type="checkbox"/> Inventory _____ <input type="checkbox"/> _____ <input type="checkbox"/> _____ <input type="checkbox"/> _____			
N(2)	9	Excluded Assets: <input type="checkbox"/> _____; <input type="checkbox"/> _____; <input type="checkbox"/> _____			
N(3)	9	Liabilities Included - Buyer is NOT purchasing any liabilities of the Business EXCEPT items checked below: <input type="checkbox"/> Accounts payable, per attached _____ <input type="checkbox"/> Service, maintenance, and advertising agreements, per attached; _____ <input type="checkbox"/> City/County/State license; _____			
O Intentionally Left Blank					
P Allocation of Costs					
	Para #	Item Description	Who Pays (if Both is checked, cost to be split equally unless Otherwise Agreed)	Additional Terms	
P(1)		_____ Report	<input type="checkbox"/> Buyer <input type="checkbox"/> Seller <input type="checkbox"/> Both _____		
P(2)		_____ Report	<input type="checkbox"/> Buyer <input type="checkbox"/> Seller <input type="checkbox"/> Both _____		
P(3)	13B	Environmental Survey (Phase one)	<input type="checkbox"/> Buyer <input type="checkbox"/> Seller <input type="checkbox"/> Both _____		
P(4)	10A 10C(1)	Government Required Point of Sale inspections, reports	<input type="checkbox"/> Buyer <input type="checkbox"/> Seller <input type="checkbox"/> Both _____		
P(5)	10C(1)	Government Required Point of Sale corrective/remedial actions	<input type="checkbox"/> Buyer <input type="checkbox"/> Seller <input type="checkbox"/> Both _____		
P(6)	26B	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: _____
P(7)		License fees <input type="checkbox"/> Alcohol Beverage Control License <input type="checkbox"/> _____ <input type="checkbox"/> _____	<input type="checkbox"/> Buyer <input type="checkbox"/> Seller <input type="checkbox"/> Both _____ <input type="checkbox"/> Buyer <input type="checkbox"/> Seller <input type="checkbox"/> Both _____ <input type="checkbox"/> Buyer <input type="checkbox"/> Seller <input type="checkbox"/> Both _____		
P(8)	10B	Sales and Use Tax	<input type="checkbox"/> Buyer <input type="checkbox"/> Seller <input type="checkbox"/> Both _____		
P(9)	22	UCC Search	<input type="checkbox"/> Buyer <input type="checkbox"/> Seller <input type="checkbox"/> Both _____		
P(10)	21	Publication and Recordation for Bulk Transfer, if applicable	<input type="checkbox"/> Buyer <input type="checkbox"/> Seller <input type="checkbox"/> Both _____		
P(11)	3B, 9B(6)	Confirmation of Inventory	<input type="checkbox"/> Buyer <input type="checkbox"/> Seller <input type="checkbox"/> Both _____		
P(12)		_____ fees or costs	<input type="checkbox"/> Buyer <input type="checkbox"/> Seller <input type="checkbox"/> Both _____		



Q		SELLER DISCLOSURES; BUYER INVESTIGATION: <input type="checkbox"/> Inventory, including work progress <input type="checkbox"/> Machinery <input type="checkbox"/> Furniture, fixtures, and other equipment <input type="checkbox"/> Other personal property <input type="checkbox"/> Leases <input type="checkbox"/> Leasehold improvements <input type="checkbox"/> Government licenses and permits <input type="checkbox"/> Franchise agreements <input type="checkbox"/> Fictitious business name statement <input type="checkbox"/> Trade names and trademarks <input type="checkbox"/> Logos <input type="checkbox"/> Copyrights and patents <input type="checkbox"/> Schedule of accounts receivable <input type="checkbox"/> Business appraisal <input type="checkbox"/> Other assets: _____ <input type="checkbox"/> Other assets: _____ <input type="checkbox"/> Schedule of accounts payable <input type="checkbox"/> Other Liabilities: <input type="checkbox"/> Sales tax returns for the years _____ to _____ <input type="checkbox"/> Federal and state income tax returns for the years _____ to _____ <input type="checkbox"/> Employment withholding returns for the years _____ to _____ <input type="checkbox"/> Financial statements for date range _____ to _____ <input type="checkbox"/> Flash Report/Sale Report/POS System Report for date range _____ to _____		
		<input type="checkbox"/> Signs and advertising materials <input type="checkbox"/> Telephone and fax numbers <input type="checkbox"/> Websites, URL names and E-mail addresses <input type="checkbox"/> Social Media Accounts <input type="checkbox"/> Customer lists <input type="checkbox"/> Vendor lists and catalogs <input type="checkbox"/> Employee Lists, and Employee information (C.A.R form BP-ECET) <input type="checkbox"/> Goodwill <input type="checkbox"/> Distribution rights <input type="checkbox"/> Agreements not to compete <input type="checkbox"/> Computer and customer software <input type="checkbox"/> Customer deposits/Gift Certificates <input type="checkbox"/> Allocation of Purchase Price <input type="checkbox"/> Other assets: _____ <input type="checkbox"/> Other assets: _____ <input type="checkbox"/> Other assets: _____ <input type="checkbox"/> Service/maintenance/advertising agreements		
R	17	NOTICE OF VIOLATIONS, if any: _____ Seller shall (or <input type="checkbox"/> shall not) cure any such Notices by COE (or <input type="checkbox"/> 5 Days prior to COE)		
S	Obligations after Close Of Escrow			
		Item Description	Time	Additional Terms
S(1)	18	Consulting and Training	7 (or _____) days after COE	Not to exceed _____ hours
S(2)	19	<input type="checkbox"/> Agreement not to compete	_____ years	_____ miles from current location
T	OTHER TERMS: _____ _____ _____			

4. ADDENDA AND ADVISORIES: (check all that apply)

- | | |
|---|--|
| <input type="checkbox"/> Addendum # _____ (C.A.R. Form ADM) | <input type="checkbox"/> Probate Agreement Purchase Addendum (C.A.R. Form PA-PA) |
| <input type="checkbox"/> Back Up Offer Addendum (C.A.R. Form BUO) | <input type="checkbox"/> Court Confirmation Addendum (C.A.R. Form CCA) |
| <input type="checkbox"/> Other _____ | <input type="checkbox"/> 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 3E(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 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 40, 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 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 Business. This Agreement is NOT contingent on Buyer obtaining a loan. Buyer shall, within the time specified in **paragraph 3J(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 Small Business Administration financing **UNLESS** Seller Financing or Other is checked in **paragraph 3F(1)**.
- (2) **ADDITIONAL FINANCED AMOUNT:** If an additional financed amount is specified in **paragraph 3F(2)**, that amount will provide for Seller Financing **UNLESS** Other is checked in **paragraph 3F(2)**.
- (3) **LOAN SECURED BY BUSINESS ASSETS:** Any loan specified in **paragraph 3F** shall be evidenced by a note in favor of Seller or lender secured by the specified assets of the Business, together with a security agreement in the usual and customary form covering all specified assets of the Business, and a UCC-1 filing to be filed with the Secretary of State, which shall include proceeds of collateral. Buyer shall have the right, at Buyer's expense, to conduct a valuation of the assets within the time specified in **paragraph 3L(3)**. If the assets' value is less than the amount of the loan provided for in **paragraph 3F**, then the amount above the assets' value and below the amount in **paragraph 3F** shall become an unsecured loan, unless real property security is also specified in **paragraph 3F**.
- (4) **LOAN SECURED OR CROSS-SECURED BY REAL PROPERTY:** Seller shall Deliver to Buyer the terms of the note and deed of trust within the time for Seller to deliver documents to the Buyer pursuant to **paragraph 3M(1)**. Buyer shall Deliver to Seller approval of the terms of the note and deed of trust within the time for Buyer to remove the Investigation contingency pursuant to **paragraph 3L(3)**.



(5) **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 3F**, 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.

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

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 3J(3)** from Buyer's lender or loan broker, a letter of intent to provide the financing specified in **paragraph 3F** or other evidence of financing as specified in **paragraph 3J(3)**. If any loan specified in **paragraph 3F** is an adjustable rate loan, the lender 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 3C**) even if based upon alternate financing. Buyer's inability to obtain alternate financing does not excuse Buyer from the obligation to purchase the Business and close escrow as specified in this Agreement.

7. CLOSING AND POSSESSION:

A. CONDITION OF BUSINESS ON CLOSING:

(1) Unless Otherwise Agreed: **(i)** the Business shall be delivered "**As-Is**" in its PRESENT condition as of the date of Acceptance, except for Inventory, as explained below; and **(ii)** all 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 Business in order to determine its present condition.**

B. 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.

C. 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; any Point of Sale system, along with means to access and operate the system; and all items included in either **paragraph 3N or **paragraph 9**. If the Business is located in a common interest development, Seller shall be responsible for securing or providing any such items for Association amenities, facilities, and access that is part of this Agreement.**

D. OPERATION OF BUSINESS DURING ESCROW: During the escrow period and through Close Of Escrow, Seller shall: **(i)** operate the Business diligently and in substantially the same manner as prior to this offer; **(ii)** maintain the goodwill of the Business; **(iii)** keep all equipment and personal property in normal working order.

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 Business 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 Business as early as possible, as this may be a requirement for lending. Buyer's ability to obtain insurance for the Business, including fire insurance, is part of Buyer's Investigation of Business contingency. Failure of Buyer to obtain insurance may justify cancellation based on the Investigation 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 Business, 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 Business by a licensed or certified appraiser at no less than the amount specified in **paragraph 3L(2)**. 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 Business 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.

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

D. ENVIRONMENTAL INVESTIGATION: If checked in **paragraph 3L(4)**, this Agreement is contingent upon Buyer's investigation and acceptance of the condition of any environmental issues, including but not limited to, performing an environmental survey (phase one and phase two, as applicable).

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 15A**.



- F. **PURCHASE OF REAL PROPERTY:** If checked in **paragraph 1C**, this Agreement is, as specified in **paragraph 3L(6)**, contingent upon Buyers ability to purchase and concurrently close escrow on the property in which the Business Operates.
- G. **LEASE:** This Agreement is, as specified in **paragraph 3L(7)**, contingent upon Buyer obtaining any assignment, new lease, option to extend, sublease or other lease selected on terms acceptable to Buyer. Buyer shall submit an application for such lease to Seller's landlord or Seller as applicable within the time specified in **paragraph 3L(7)**.
- H. **LICENSES:**
 - (1) This Agreement is, as specified in **paragraph 3L(8)**, contingent upon Buyer obtaining, or completing the transfer of, the licenses selected. The costs of these licenses shall be paid as indicated in **paragraph 3P(7)**. Buyer is advised to investigate all license requirements before removing this contingency.
 - (2) **LIQUOR:** If transfer of liquor license is included in this sale, Seller shall comply with the Alcoholic Beverage Control Act concerning such transfer. Escrow shall not close, and no funds shall be transferred to Seller, until Escrow Holder is advised by the State of California Department of Alcoholic Beverage Control that the license transfer has been approved. The costs of such transfer shall be paid as specified in **paragraph 3P(7)**.
- I. **FRANCHISE:** This Agreement is, as specified in **paragraph 3L(9)**, contingent upon Buyer's acceptance of the terms of the franchise agreement, and upon Franchisor's acceptance of Buyer.
- J. **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 Business subject to any lien, disclosed pursuant to **paragraph 9B(2)**, is, as specified in **paragraph 3L(10)**, 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(10)**, refuses to enter into any necessary written agreements to accept responsibility for all obligations of Seller disclosed leased or liened items.
- K. **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 Business's condition or Buyer's ability to purchase, Buyer is acting against the advice of Agent.**
- L. **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 Buyer shall, within the time specified in **paragraph 3L** or **5 Days** after Delivery of the applicable Seller Documents, 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. **ASSETS INCLUDED IN AND EXCLUDED FROM SALE:**
 - A. **NOTE TO BUYER AND SELLER:** Assets 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 3N** or as Otherwise Agreed.
 - B. **ASSETS TRANSFERRED:**
 - (1) With the exception of cash or cash equivalents on deposit in any financial institution, and assets excluded in **paragraph 3N**, Buyer is purchasing all assets of the Business, including but not limited to machinery, furniture, fixtures and other equipment, leasehold improvements, transferable government license and permits (other than any Alcoholic Beverage Control license), customer lists, fictitious business names, trade names and trademarks, logos, copyrights and patents, goodwill, signs and advertising material, telephone and fax numbers, web sites, URL names, e-mail addresses, social media and internet accounts, distribution rights, employee lists and information, computer software, customer deposits, and all assets specified as included in **paragraph 3N**, if currently existing and owned by Seller at the time of Acceptance. All items transferred that are leased are subject to the terms of the existing lease(s).
 - (2) **LEASED OR LIENED ITEMS AND SYSTEMS:** Seller shall, within the time specified in **paragraph 3M(1)**, (i) disclose to Buyer if any item or system specified in **paragraph 3N** 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.
 - (3) 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(2)**, and (ii) are transferred without Seller warranty regardless of value.
 - (4) Seller shall deliver title to the personal property by Bill of Sale, free of all liens and encumbrances, and without warranty of condition.
 - (5) 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.
 - (6) **INVENTORY:**
 - (A) Unless checked in **paragraph 3B(1)**, inventory price is included in the purchase price.
 - (B) Whether or not included in the purchase price, Inventory shall have an estimated value. If not agreed in **paragraph 3B(1)** or elsewhere in the Agreement, Seller shall, within the time specified in **paragraph 3B(1)**, deliver to Buyer an itemized inventory list with an estimated value. The ability to review this document and investigate the inventory included in the Agreement falls within the review of seller document contingency and the investigation contingency.
 - (C) Parties have the right to confirm the inventory within the time and by the party specified in **paragraph 3B(2)**. If the confirmed value is higher than the estimated value, Buyer shall have the option to pay cash for the additional amount or require Seller to either: (i) provide seller financing or (ii) to take inventory of Buyer's choosing equal to that excess amount. If the confirmed value is lower than the estimated value, the Seller shall provide a credit to Buyer for the amount of difference between the estimated value and confirmed value.
 - C. **ITEMS EXCLUDED FROM SALE:** Unless Otherwise Agreed, all items specified in **paragraph 3N(2)** are excluded from sale.



10. ALLOCATION OF COSTS:

- A. INSPECTIONS, REPORTS, TESTS, AND CERTIFICATES:** Paragraphs 3P(1-2) 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 3P(5) and (12), or 3T, 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 3M(1).**
- B. SALES AND USE TAX:** The party indicated in **paragraph 3P(9)** shall pay any sales or use tax payable as a result of the sale. Seller shall report and remit to, as applicable, the California Department of Tax and Fee Administration (“CDTFA”), or any other agency required by law, any sales tax due on the sale of furniture, fixture and equipment.
- C. GOVERNMENT REQUIREMENTS AND CORRECTIVE OR REMEDIAL ACTIONS:**
 - (1) 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. Unless Parties Otherwise Agree to another time period, any such repair shall be completed 5 days prior to Close Of Escrow of Business. 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 3M(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 Business.
 - (2) 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.** Seller shall, within the time specified in **paragraph 3M(1)**, provide to Buyer, the lists of items or documents, or Copies thereof, for items checked in **paragraph 3Q**. For each item, as applicable, Seller shall include a statement of whether the item is owned or leased and whether Seller has any legal, proprietary interest, or intellectual property rights in, or restrictions on, the item. Buyer, within the time specified in **paragraph 3L(3)**, shall then investigate the item provided to Buyer.
- B.** Seller represents that: **(i)** the books and records that Seller provides are those maintained in the ordinary and normal course of business; and **(ii)** federal and state tax returns that seller provides are copies of those filed with the applicable government agencies.
- C. PROPOSED ALLOCATION OF PURCHASE PRICE:** If applicable, Seller shall, within the time specified in **paragraph 3M(1)**, provide Buyer with a proposed allocation of purchase price (C.A.R. Form BP-APP).
- D. VIOLATION NOTICES:** Within the time specified in **paragraph 3M(1)**, Seller shall disclose any notice of violations of any Law filed or issued against the Business and actually known to Seller
- E. KNOWN MATERIAL FACTS:** Seller shall, within the time specified in **paragraph 3M(1)**, DISCLOSE KNOWN MATERIAL FACTS AND DEFECTS affecting the Business, including, but not limited to, known insurance claims within the past five years, or provide Buyer with permission to contact lender to get such information (C.A.R. Form ARC), and make any and all other disclosures required by Law.
- F. BUSINESS DISCLOSURE STATEMENT:** Seller shall, within the time specified in **paragraph 3M(1)**, complete and provide Buyer with a Business Disclosure Statement (C.A.R. Form BDS).
- G. SUBSEQUENT DISCLOSURES:** In the event Seller, prior to Close Of Escrow, becomes aware of adverse conditions materially affecting the Business, including but not limited to notices of violation received after acceptance, 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. BUYER’S INVESTIGATION OF BUSINESS AND MATTERS AFFECTING BUSINESS:

- 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.** Without Seller’s prior written consent, Buyer shall neither make nor cause to be made: **(i)** invasive or destructive Buyer Investigations; or **(ii)** inspections by any governmental building or zoning inspector or government employee, unless required by Law.
- C.** Seller shall make the Business 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 Business, 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.
- D. Buyer indemnity and Seller protection for entry upon the Business and work done on the Property:** Buyer shall: **(i)** repair all damage arising from Buyer Investigations; and **(ii)** 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. Buyer’s obligations under this paragraph shall survive the termination of this Agreement.

13. ENVIRONMENTAL

- A. HAZARD CONSULTATION:** 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 Business; 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 Business.



B. ENVIRONMENTAL STUDY/INVESTIGATION: Buyer shall have the right to investigate any environmental issues related to the purchase of the Business, including any phase one or phase two environmental study. A phase one environmental survey shall be paid for and obtained by the party indicated in **paragraph 3P(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(4)**. Buyer has **5 Days** after receiving the survey to remove this portion of the Buyer's Investigation contingency.

14. TITLE AND VESTING:

A. The Business shall be owned in the form designated in Buyer's escrow instructions. THE MANNER OF TAKING TITLE AND THE FORM OF OWNERSHIP OF THE BUSINESS MAY HAVE SIGNIFICANT LEGAL AND TAX CONSEQUENCES. BUYER IS ADVISED TO CONSULT AN APPROPRIATE PROFESSIONAL.

B. Seller shall furnish to Buyer bills of sale and other instruments of transfer or assignment necessary to carry out this Agreement.

15. 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 or CC).

A. SELLER DELIVERY OF DOCUMENTS: Seller shall, within the time specified in **paragraph 3M(1)**, Deliver to Buyer all reports, disclosures and information ("Reports") for which Seller is responsible as specified in **paragraphs 9B(2), 9B(6), 10, 11A, 11C-G, 13, 15A, 17, and 39**.

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(2)**, and other applicable information, which Buyer receives from Seller; and approve all matters affecting the Business.

(2) Buyer may, within the time specified in **paragraph 3L(3)**, request that Seller make repairs or take any other action regarding the Business (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 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 11G**.

(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 15C**, 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 15C(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 3E(1)** or **3E(2)** or if the funds deposited pursuant to **paragraph 3E(1)** or **3E(2)** are not good when deposited; (ii) Deliver updated contact information for Buyer's lender(s) as required by **paragraph 5C(5)**; (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 8J**; (vi) Sign or initial a separate liquidated damages form for an increased deposit as required by **paragraph 5A(2)** and **40**; (vii) Provide evidence of authority to Sign in a representative capacity as specified in **paragraph 39**; or (viii) 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 3M(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 15**, except for Close Of Escrow which shall be Delivered under the terms of **paragraph 15G**, whether or not the Scheduled Performance Day falls on a Saturday, 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. 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.**

16. 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.

17. NOTICES OF VIOLATIONS: Seller represents that, to the best of Seller's knowledge, no notices of violations of federal, state, or local statute(s), law(s) or regulation(s) exist, or are filed or issued, that affect the operation of the Business, including any such notices regarding the real property in which the Business is situated ("Notices"), EXCEPT as indicated in **paragraph 3R** or post-acceptance notices of violations as disclosed pursuant to **paragraph 11G**. Should any Notices occur or already exist, and Seller has agreed to cure Notices, Seller shall make a good faith attempt to cure any such Notice. If Seller, after exercise of good faith attempts, is unable to cure the Notice by Close Of Escrow (or 5 Days prior to COE): (i) Buyer may cancel this Agreement and Buyer's sole remedy shall be return of deposit(s) and Buyer's reasonable out-of-pocket expenses for inspection reports and appraisal fees under the Agreement, or (ii) Buyer may elect to proceed with the transaction with the Notice in place and waives any claim for other damages or compensation arising out of the Notice.

18. CONSULTING AND TRAINING: Seller shall consult with Buyer to show Buyer methods used in operating the Business. Seller shall provide consulting services for the time specified in **paragraph 3S(1)** at no cost to Buyer, which services shall not exceed the number or hours specified in **paragraph 3S(1)**. Seller shall not be responsible for training Buyer in the basics of operating a business of the type being sold pursuant to this Agreement, but only to alert Buyer to the nuances, as determined by Seller, of operating this type of business. NOTE TO BUYER: If you are not already trained in this type of business, you are strongly advised to seek training.

19. AGREEMENT NOT TO COMPETE: As a material part of the consideration of the sale, Seller agrees not to operate or engage in, directly or indirectly, whether as a principal, agent, manager, employee, owner, member, partner, stockholder, director, or officer of a corporation, trustee, consultant, or any other capacity whatsoever, any business the same as, or substantially similar to, or in competition with the Business within the distance and time specified in **paragraph 3S(2)**, so long as Buyer or Buyer's successor-in-interest, is operating the Business in said area.

20. TAX CLEARANCES: Seller shall Deliver to Escrow Holder any clearance documents available from the CDTFA, Employment Development Department (EDD) regarding unemployment insurance withholdings, or FTB. If there is no bulk transfer, Seller shall Deliver to Escrow Holder any documents required for the county tax assessor regarding unsecured property tax bills or, if applicable, file any necessary form with the assessor. No funds shall be released from escrow before such delivery.

21. BULK TRANSFER: Seller shall comply with the Bulk Sales provision of Division 6 of the Uniform Commercial Code, Bulk Transfer Section, and if the bulk sales involves the transfer of a liquor license also Business and Professions Code § 24074.

22. LIENS; ENCUMBRANCES; RESTRICTIONS: Seller warrants that, to the best of Seller's knowledge, there are no undisclosed liens, encumbrances or restrictions upon the Business. If **paragraph 3P(9)** is checked, Escrow Holder shall obtain a UCC search where the property is located and the Business is incorporated.

23. SELLER REPRESENTATIONS: Seller's representations and warranties set forth herein, or in any written statements delivered to Buyer, shall be true and correct at Close Of Escrow, and shall survive the transfer of ownership of the Business.

24. PRORATIONS OF BUSINESS 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: unsecured property taxes, business taxes, Owner rental payments, interest, OA regular assessments due prior to Close Of Escrow, common area maintenance charges, and payments on bonds and assessments assumed by Buyer. Seller shall pay any OA special or emergency assessments due prior to Close Of Escrow. The following items shall be assumed by Buyer WITHOUT CREDIT toward the purchase price: OA special or emergency assessments that are due after Close Of Escrow. 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.

25. 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.



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 Business; **(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 Business; **(v)** Shall not be responsible for identifying defects on the property on which the Business is located, in common areas, or offsite unless such defects are visually observable by an inspection of reasonably accessible areas of the Business or are known to Agent; **(vi)** Shall not be responsible for inspecting public records or permits concerning the title or use of the Business; **(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 Business 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 Business, 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.

26. 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(1), 3C, 3E-G, 3H(1-2), 3L(7-10), 3M(2-3), 3N(1-3), 3P, 3T, 4, 5A(1-2), 5B, 5C(1-4), 5D, 10C(1), 14, 15H, 20, 21, 22, 24, 25A, 26, 30, 36, 38, 39, 43, and 44.** If a Copy of the separate compensation agreement(s) provided for in **paragraph 25A** 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 3M(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 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.

D. Agents are not a party to the escrow except for the sole purpose of receiving compensation pursuant to **paragraph 25A**. 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 25A**, 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.

27. 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.

28. 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 Business 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.

29. 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 41A**.



- 30. 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 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 AOOA). 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.
- 31. 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.
- 32. 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 Business 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.
- 33. RISK OF LOSS:** Any risk of loss to the Business shall be borne by Seller until ownership has been transferred to Buyer.
- 34. ANTI-DISCRIMINATION LAWS:** The Business is sold in compliance with federal, state and local anti-discrimination Laws.
- 35. 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.
- 36. 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 Business 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 of Delivery of the bill(s) of sale and other instruments necessary to transfer or assign the Business and its assets.
 - 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 Business 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), or (ii) an electronic Copy of the document, or as applicable, link to the document, has been sent to any of the designated electronic delivery addresses specified in the Real Estate Broker Section, unless Otherwise Agreed in C.A.R. Form DEDA. 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. 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. 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. Unless Otherwise Agreed, Buyer and Seller agreed to the use of Electronic Signatures.
 - 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 43 or paragraph 44.**
 - 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 Business provided for under this Agreement.
 - Q. **“Sign” or “Signed”** means either a handwritten or Electronic Signature on an original document, Copy or any counterpart.
- 37. TERMS AND CONDITIONS OF OFFER:** This is an offer to purchase the Business 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 Business for sale and to accept any other offer at any time prior to notification of Acceptance and to market the Business 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.
- 38. 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.**
- 39. LEGALLY AUTHORIZED SIGNER:** Wherever the signature or initials of the Legally Authorized Signer identified in **paragraph 43 or 44** 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).

40. 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 _____/_____

41. 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) 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 42B; (ii) The obligation to mediate does not preclude the right of either Party to seek a preservation of rights under paragraph 42C; and (iii) Agent’s rights and obligations are further specified in paragraph 42D. These terms apply even if the Arbitration of Disputes paragraph is not initialed.**



42. 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 Business 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 _____ / _____

43. 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 3D**, 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) **Non-Individual (entity) Buyers:** One or more Buyers is a trust, corporation, LLC, probate estate, partnership, holding a power of attorney or other entity.
 - (2) **Full entity name:** 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 #): _____
 - (3) **Contractual Identity of Buyer:** For purposes of this Agreement, when the name described below is used it shall be deemed to be the full entity name.
 - (A) If a trust: The trustee(s) of the trust or a 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: the name of the executor or administrator, or a simplified probate name (John Doe, executor, or Estate (or Conservatorship) of John Doe).
 - (4) **Legally Authorized Signer:**
 - (A) This Agreement is being Signed by a Legally Authorized Signer in a representative capacity and not for him/herself as an individual. See **paragraph 39** for additional terms.
 - (B) The name(s) of the Legally Authorized Signer(s) is/are: _____
- C. The BPA has 15 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).



Business Name: _____ 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.

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 26** 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

Buyer's Initials _____ / _____ Seller's Initials _____ / _____

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BUYER REPRESENTATION AND BROKER COMPENSATION AGREEMENT
 (Non-Exclusive unless Exclusive is checked and initialed)
 (C.A.R. Form BRBC, Revised 12/24)

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
A Representation			
A(1)		Representation Period	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.)
A(2)		Type of Representation	Non-exclusive, OR <input type="checkbox"/> Exclusive (valid only if checked AND initialed in paragraph 15).
B Property to be Acquired (“Property”)			
B(1)		Property type:	Single family residential (OR, if checked, <input type="checkbox"/> SFR is excluded from this Agreement), including condominiums and manufactured homes (SFR), <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(2)		Location	<input type="checkbox"/> County(ies): _____ <input type="checkbox"/> City(ies): _____
B(3)		Additional Description	_____
C		<input type="checkbox"/> Additional Buyer Preferences and Priorities	See attached Buyer Identification of Preferences and Priorities (C.A.R. Form BIPP).
D	7	Properties Excluded from Representation	_____ OR <input type="checkbox"/> The Properties identified on the attached list.
E 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).			
E(1)	4B	Amount of Compensation	_____ % of the acquisition price AND, if any, \$ _____; OR <input type="checkbox"/> \$ _____; OR <input type="checkbox"/> see attached Broker-created compensation schedule.
E(2)	4G	Payments received by Broker from Seller or others	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) .
E(3)	4C	Continued Right to Payment for Broker Involved Properties	The Continuation Period shall be _____ calendar days after the Representation Period or any extension (“Continuation Period”).
F	5	Cancellation Rights and Notice	Non-exclusive: Cancellation effective upon receipt OR <input type="checkbox"/> _____ days after receipt; Exclusive: Cancellation effective 30 OR <input type="checkbox"/> _____ (not to exceed 30) days after receipt.
G Buyer Financial/Personal Information			
G(1)	9B(1)	Time to deliver Buyer personal/ financial information	Within 5 (or _____) calendar days from the execution of this Agreement. <input type="checkbox"/> C.A.R. Form BFPI attached.
G(2)	9B(2)	<input type="checkbox"/> Buyer does not have sufficient funds to pay Broker.	Buyer’s Broker’s obligation to represent Buyer in a transaction is contingent upon a seller’s agreement to pay the amount of compensation in paragraph 2E(1) .
H		Other Terms	_____



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 thereafter 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. **The timing of such payment is subject to the terms of paragraph 4D.**
- (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 **enters into contract to acquire** 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. **The timing of such payment is subject to the terms of paragraph 4D.**
- 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 the 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. This contingency is in favor of the Broker, and Broker may elect to cancel this Agreement related to representation on that specific property, if the seller does not agree to pay the full amount that Buyer is contractually obligated to pay Broker. Broker shall inform Buyer, seller and listing agent that Buyer is proceeding without representation and that they shall complete a new Agency Confirmation removing Broker as representing Buyer.

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 initialed 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 (or as otherwise specified in **paragraph 2F**). 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 _____ / _____

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 Signer Disclosure (C.A.R. Form RCSD) is not required for the Legally Authorized Signers designated below.)

- (1) **Non-Individual (entity) Buyers:** One or more Buyers is a trust, corporation, LLC, probate estate, partnership, holding a power of attorney or other entity.
- (2) **Full entity name:** 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 #): _____
- (3) **Contractual Identity of Buyer:** For purposes of this Agreement, when the name described below is used, it shall be deemed to be the full entity name.
 - (A) If a trust: The trustee(s) of the trust or a 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: The name of the executor or administrator, or a simplified probate name (John Doe, executor, or Estate (or Conservatorship) of John Doe).
- (4) **Legally Authorized Signer:**
 - (A) 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.
 - (B) The name(s) of the Legally Authorized Signer(s) is/are: _____, _____.

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, _____

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)

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