



*CCCBA's Real Estate Section proudly presents...*

**#5 TOP 10 ITEMS LAWYERS NEED TO KNOW**  
**ABOUT THE NEW C.A.R. REAL ESTATE**  
**PURCHASE AGREEMENT**

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Assistant General Counsel for the California Association of Realtors

**AGENDA**


- Top Ten Tips
  - Navigating the new format
  - Common ownership forms
  - Tenant Occupied Property
- Transfer Disclosure Statement Issues
  - Assignments



# PROGRAM MATERIALS

# 10 Items Lawyers Need to Know About The C.A.R. Residential Purchase Agreement

Contra Costa County Bar Association  
Real Estate Law Section  
November 18, 2022

	<b>CALIFORNIA ASSOCIATION OF REALTORS®</b>	<b>CALIFORNIA RESIDENTIAL PURCHASE AGREEMENT AND JOINT ESCROW INSTRUCTIONS</b> (C.A.R. FORM RPA, Revised 6/22)
Date Prepared: _____		
1. OFFER:		
A. THIS IS AN OFFER FROM _____		(“Buyer”).
B. THE PROPERTY to be acquired is _____		, situated

By Neil Kalin

Assistant General Counsel, California Association of REALTORS®

# AGENDA

- 
- What's new; What's not
  - 1. The “grid” is part of the contract
  - 2. Common ownership forms
  - 3. Tenant occupied property
  - 4. Left-over property abandoned
  - 5. Complete TDS includes § I
  - 6. Defensible Space Compliance
  - 7. Assignment dos-and-don'ts
  - 8. Acceptance and delivery
  - 9. Entity signatures
  - 10. Appraisal notice
  - Bonus: Exception to mediation and arbitration

# What's New; What's Not

- 
- What's new? Lots ... but not everything.
    - 10 pages -> 16 pages
    - All New Format
      - negotiation points up front in the grid
      - + liquidated damages, arbitration, signature blocks, and broker and escrow sections at end
      - Contingency together, disclosures together
      - List of items to be included
    - Clarification of item included
    - All related forms (80+) updated or reviewed
  - What's the same? Lots!
    - Same contingencies and time frames (mostly)
    - Same active contingency removal and notices to perform
    - Same mandatory mediation/optional arbitration and liquidated damages

# 1

THE GRID IS PART OF THE CONTRACT

- Paragraph 3 continues onto pages 2 and 3
- Substantive terms, not just a table of contents or summary

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 16 pages. The Parties are advised to read all 16 pages.

	Paragraph #	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)	
C	32A	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)	within 3 (or _____) business days after Acceptance by wire transfer OR <input type="checkbox"/> _____
D(2)	5A(2)	<input type="checkbox"/> Increased Deposit (Money placed into escrow after the initial deposit. Use form DID at time increased deposit is made.)	\$ _____ ( _____ % of purchase price) (% number above is for calculation purposes and is not a contractual term)	Upon removal of all contingencies OR <input type="checkbox"/> _____ (date) OR <input type="checkbox"/> _____
E(1)	5C(1)	Loan Amount(s): First Interest Rate	\$ _____ ( _____ % of purchase price) Fixed rate or <input type="checkbox"/> Initial adjustable rate not to	Conventional or, if checked, <input type="checkbox"/> FHA <input type="checkbox"/> VA

# 2

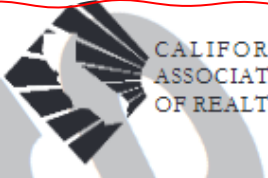
## COMMON OWNERSHIP FORMS:

Tenancy in Common; Stock Cooperatives



# Common Ownership forms: T-I-C

- TIC-PA amends RPA
- TIC-PA is not the tenancy in common agreement
- Qualified California real estate attorney to draft



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TENANCY IN COMMON ("TIC") PURCHASE ADDENDUM  
(C.A.R. Form TIC-PA, 12/21)

The following terms and conditions are hereby incorporated in and made a part of the Purchase Agreement, OR  
☐ Counter Offer No. \_\_\_\_\_, ☐ Other \_\_\_\_\_ ("Agreement"),  
dated \_\_\_\_\_, on property known as \_\_\_\_\_ ("Property"),  
between \_\_\_\_\_ ("Buyer"),  
and \_\_\_\_\_ ("Seller").

**1. BUYER'S OCCUPANCY RIGHTS:** Subject to Buyer entering into a TIC Agreement, as provided in paragraph 2, defining all exclusive use and other rights and obligations associated with the purchase of an undivided interest in an existing (or ☐ if checked, a newly created) Tenancy-In-Common (TIC):

☒ A. Buyer is purchasing a \_\_\_\_\_ percent undivided interest in the Property.

☐ B. Buyer shall have the exclusive right to occupy unit \_\_\_\_\_.

☒ C. Buyer shall have the exclusive right to use the following areas (check all that apply):

(1) ☐ Parking space(s) identified as \_\_\_\_\_.

(2) ☐ Storage space(s) identified as \_\_\_\_\_.

(3) ☐ Deck(s) identified as \_\_\_\_\_.

(4) ☐ Yard and/or patio identified as \_\_\_\_\_.

(5) ☐ Other exclusive use common area(s) identified as \_\_\_\_\_.

**2. TENANCY-IN-COMMON AGREEMENT:** Buyer is cautioned not to proceed without a TIC Agreement in place. Buyer shall sign the TIC Agreement, and any amendments to it, prior to the Close Of Escrow ("COE").

A. Seller, within 7 (or \_\_\_\_\_) Days after Acceptance, shall deliver to Buyer a copy of the TIC Agreement, with all amendments, if any, and any other document requiring Buyer's signature prior to transfer of title. ☐ (If checked) Buyer has already received the TIC Agreement. ☐ (If checked) Buyer will retain a qualified California real estate attorney to create the TIC Agreement.

B. This Agreement is contingent upon Buyer's approval of the TIC Agreement with all amendments, if any, fully signed by all TIC co-owners and the other documents delivered pursuant to paragraph 2A, and all disclosures, including but



**TENANCY IN COMMON ("TIC") PURCHASE ADDENDUM**  
(C.A.R. Form TIC-PA, 12/21)


- Contingency for receipt of financial information
- Buyer advised to seek legal counsel
- TIC-OA attached

4. **CONDOMINIUM CONVERSION:** ☐ If this Property is purchased with the intent to convert the TIC interests into condominiums, Buyer is advised (i) to review the TIC Ownership Advisory (C.A.R. Form TIC-OA), and (ii) during Buyer's investigation period, consult with a qualified California real estate attorney familiar with condominium conversion law.

5. **FINANCIAL AND OPERATIONAL DISCLOSURES:** Seller shall Deliver to Buyer within 7 (or \_\_\_\_\_) Days after Acceptance a completed TIC Financial Disclosure Statement (C.A.R. Form TIC-FD) and, if applicable, the most recent 12 months meeting minutes, if applicable, and documents related to management of the TIC.

TIC-PA 12/21 (PAGE 1 OF 2)      Buyer's Initials \_\_\_\_\_ / \_\_\_\_\_      Seller's Initials \_\_\_\_\_ / \_\_\_\_\_

**TENANCY IN COMMON ("TIC") PURCHASE ADDENDUM (TIC-PA PAGE 1 OF 2)**



8. **TIC AGREEMENT COSTS:** Seller shall pay for any new TIC Agreement. Amendments to an existing TIC Agreement required by Buyer's lender, or which are necessary to the transfer of this TIC interest, shall be paid by Buyer.

9. **DISCREPANCIES:** If any discrepancies exist between this Addendum and the TIC Agreement, the TIC Agreement shall control. Buyer is advised to seek qualified legal counsel to ensure the terms of the TIC Agreement accurately reflect the terms of the Purchase Agreement.

10. **BUYER ACKNOWLEDGEMENTS:** Buyer acknowledges receipt of a ☒ TIC Ownership Advisory (C.A.R. Form TIC-OA).

11. **SALE OF 5 OR MORE UNITS:** A public report is required from the Subdivisions Office of the California Department of Real Estate (DRE) prior to the sale of a TIC interest by a seller who owns five or more TIC interests in the real property. If this building contains 5 or more TIC interests that are being sold by one seller, the DRE must have pre-approved the language of this Agreement and this Addendum prior to their use. Accordingly, the advice a qualified California real estate attorney should be obtained.

12. **ADDITIONAL TERMS:** \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**TENANCY IN COMMON ("TIC") OWNERSHIP ADVISORY**  
(C.A.R. Form TIC-OA, 12/21)

- TIC-OA info only
- Distinguishes T-I-C from common interest development

This Tenancy In Common ("TIC") Ownership Disclosure concerns the residential property described as \_\_\_\_\_ ("Property").

1. **OWNERSHIP:** A Tenancy-In-Common (TIC) is a form of group ownership under California law which is created when two or more individuals or entities have an undivided ownership interest in the same property, such as an apartment building. You will co-own the entire Property with other investors/co-owners as a tenancy in common and share common costs such as taxes, insurance, building maintenance, repairs, and, possibly, a shared mortgage.
2. **A TIC IS NOT A CONDOMINIUM:** TICS are not condominiums or common interest developments and, therefore, fall outside the protections and requirements of the Davis-Stirling Common Interest Development Act (the "Act"). As such, TIC owners do not have deeded rights to their units and ~~clear ownership of, nor obligations regarding, common areas as do owners in condominiums or other ownership interest under the Act.~~
3. **THE NEED FOR A TIC AGREEMENT:** Most protections for TIC projects are contractual, based on a TIC agreement. If a problem arises, you will be relying on the provisions of the TIC agreement. If you do not have a valid TIC Agreement, you may be subjected to a variety of legal and financial issues or problems. For instance, you may not have a legally enforceable right to exclusive use of a specific residential unit or a specific parking space without a TIC agreement executed by all co-owners because you do not own the specific unit or parking space as you would in a condominium project. Or one co-owner may have the legal right to a partition, which is a forced sale of the entire property even if other co-owners object. It is important to note that TIC agreements vary greatly. It is essential that all current co-owners sign the TIC agreement. Any person who becomes a co-owner in the future should, along with existing co-owners, sign an amendment to the TIC agreement accepting all rights and responsibilities for that co-tenancy share under the TIC agreement. A TIC agreement may not be binding on a co-owner who does not sign it and therefore all co-owners should retain a copy of the executed TIC agreement along with any exhibit or amendments. Buyer is strongly advised during Buyer's investigation period to seek qualified real estate legal counsel to review the TIC agreement to ensure that it

**TENANCY-IN-COMMON ("TIC")  
FINANCIAL DISCLOSURE STATEMENT**  
(C.A.R. Form TIC-FD, 12/21)

- **TIC-FD completed by management**
- **Buyer signs if agrees**

This disclosure is made in connection with the Residential Purchase Agreement, OR ☐ Counter offer No. \_\_\_\_\_, ☐ Other \_\_\_\_\_ ("Agreement"), dated \_\_\_\_\_, on property known as \_\_\_\_\_ ("Property"), between \_\_\_\_\_ ("Buyer"), and \_\_\_\_\_ ("Seller").

**This form is being completed by an authorized Representative of all owners of TIC interests in the Property.**

1. This TIC is ☐ self-managed or ☐ professionally managed by: \_\_\_\_\_
2. This TIC (if checked) ☐ has a group loan and the amount available to be assumed by Buyer is \$ \_\_\_\_\_
3. The current regular operating and reserve assessment for this interest rate is \$ \_\_\_\_\_ per month or ☐ per quarter or ☐ per year. In addition (if checked) ☐ \$ \_\_\_\_\_ is collected per payment for the property taxes and ☐ \$ \_\_\_\_\_ for mortgage payments.

\_\_\_\_\_  
\_\_\_\_\_  
Signature of Preparer \_\_\_\_\_ Name of Preparer (TIC Representative or Seller) \_\_\_\_\_ Date \_\_\_\_\_  
Telephone \_\_\_\_\_ E-mail Address \_\_\_\_\_

**The undersigned Buyer acknowledges receipt of and approves the foregoing statement.**

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

## Common Ownership forms: Stock Coop.

- COOP-PA amends RPA
- Buying shares of stock

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### STOCK COOPERATIVE PURCHASE ADDENDUM (C.A.R. Form COOP-PA, 12/21)

This is an addendum to the Purchase Agreement, OR ☐ Counter offer No. \_\_\_\_\_, ☐ Other \_\_\_\_\_ ("Agreement"), dated \_\_\_\_\_, on property known as \_\_\_\_\_ ("Property"), between \_\_\_\_\_ ("Buyer"), and \_\_\_\_\_ ("Seller"). Buyer and Seller are referred to as the "Parties."

**1. PROPERTY:** The Property being purchased includes all of the shares of stock in the California Corporation known as \_\_\_\_\_ ("Corporation") which are allocated to the exclusive use to the Property, together with the Corporation's stock holders' cooperative agreement ("CO-OP Agreement"). The CO-OP Agreement includes the exclusive use of the following additional checked areas. (check all that apply):

- A. ☐ Parking space(s) identified as \_\_\_\_\_
- B. ☐ Storage space(s) identified as \_\_\_\_\_
- C. ☐ Other exclusive use common area(s) identified as \_\_\_\_\_

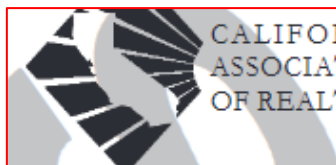
[The Purchase Price shall be reduced by the unpaid portion allocable to this Property secured by the Corporation to the Property, if any. The security for any financing obtained by Buyer shall be a pledge of the Stock and/or assignment of the CO-OP Agreement, as required by Buyer's lender.]

**2. FINANCING:** ☐ (If checked) Part of the purchase price shall be financed by Buyer's assumption of Seller's obligation to pay a portion of the loan obtained by the Corporation and secured by the development in which the Property is located.

**3. DISCLOSURES AND INSPECTIONS:** In addition to other disclosures required by this Agreement, Seller shall within **5 (or \_\_\_\_\_) Days after Acceptance, Deliver to Buyer a Copy of the CO-OP Agreement and Seller's Stock Certificate (the CO-OP Documents)** for Buyer's review. Buyer shall have **5 (or \_\_\_\_\_) Days after Delivery** to approve the CO-OP Documents. If Buyer does not approve the CO-OP Documents, Seller after giving buyer a Notice to Buyer to perform, may cancel this Agreement. If the Stock Certificate has been lost, the Parties are advised to seek a qualified Real Estate attorney. Buyer is advised that inspections of common areas may be subject to and limited in scope by the Board in respect to any and all financial or tax questions or issues relative to ownership, financing, management, sale or other disposition of the TIC interest, prior to removing the conditions established by this Addendum.

**4. BOARD APPROVAL:** Seller shall obtain unconditional approval of this sale from the Corporation's Board of Directors ("Board"). Buyer shall cooperate by providing the Board, within **10 (or \_\_\_\_\_) Days after Acceptance**, such financial and personal reference information





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## STOCK COOPERATIVE OWNERSHIP ADVISORY

(C.A.R. Form COOP-OA, 12/21)

- COOP-OA informational
- Seller common interest disclosures apply. (Civil Code § 4100(d))
- No COOP-FD.

This STOCK CO-OP ("CO-OP") Advisory is informational only and not intended in any way to take the place of, or substitute for, consulting with a qualified California real estate attorney. Brokers and Agents are not qualified to provide any legal, tax or financial advice about CO-OPs. Buyers are urged, before signing any agreements, to review and consider all matters of concern, including but not limited to:

### 1. WHAT IS A STOCK CO-OP? According to the California Department of Real Estate Reference Book:

- A stock cooperative is defined in Section 4190(a) of the Civil Code as a corporation which is formed or availed of primarily for the purpose of holding title to improved real property, either in fee simple or for a term of years.
- All or substantially all the shareholders receive a right of exclusive occupancy of a portion of the real property, which right is transferable only concurrently with the transfer of the share(s) of stock.
- Most stock cooperative projects are of the apartment house type, operated by a board of directors and including community recreation facilities.
- The ownership corporation is usually a nonprofit mutual benefit corporation.

### 2. WHAT DO I OWN IF I BUY A UNIT IN A STOCK CO-OP?

- Most people are familiar with a condominium purchase where the purchaser owns an undivided interest in real property with other owners and the ownership of a separate interest within the walls of a specified unit. In a condominium then the purchaser owns a portion of the real property.
- In a CO-OP, the purchaser owns a portion of the shares of the ownership entity (again, usually a corporation) together with the exclusive right to occupancy of a certain portion of the property owned by the corporation.
- In short, in a CO-OP, you own shares in a corporation with the right to occupy a certain portion of the property owned by the corporation. In a Condominium, you own an undivided interest in the real property overall and the air space in an individual unit.

### 3. WHY ARE THERE BOTH CONDOMINIUMS AND STOCK CO-OPS?

- Part of the reason for the difference is usually the age of the project. Stock Co-Op is one of the first forms of common interest ownership and generally found on the East Coast. Before the passage of the Davis-Stirling Act in California, most unit or apartment sales in projects were sold using the Stock Co-Op form of ownership. Stock Co-Ops in California are typically older projects found in San Francisco and Los Angeles, but they can be found throughout the State.

### 4. SELLER DISCLOSURES: Stock Co-Ops, like condominiums, have disclosure requirements under the Davis-Stirling Act, common law, and contracts. Seller is obligated to make all applicable disclosures as specified in the Agreement.

Buyer/Seller acknowledges each has read, understood, and received a Copy of this Stock CO-OP Advisory and had the opportunity to seek independent legal counsel.

Seller _____	Date _____	Seller _____	Date _____
Buyer _____	Date _____	Buyer _____	Date _____

# 3

## TENANT OCCUPIED PROPERTY

## RPA Paragraphs 3M3, 4A and 7A (12/22)

M(2)	7C	<b>Seller Occupied or Vacant units</b>	COE date or, if checked below, <input type="checkbox"/> ___ days after COE (29 or fewer days) <input type="checkbox"/> ___ days after COE (30 or more days)	C.A.R. Form SIP attached if 29 or fewer days. C.A.R. Form RLAS attached if 30 or more days.
M(3)	4A, 7A	<b>Occupied units by tenants or anyone other than the Seller</b>	<input type="checkbox"/> Tenant Occupied Property Addendum (C.A.R. form TOPA) attached	Seller shall disclose to Buyer if occupied by tenants or persons other than the Seller, and attach TOPA in a counter offer if not part of Buyer's offer.

E(3)	7A	<b>Occupancy Type</b>	Primary, or if checked, <input type="checkbox"/> Secondary <input type="checkbox"/> Investment
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### 4. PROPERTY ADDENDA AND ADVISORIES: (check all that apply)

#### A. PROPERTY TYPE ADDENDA: This Agreement is subject to the terms contained in the Addenda checked below:

☐ Tenant Occupied Property Addendum (C.A.R. Form TOPA) (Should be checked whether current tenants will remain or not.)

### 7. CLOSING AND POSSESSION:

A. **OCCUPANCY:** If Buyer intends to occupy as a primary or secondary residence (see 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.**

If TOPA not attached, buyer occupied unit shall be vacant. Burden is on seller to counter or remove occupants.

Seller has contractual duty to disclose if tenant occupied

Buyer has contractual duty to identify which unit to occupy if 2-4



# Paragraph 3M3



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## TENANT OCCUPIED PROPERTY ADDENDUM (For use when selling tenant occupied 1-4 unit properties) (C.A.R. Form TOPA, 12/21)

This is an addendum to the Purchase Agreement, OR ☐ Counter Offer No. \_\_\_\_\_, ☐ Other \_\_\_\_\_, ("Agreement"), dated \_\_\_\_\_, on property known as \_\_\_\_\_ ("Property"), between \_\_\_\_\_ ("Buyer"), and \_\_\_\_\_ ("Seller").

Tenant shall mean any adult person, other than Seller, who is occupying the Property, whether or not paying rent.

1. A. TENANT(S) TO REMAIN IN POSSESSION: Buyer shall take Property subject to the rights of existing tenants, and under the terms and conditions specified in paragraph 2.

OR B. ☐ PROPERTY TO BE DELIVERED VACANT:

- (1) The Property (or Unit \_\_\_\_\_) shall be delivered vacant, without existing Tenant(s).
- (2) If Seller, after exercise of good faith attempts and subject to applicable Law, is unable to remove existing Tenant(s) by Close Of Escrow (or ☐ 5 Days Before 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 tenant(s) in possession and waives any claim for other damages or compensation arising out of the tenant(s) remaining in possession.

2. TENANT REMAINING IN POSSESSION ADDITIONAL TERMS:

1A. Default is **tenant** to remain in possession.

1B. Property to be vacant  
Limited buyer remedies if seller makes good faith attempt but is unsuccessful.

- Buyer may cancel and get out-of-pocket \$ back

**OR**

- Proceed with tenant remaining in possession

# 4

## PERSONAL PROPERTY REMAINING AT CLOSE OF ESCROW

## 7. CLOSING AND POSSESSION:

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

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

(1) 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.**

- Seller must remove personal property and debris
- Buyer can charge seller.
- Probably a small claims court issue



How do you serve notice after COE?  
Escrow? Agent? Old address?

If on agent, does agency relationship  
continue?

**Good questions.**

C.A.R. members can use Sample Letters,  
● Buyer Demand Seller Remove Personal  
Property and Debris  
● Seller's agent Response to Buyer Demand  
that Seller Remove Personal Property and  
Debris

# 5

# FULLY COMPLETED TRANSFER DISCLOSURE STATEMENT

**11. STATUTORY AND OTHER DISCLOSURES (INCLUDING LEAD-BASED PAINT HAZARD DISCLOSURES) AND CANCELLATION RIGHTS:**

**A. TDS, NHD, AND OTHER STATUTORY AND SUPPLEMENTAL DISCLOSURES:**

- (1) Seller shall, within the time specified in **paragraph 3N(1)**, Deliver to Buyer: unless exempt, fully completed disclosures or notices required by §§ 1102 et. seq. and 1103 et. seq. of the Civil Code ("Statutory Disclosures"). Statutory Disclosures include, but are not limited to, a Real Estate Transfer Disclosure Statement (C.A.R. Form TDS), Natural Hazard Disclosure Statement ("NHD"), notice or actual knowledge of release of illegal controlled substance, notice of special tax and/or assessments (or, if allowed, substantially equivalent notice regarding the Mello-Roos Community Facilities Act of 1982 and Improvement Bond Act of 1915) and, if Seller has actual knowledge, of industrial use and military ordnance location (C.A.R. Form SPQ or ESD), and, if the Property is in a high or very high fire hazard severity area, the information, notices, documentation, and agreements required by §§ 1102.6(f) and 1102.19 of the Civil Code (C.A.R. Form FHDS).
- (2) The Real Estate Transfer Disclosure Statement required by this paragraph is considered fully completed if Seller has completed the section titled *Coordination with Other Disclosure Forms by checking a box (Section I)*, and Seller has completed and answered all questions and Signed the Seller's Information section (Section II) and the Seller's Agent, if any, has completed and Signed the Seller's Agent's section (Section III), or, if applicable, an Agent Visual Inspection Disclosure (C.A.R. Form AVID). Section V acknowledgment of receipt of a Copy of the TDS shall be Signed after all previous sections, if applicable, have been completed. Nothing stated herein relieves a Buyer's Agent, if any, from the obligation to **(i)** conduct a reasonably



**REAL ESTATE TRANSFER DISCLOSURE STATEMENT**  
(CALIFORNIA CIVIL CODE § 1102, ET SEQ.)  
(C.A.R. Form TDS, Revised 12/21)

THIS DISCLOSURE STATEMENT CONCERNS THE REAL PROPERTY SITUATED IN THE CITY OF \_\_\_\_\_,  
COUNTY OF \_\_\_\_\_, STATE OF CALIFORNIA,  
DESCRIBED AS \_\_\_\_\_.

THIS STATEMENT IS A DISCLOSURE OF THE CONDITION OF THE ABOVE DESCRIBED PROPERTY IN COMPLIANCE WITH § 1102 OF THE CIVIL CODE AS OF (date) \_\_\_\_\_. IT IS NOT A WARRANTY OF ANY KIND BY THE SELLER(S) OR ANY AGENT(S) REPRESENTING ANY PRINCIPAL(S) IN THIS TRANSACTION, AND IS NOT A SUBSTITUTE FOR ANY INSPECTIONS OR WARRANTIES THE PRINCIPAL(S) MAY WISH TO OBTAIN.

**I. COORDINATION WITH OTHER DISCLOSURE FORMS**

This Real Estate Transfer Disclosure Statement is made pursuant to § 1102 of the Civil Code. Other statutes require disclosures, depending upon the details of the particular real estate transaction (for example: special study zone and purchase-money liens on residential property).

**Substituted Disclosures:** The following disclosures and other disclosures required by law, including the Natural Hazard Disclosure Report/Statement that may include airport annoyances, earthquake, fire, flood, or special assessment information, have or will be made in connection with this real estate transfer, and are intended to satisfy the disclosure obligations on this form, where the subject matter is the same:

- ☐ Inspection reports completed pursuant to the contract of sale or receipt for deposit.
- ☐ Additional inspection reports or disclosures: \_\_\_\_\_
- ☒ No substituted disclosures for this transfer.

**II. SELLER'S INFORMATION**

The Seller discloses the following information with the knowledge that even though this is not a warranty, prospective Buyers may rely on this information in deciding whether and on what terms to purchase the subject property. Seller hereby authorizes any agent(s) representing any principal(s) in this transaction to provide a copy of this statement to any person or entity in connection with any actual or anticipated sale of the property.

RPA, # 11G

return signed copies of the disclosures, and if applicable, addendum, to Seller.

**G. TERMINATION RIGHTS:**

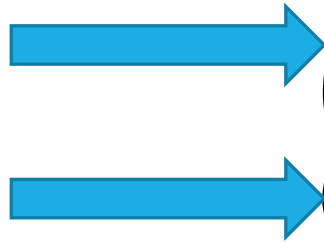
- (1) **Statutory and Other Disclosures:** If any disclosure specified in paragraphs 11A, B, C, or D, or subsequent or amended disclosure to those just specified, is Delivered to Buyer after the offer is Signed, Buyer shall have the right to terminate this Agreement within **3 Days** after Delivery in 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 rescission to Seller or Seller's Authorized Agent. If Buyer does not rescind within this time period, Buyer has been deemed to have approved the disclosure and shall not have the right to cancel.



# 6

## STATUTORY FIRE ZONE LAWS

New references to  
fire disclosure and  
compliance laws



- C. HOME FIRE HARDENING DISCLOSURE AND ADVISORY:** For any transaction where a TDS is required, the property is located in a high or very high fire hazard severity zone, and the home was constructed before January 1, 2010, Seller shall, within the time specified in **paragraph 3N(1)**, Deliver to Buyer: (i) a home hardening disclosure required by law; and (ii) a statement of features of which the Seller is aware that may make the home vulnerable to wildfire and flying embers; and (iii) a final inspection report regarding compliance with defensible space requirements if one was prepared pursuant to Government Code § 51182 (C.A.R. Form FHDS).
- D. DEFENSIBLE SPACE DISCLOSURE AND ADDENDUM:** For any transaction in which a TDS is required and the property is located in a high or very high fire hazard severity zone, Seller shall, within the time specified in **paragraph 3N(1)**, Deliver to Buyer (i) a disclosure of whether the Property is in compliance with any applicable defensible space laws designed to protect a structure on the Property from fire; and (ii) an addendum allocating responsibility for compliance with any such defensible space law (C.A.R. Form FHDS).

- G. TERMINATION RIGHTS:**
- (1) **Statutory and Other Disclosures:** If any disclosure specified in **paragraphs 11A, B, C, or D** or subsequent or amended disclosure to those just specified, is Delivered to Buyer after the offer is Signed, Buyer shall have the right to terminate 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 rescission to Seller or Seller's Authorized Agent. If Buyer does not rescind within this time period, Buyer has been deemed to have approved the disclosure and shall not have the right to cancel.
- (2) **Defensible Space Compliance:** If, by the time specified in **paragraph 11F**, Buyer does not agree to the terms regarding defensible space compliance Delivered by Seller, as indicated by mutual signatures on the FHDS, then Seller, after first Delivering a Notice to Buyer to Perform, may cancel this Agreement.



RPA, # 11



2. **FIRE HARDENING DISCLOSURE** (Paragraph 2B is only required to be completed if all four conditions in paragraph 1A are met):

A. **FIRE HARDENING STATUTORY NOTICE:** "THIS HOME IS LOCATED IN A HIGH OR VERY HIGH FIRE HAZARD SEVERITY ZONE AND THIS HOME WAS BUILT BEFORE THE IMPLEMENTATION OF THE WILDFIRE URBAN INTERFACE BUILDING CODES WHICH HELP TO FIRE HARDEN A HOME. TO BETTER PROTECT YOUR HOME FROM WILDFIRE, YOU MIGHT NEED TO CONSIDER IMPROVEMENTS. INFORMATION ON FIRE HARDENING, INCLUDING CURRENT BUILDING STANDARDS AND INFORMATION ON MINIMUM ANNUAL VEGETATION MANAGEMENT STANDARDS TO PROTECT HOMES FROM WILDFIRES, CAN BE OBTAINED ON THE INTERNET WEBSITE [HTTP://WWW.READYFORWILDFIRE.ORG](http://WWW.READYFORWILDFIRE.ORG)".

B. **FIRE HARDENING VULNERABILITIES:** Are you (Seller) aware of the following features that may make the home vulnerable to wildfire and flying embers...

- |  |  |
|--|--|
| (1) Eave, soffit, and roof ventilation where the vents have openings in excess of one-eighth of an inch or are not flame and ember resistant ..... | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| (2) Roof coverings made of untreated wood shingles or shakes. ....   | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| (3) Combustible landscaping or other materials within five feet of the home and under the footprint of any attached deck. ....                     | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| (4) Single pane or non-tempered glass windows. ....  | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| (5) Loose or missing bird stopping or roof flashing. ....  | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| (6) Rain gutters without metal or noncombustible gutter covers. ....   | <input type="checkbox"/> Yes <input type="checkbox"/> No |

C. **BUYER AND SELLER AGREEMENT REGARDING WHICH PARTY SHALL OBTAIN COMPLIANCE WITH APPLICABLE STATE OR LOCAL DEFENSIBLE SPACE REQUIREMENTS:**

(1) **BUYER RESPONSIBILITY – NO LOCAL ORDINANCE.** Buyer shall obtain documentation of compliance with the State defensible space law within one year of Close Of Escrow.\*

OR (2) ☐ **BUYER RESPONSIBILITY – LOCAL VEGETATION MANAGEMENT ORDINANCE IN EFFECT** which requires compliance as a result of a sale of the Property. The local ordinance allows either Seller or Buyer to obtain documentation of compliance. Buyer shall comply with the requirements of the ordinance after Close Of Escrow.

OR (3) ☐ **BUYER RESPONSIBILITY – LOCAL VEGETATION MANAGEMENT ORDINANCE IN EFFECT** which does NOT require compliance as a result of a sale of the Property. Buyer shall obtain documentation of compliance with the State defensible space law within one year of Close Of Escrow,\* or if applicable comply with the local requirement after Close Of Escrow.

OR (4) ☐ **SELLER RESPONSIBILITY – LOCAL VEGETATION MANAGEMENT ORDINANCE IN EFFECT** which requires compliance as a result of a sale of the Property. The local ordinance requires Seller to obtain documentation of compliance prior to Close of Escrow. Seller shall obtain document of compliance prior to the time for Buyer's final verification of condition.

OR (5) ☐ **SELLER RESPONSIBILITY – STATE OR LOCAL COMPLIANCE ALREADY COMPLETE.** If ONLY state law applies, Seller has obtained documentation of compliance with State defensible space requirement within the last 6 months. For either State or local law, Seller shall Deliver documentation of compliance to Buyer;

OR (6) ☐ **SELLER RESPONSIBILITY – AGREEMENT TO OBTAIN COMPLIANCE.** Seller shall obtain documentation of compliance and Deliver to Buyer prior to the time for Buyer's final verification of condition.

D. The local agency from which a copy of the documentation in **paragraph 3B(2), 3B(3), 3C(4), 3C(5), or 3C(6)**, as applicable, may be obtained is \_\_\_\_\_, which may be contacted at \_\_\_\_\_.

# 7

## ASSIGNMENTS:

Timing, approval and other requirements

## RPA, # 23



**23. 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 AOAA). Parties shall provide any assignment agreement to Escrow Holder within 1 Day after the assignment. Any nomination by Buyer shall be subject to the same procedures, requirements, and terms as an assignment as specified in this paragraph.

- Seller consent not needed IF to buyer's trust or wholly-owned corp.
  - Must still provide loan approval/prequal. letter
  - Must still provide name of assignee, compensation
  - Assignee does not need to sign or initial
- "3<sup>rd</sup> Party" assignment request must be made within 17 days
  - Must provide assignee name, compensation, and lender letter
  - Must provide proof assignee initials all documents (first page of each). If not, seller can cancel.
  - Seller disapproval deemed reasonable if request comes late
- C.A.R. Form AOAA



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 or Deleting a Buyer):** Buyer is assigning all of Buyer's interest in the Agreement to the new or remaining Buyers (Assignee(s)) named below.

C. **Assignee(s) Names:** \_\_\_\_\_

D. ☐ 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 ASSIGNEE:** Assignee has been prequalified or preapproved by Buyer's lender as per the Agreement and a copy is attached. This requirement applies even if 1D 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 1D 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



3. **Consideration for Assignment:**

- A. ☐ Buyer has received consideration from Assignee in the amount of \$ \_\_\_\_\_ (or ☐ \_\_\_\_\_).
- B. ☐ Buyer has not received any monetary consideration from Assignee for this Assignment.

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.

**ASSIGNMENT OF AGREEMENT ADDENDUM**

(C.A.R. Form AOAA, Revised 12/21)

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 Addendum.

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

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

☐ One or more assignees will sign by a representative. Attached is a Representative Capacity Signature Disclosure.

Assignee \_\_\_\_\_ Date \_\_\_\_\_

Assignee \_\_\_\_\_ Date \_\_\_\_\_

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 Addendum.

Seller \_\_\_\_\_ Date \_\_\_\_\_

Seller \_\_\_\_\_ Date \_\_\_\_\_

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

AOAA can be used as agreement  
between buyer and assignee,  
even if seller consent not needed

# 8

## ACCEPTANCE: WHEN IS A CONTRACT CREATED

## 2018 RPA

30. **DEFINITIONS:** As used in this Agreement:

A. “**Acceptance**” means the time the offer or final counter offer is accepted in writing by a Party and is delivered to and personally received by the other Party or that Party's authorized agent in accordance with the terms of this offer or a final counter offer.

31. **EXPIRATION OF OFFER:** This offer shall be deemed revoked and the deposit, if any, shall be returned to Buyer unless the offer is Signed by Seller and a Copy of the Signed offer is personally received by Buyer, or by \_\_\_\_\_, who is authorized to receive it, by 5:00 PM on the third Day after this offer is signed by Buyer (or by ☐ \_\_\_\_\_ ☐ AM/ ☐ PM, on \_\_\_\_\_ (date)).

## 2021 RPA

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.

**Delivery means recipient is in possession of, or an electronic copy or link has been sent to recipient's designated electronic delivery address. 2021 RPA, #25K.**

**Do not have to insert name of Agent in contract because it already appears in Real Estate Broker section on p. 16.**

RPA,  
#25K

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 on page 16. 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. 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

- Delivery rules apply to acceptance, and post acceptance notices
- Delivery effective upon returning document or link and in possession of
  - Principal or Authorized Agent (a defined term meaning an individual licensee identified on last page)
- Delivery effective upon sending document or link to specified electronic address
- Objection to link must be made within 3 days



**REAL ESTATE BROKERS SECTION:**

1. Real Estate Agents are not parties to the Agreement between Buyer and Seller.

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

A. Buyer's Brokerage Firm \_\_\_\_\_ Lic. # \_\_\_\_\_

By \_\_\_\_\_ Lic. # \_\_\_\_\_ Date \_\_\_\_\_

By \_\_\_\_\_ 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): (Check all that apply)**

☐ Email above; ☐ Text to Phone # above; ☐ Alternate: \_\_\_\_\_



**RECEIPT FOR REPORTS**  
No. \_\_\_\_\_  
(C.A.R. Form RFR, Revised 12/21)

**4. LIST OF REPORTS ORDERED BY BUYER OR SELLER FOR THIS TRANSACTION:**

<u>Report, Document or Disclosure</u>	<u>Delivered via Link</u>	<u>Prepared By</u>	<u>Dated</u>
A. <input type="checkbox"/> Wood Destroying Pest Inspection	<input type="checkbox"/>	_____	_____
B. <input type="checkbox"/> Home Inspection Report	<input type="checkbox"/>	_____	_____
C. <input type="checkbox"/> Title: Preliminary Report	<input type="checkbox"/>	_____	_____
D. <input type="checkbox"/> Roof Inspection	<input type="checkbox"/>	_____	_____
E. <input type="checkbox"/> Sewer Lateral Report	<input type="checkbox"/>	_____	_____
F. <input type="checkbox"/> Natural Hazard Disclosure Report	<input type="checkbox"/>	_____	_____
G. <input type="checkbox"/> Domestic Well Test	<input type="checkbox"/>	_____	_____
H. <input type="checkbox"/> Septic/Private Sewage Inspection	<input type="checkbox"/>	_____	_____
I. <input type="checkbox"/> HVAC Inspection	<input type="checkbox"/>	_____	_____
J. <input type="checkbox"/> Government Inspection or Report	<input type="checkbox"/>	_____	_____
K. <input type="checkbox"/> Statutory Condominium/Planned Development Disclosures (Civil Code § 4525)	<input type="checkbox"/>	_____	_____
L. <input type="checkbox"/> Contractual Condominium/Planned Development Disclosures	<input type="checkbox"/>	_____	_____
M. <input type="checkbox"/> Lease Documents	<input type="checkbox"/>	_____	_____
N. <input type="checkbox"/> Tenant Estoppel Certificates	<input type="checkbox"/>	_____	_____
O. <input type="checkbox"/> _____	<input type="checkbox"/>	_____	_____

- \_\_\_\_\_  
F. ☐ \_\_\_\_\_  
G. ☐ \_\_\_\_\_

**6. REPORTS DELIVERED VIA LINK:** For all Reports identified by a check below, Buyer is unable or unwilling to open the link, is unable to download the documents in the link, or prefers to receive the documents directly rather than via a link.

- A. ☐ All Reports Delivered via link.  
B. ☐ \_\_\_\_\_

C. ☐ \_\_\_\_\_

**7. ADDITIONAL INVESTIGATION RECOMMENDATIONS:** If any of the above reports recommends Buyer obtain additional investigations, you should contact qualified experts to determine if such additional investigations are necessary. If you do not do so, you are acting against Broker's Advice.

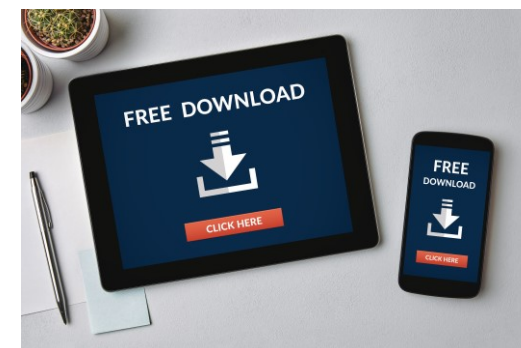
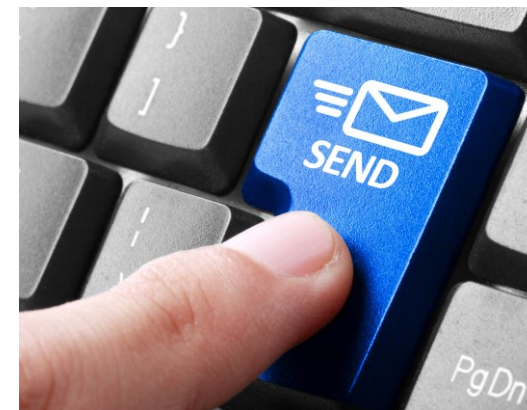
Then



Now



Or



I object!



# 9

## ENTITY SIGNATURES

1. Entity exists
2. Signing for entity not individual
3. Signer name
4. Reality of naming\*
5. Full name for clarity

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

- (1) One or more Buyers is a trust, corporation, LLC, probate estate, partnership, holding a power of attorney or other entity.
- (2) This Agreement is being Signed by a Legally Authorized Signer in a representative capacity and not in an individual capacity. See **paragraph 28** for additional terms.
- (3) The name(s) of the Legally Authorized Signer(s) is/are: \_\_\_\_\_
- (4) If a trust, identify Buyer as trustee(s) of the trust or by simplified trust name (ex. John Doe, co-trustee, Jane Doe, co-trustee or Doe Revocable Family Trust).
- (5) If the entity is a trust or under probate, the following is the full name of the trust or probate case, including case #: \_\_\_\_\_  
Jonathan Kent and Martha Kent Smallville Family Farm Trust 1,  
for the benefit of Clark Joseph Kent and Lois Lane, dated January 1, 2001, Diana Prince, trustee.

First two lines, always.  
Third line, only if entity.

First two lines, always.  
Third line, only if entity.

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



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

Printed name of BUYER: Kent Family Trust. Or maybe Diana Prince, trustee.

☐ 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).

1. Entity exists
2. Signing for entity not individual
3. Signer name
4. Reality of naming\*
5. Full name for clarity



First two lines, always.  
Third line, only if entity.

First two lines, always.  
Third line, only if entity.

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

- (1) One or more Sellers is a trust, corporation, LLC, probate estate, partnership, holding a power of attorney or other entity.
- (2) This Agreement is being Signed by a Legally Authorized Signer in a representative capacity and not in an individual capacity. See **paragraph 28** for additional terms.
- (3) The name(s) of the Legally Authorized Signer(s) is/are: \_\_\_\_\_
- (4) If a trust, identify Seller as trustee(s) of the trust or by simplified trust name (ex. John Doe, co-trustee, Jane Doe, co-trustee or Doe Revocable Family Trust).
- (5) If the entity is a trust or under probate, the following is the full name of the trust or probate case, including case #: \_\_\_\_\_

Tony Stark Trust for the Avengers' Continuation in Perpetuity and Forever and Ever Number 1  
for the benefit of Peter Parker and May Parker, aka, "Aunt May", dated January 1, 2000, Pepper Potts, trustee.

(Signature) By, \_\_\_\_\_ Date: \_\_\_\_\_  
Printed name of SELLER: Stark Trust. Or maybe Pepper Potts, trustee.

☐ 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).

# 10

## FAIR APPRAISAL ACT REQUIREMENTS



## SEC. 6.

Section 1102.6g is added to the Civil Code, to read:

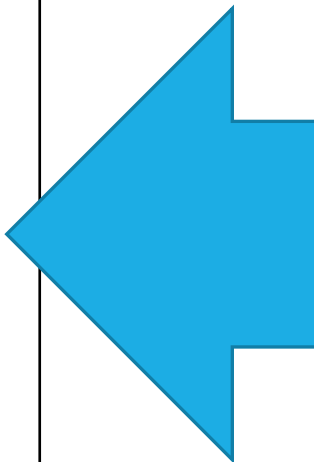
### 1102.6g.

(a) After July 1, 2022, every contract for the sale of real property shall contain, in no less than 8-point type, the following notice:

*“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. 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.”*

*(b) The notice described in subdivision (a) shall also be delivered by a licensed person refinancing a first lien purchase money loan secured by residential real property containing no more than four dwelling units, either prior to, or with, the loan estimate as required by the federal Truth in Lending Act, as amended (15 U.S.C. Sec. 1601 et seq.), or the mortgage loan disclosure statement as required pursuant to Section 10240 of the Business and Professions Code. The notice described in subdivision (a) may be included as part of the disclosure required under Section 1002.14(a)(2) of the federal Equal Credit Opportunity Act (Regulation B) (12 C.F.R. Sec. 1002 et seq.).*

*(c) For purposes of this section, a “licensed person” means a depository institution chartered under federal or state law, a person covered by the licensing requirements of Division 9 (commencing with Section 22000) or Division 20 (commencing with Section 50000) of the Financial Code, or a person licensed pursuant to Part 1 (commencing with Section 10000) of Division 4 of the Business and Professions Code.*



**AB-948**  
**Bureau of Real Estate**  
**Appraisers:**  
**disclosures:**  
**demographic**  
**information:**  
**reporting:**  
**continuing education.**  
(2021-2022)



## B. APPRAISAL:

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

## C.A.R. Forms: RPA, paragraph 8B(3) Fair Appraisal Act Addendum

- Referenced in and bundled with RPA, RIPA, CPA, VLPA, NODPA, NCPA, ABSPA, CCSPA



### FAIR APPRAISAL ACT ADDENDUM (C.A.R. Form FAAA, 6/22)

The following terms and conditions are hereby incorporated in and made a part of the Purchase Agreement, OR ☐ Other \_\_\_\_\_ ("Agreement"), dated \_\_\_\_\_, on property known as \_\_\_\_\_ ("Property"), in which \_\_\_\_\_ is referred to as ("Seller") and \_\_\_\_\_ is referred to as ("Buyer").

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.

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.

By signing below, Buyer and Seller has each read, understands and acknowledges receipt of a copy of this Fair Appraisal Act Addendum.



## Bonus Paragraph

# Exception to Arbitration and Mediation

Contract as defined in Civil Code § 2903.

- 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.

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# Questions?