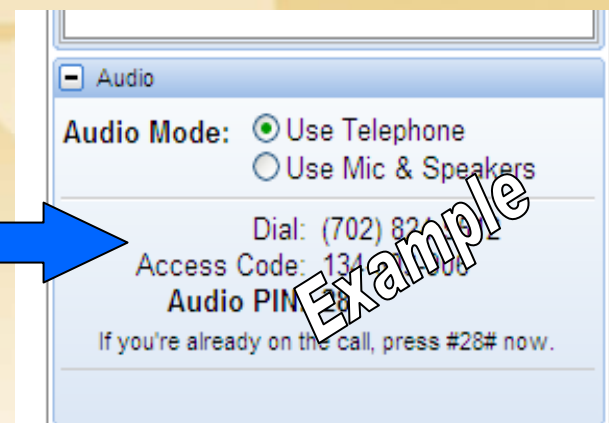


## Welcome to **C.A.R. Legal Live Webinar**

- Our webinar will begin at 1 p.m.
- Handout for today's presentation is available at <http://www.car.org/legal/legal-live-webinars/>.
- To get audio when the webinar begins, turn on the volume of your computer speakers or dial in using the information on the attendee console. If you experience audio problems with your speakers, please try dialing in instead.



CALIFORNIA ASSOCIATION OF REALTORS®

# ***C.A.R. Legal Live Webinar***

## **Standard Forms Update**



*Brought to You By:*

**Neil Kalin, Esq.**

**C.A.R. Assistant General Counsel**

**November 1, 2010**

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# Today's Agenda

## Standard Forms Update

- A. November 2010 Quick Summary
- B. Short Sale Information and Advisory
- C. Short Sale Addendum
- D. Other Form Changes
- E. Questions.



# A. November 2010 Form Release Quick Summary

This chart is a quick summary of the new and revised standard forms scheduled for release the week of November 22, 2010. For further information, please refer to the C.A.R. web page at <http://www.car.org/legal/standard-forms/>.

Form Code	Form Name	Replaces	Brief description of how the form was revised	OK to use prior revision
SSIA	Short Sale Information Advisory	SSL	New form expanding advisories regarding short sale considerations for both buyer and seller.	N/A
BRE	Buyer Representation Agreement- Exclusive	4/07	Added disclosure regarding internet and social media	OK
CO	Counter Offer	10/04	Change made to clarify when counter offer expires	OK
FLD	Lead-Based Paint and Lead Based Paint Hazards Disclosure, Acknowledgment and Addendum for Pre-1978 Housing Sales, Leases or Rentals	1/03	Added reference to EPA Lead Paint renovation rule	OK
HOA	Homeowner's Association Information Request	4/05	Reformatted to group required disclosure together	OK
MHTDS	Manufactured Home and Mobilehome Transfer Disclosure Statement	10/99	Changed to conform to statutory disclosure regarding carbon monoxide detector and inclusion of smoke detector/water heater compliance	OK to use prior version until 12/31/2010
NCPA	New Construction Residential Purchase Agreement and Joint Escrow Instructions	4/10	Revised to reflect changes to RPA and to obtain DRE approval for properties requiring a public report	No if public report required
RLA	Residential Listing Agreement – Exclusive	2/09	Added reference to internet and social media with seller opt out provision	OK
REO	REO Advisory	11/09	Added reference about buyer's choice of title and escrow tenant right after foreclosure	OK
REOL	REO Advisory – Listing	11/09	Added reference about buyer's choice of title and escrow tenant right after foreclosure	OK
SBSA	Statewide Buyer and Seller Advisory	4/07	Added reference to EPA Lead Rule, Golf course disclosure, formaldehyde, zone maps, high speed rail, legal action, the internet & social media, and modified product recall section	OK
SPQ	Seller Property Questionnaire	11/09	Added reference to EPA Lead Rule and question about architectural committees	OK
SA	Seller's Advisory	10/01	Added reference to EPA lead paint renovation rule	OK
SSA	Short Sale Addendum	4/09	Reformatted to clarify contingency for lender approval. Default and time period statutory on lender approval	OK
TDS	Real Estate Transfer Disclosure Statement	10/03	Changed to conform to statutory disclosure regarding carbon monoxide detector and inclusion of smoke detector/water heater compliance	OK to use prior version until 12/31/2010
WHSD	Water Heater and Smoke Detector Statement of Compliance	11/09	Added language specifying smoke detector requirement for mobile homes	Yes

# Quick Summary Guide

- car.org
  - Legal tab
    - Standard Forms tab
      - *Forms Revisions and New Form Releases*
      - *November 2010 Forms Release*
      - “[Click here](#) for a Quick Summary Guide on the forms to be released in November 2010”

[http://www.car.org/legal/standard-forms/november2010\\_formreleases/](http://www.car.org/legal/standard-forms/november2010_formreleases/)



# LEGAL

- Legal Hotline Access
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## Standard Forms

TEXT SIZE E-MAIL PRINT SHARE

Developed by practicing real estate professionals and attorneys working closely with the C.A.R. Legal Department, C.A.R. standard forms are dependable real estate transaction tools which are user-friendly yet comprehensive.

C.A.R. standard forms may be ordered through your Local Association of REALTORS®, online at the **REBS Online Store** or by contacting REBS Customer Service at (213) 739-8227.

Please send all suggestions regarding standard forms to [carforms@car.org](mailto:carforms@car.org).

### C.A.R. Certified Forms Trainer Program NEW

The C.A.R. Certified Trainer program is ideal for REALTORS® who wish to provide classroom instruction on how to use C.A.R. Standard Forms. Participants will learn about the forms as well as important training techniques when discussing forms. Various modules will focus on different types of transactions. Please [click here](#) for more information.

### Forms Revisions and New Form Releases

November 2010 Forms Release NEW

April 2010 Forms Release

November 2009 Forms Release

Summary of Form Revisions Chart (Oct. 1999 - April 2010)

Silent Revisions



Connect with a live attorney on your transaction-based questions.

## B. Short Sale Information and Advisory (Form SSIA)

- Replaces Short Sale Listing Addendum (Form SSL).
- Easier to read format with **bold subheadings** and bullet points.
- Used at time of listing with seller and at time of offer with buyer.



This Short Sale Information and Advisory is intended to give general information regarding short sales, their potential impact, and the rights and responsibilities of the parties involved. It is not intended as legal advice for any particular property owner or buyer. Seller and Buyer should consult with their own professional advisors for legal, tax, credit and personal advice. Real estate brokers will not provide such advice.

1. **WHAT IS A SHORT SALE:** A short sale is the name used to describe a real estate transaction where the seller's lender(s) agree to allow the property owner to sell the property for less than the amount of the loan(s) secured by the property. The consent of the seller's lender(s) is necessary because without it there would not be enough money from the sale to pay off the lender(s) in full and to pay other costs of the sale. As a result, the lender's lien(s) would remain on file, and the seller would be unable to transfer title to the buyer free of monetary liens. (Properties that are worth less than the amount owed to the secured lender(s) are often referred to as being "underwater" or distressed properties).
2. **ALTERNATIVES TO A SHORT SALE:** Owners of distressed or underwater properties are faced with difficult choices that could have financial and emotional consequences. Any of the following or other alternatives potentially have negative tax or credit consequences, or both, for the owner:
  - A. A loan modification is an arrangement between a borrower and a lender. It can involve a reduction in the interest rate on the loan, a deferment in payments on the loan, an extension of time to pay back the loan, a reduction in principal of the loan, a combination of these possibilities, or other changes to the repayment plan. A loan modification requires the consent of both lender and borrower.
  - B. A foreclosure is a legal process through which the lender acquires title to the property from a borrower who has stopped making payments on a loan. The lender can foreclose whether or not the borrower consents.
  - C. A deed in lieu of foreclosure occurs when the borrower offers to transfer the property to the lender, in lieu of the lender having to go through the foreclosure process, and the lender agrees to accept title to the property from the borrower and forgives the debt. A deed in lieu of foreclosure requires the consent of both lender and borrower.
  - D. Bankruptcy is a legal action typically filed by a borrower to have debt(s) discharged. An automatic stay occurs as soon as a borrower files bankruptcy, staying all actions against the borrower. While a petition for bankruptcy can have the effect of delaying a foreclosure, it does not necessarily prevent a foreclosure from eventually occurring. No lender consent is required for a borrower to file bankruptcy.
3. **LENDER AGREEMENT TO SHORT SALE:** In order for a short sale to be completed, the lender(s), at a minimum, must agree to release the property from the lender(s) lien(s) to allow the sale. The lender(s) may or may not agree to reduce the amount owed to satisfy the debt. If not, the lender(s) may continue to pursue the borrower for payment of the balance of the debt. Prior to granting approval of the sale, the lender(s) may require the borrower to disclose all of the borrower's assets. They may require that the borrower liquidate other assets. They may require that the borrower sign an agreement to repay some or all of the debt at some later time. They may require that the borrower secure the unpaid debt with other assets owned by the borrower. Additionally, they will generally require that the transaction be arm's length, and that all terms of any benefit conferred on the seller be fully disclosed and that the Seller cannot stay in the Property following the Sale. Finally, many first lien holders will limit the amount they will allow to be paid to a second lienholder, further complicating negotiations for the short sale. The lender will usually submit a "term sheet" to the borrower indicating the terms to which lender(s) will agree. If the Seller and Buyer do not modify their contract to comply with the lender(s) terms, the lender(s) may not permit the short sale to proceed. Seller is strongly advised to seek legal and tax advice regarding review of the term sheet. Brokers cannot and will not give legal or tax advice on the lender's term sheet or its effect on the Buyer and Seller's agreement or on the consequences to Buyers and Sellers should they proceed to close. There is no assurance that once the lender(s) have begun short sale negotiations, they will discontinue the foreclosure process.
4. **SELLER'S CONTINUING LIABILITY ON THE DEBT:** Many borrowers who attempt a short sale are concerned with whether the borrower is released from any further liability to the lender(s) or whether the lender can pursue the borrower for any unpaid balance of the debt. Some refer to continuing liability as a deficiency judgement. Generally speaking, a deficiency judgement is the right of a lender to pursue the borrower for the difference between the amount the lender receives and the amount the borrower owes on the debt. Deficiency judgements in California are prohibited in certain circumstances.



# SSIA Paragraph Titles

- What is a Short Sale
- Alternative to a Short Sale
- Lender Agreement to Short Sale
- Seller's Continuing Liability on the Debt
  - Reflects 1/1/11 new law re short sales



Paragraph 4A2 states:

2. Beginning January 1, 2011, a lender who approves a short sale is not permitted to seek a deficiency against the borrower if the loan is secured by a first Trust Deed on residential property containing 1-4 units. The January 1, 2011 law does not apply to (i) short sale approvals by junior lienholders or (ii) senior lienholders on other types of property, or (iii) a Borrower who has committed fraud or waste.

# SSIA Paragraph Titles

- Credit and Tax Consequences
- Potential Improprieties



- Buyer Considerations
- Broker Role
- Broker Authority

# C. Short Sale Addendum (SSA)

- Used with buyer's offer or seller's counter offer
- Creates contractual obligation between buyer and seller
- Creates a contingency for short sale lender approval
- NEW: 45 day default contingency period



This is an addendum to the [ ] California Residential Purchase Agreement, [ ] Counter Offer, [ ] Other \_\_\_\_\_ ("Agreement"), dated \_\_\_\_\_, on property known as \_\_\_\_\_ ("Property"), between \_\_\_\_\_ ("Buyer") and \_\_\_\_\_ ("Seller").

1. SHORT SALE APPROVAL:

- A. This Agreement is contingent upon Seller's receipt of and delivery to Buyer of written consent ("Short Sale Lenders' Consent") to the Agreement from all existing secured lenders and lienholders ("Short Sale Lenders"), by 5:00 P.M. no later than 45 (or [ ] \_\_\_\_\_) Days After Acceptance (or [ ] on \_\_\_\_\_ (date) ("Short Sale Contingency Date").
B. Short Sale Lenders' Consent means that all Short Sale Lenders shall collectively agree to reduce their respective loan balances by an amount sufficient to permit the proceeds from the sale of the Property to pay the existing balances on loans secured by the Property, real property taxes, brokerage commissions, closing costs, and other monetary obligations the Agreement requires Seller to pay at Close Of Escrow (including, but not limited to, escrow charges, title charges, documentary transfer taxes, prorations, retrofit costs, Homeowners Association Fees and Repairs) without requiring Seller to place any funds into escrow or have any continuing obligation to Short Sale Lenders.
C. (i) Seller shall Deliver to Buyer a copy of Short Sale Lenders' Consent or term sheet(s) within 3 (or [ ] \_\_\_\_\_) Days After receipt by Seller. (ii) Seller's presentation to Buyer of Short Sale Lender's Consent satisfying 1B removes the contingency in 1A.
D. If by the Short Sale Contingency Date, (i) Seller has not received Short Sale Lenders' Consent satisfying 1B, Seller may in writing cancel this Agreement, or (ii) Buyer has not received a copy of Short Sale Lenders' Consent satisfying 1B, Buyer may cancel this Agreement in writing. In either case, Buyer shall be entitled to return of any remaining deposit delivered to escrow.
E. Seller shall reasonably cooperate with existing Short Sale Lenders in the short sale process, but neither Seller nor Buyer is obligated to change the terms of their Agreement to satisfy Short Sale Lenders' consent or term sheet(s).
F. If Short Sale Lenders' written consent or term sheet(s) provided to Seller require changes to the Agreement in order to satisfy the terms of 1B, (i) neither Buyer nor Seller shall be obligated to continue negotiations to satisfy any of the requirements of the term sheet(s) (ii) either party may in writing cancel this Agreement. And (iii) Seller is advised to seek legal, accounting and tax advice before agreeing to any such changes. If the Agreement is cancelled pursuant to this paragraph, Buyer shall be entitled to return of any remaining deposit delivered to escrow.

- 2. TIME PERIODS. Time periods in the Agreement for inspections, contingencies, covenants, and other obligations: (i) shall begin the Day After Seller delivers to Buyer Short Sale Lenders' Consent satisfying 1B. However, time periods for providing pre-approval/pre-qualification letters and verification of down payment and closing costs shall nonetheless begin as otherwise specified in the Agreement; or (ii) (if checked) [ ] shall begin as specified in the Agreement.

# Launch Poll #1



# Short Sale Addendum (SSA)

- NEW: Seller must deliver lender's term sheet or consent to buyer within 3 days (paragraph 1C).

any continuing obligation to Short Sale Lenders.

C. (i) Seller shall Deliver to Buyer a copy of Short Sale Lenders' Consent or term sheet(s) within 3 (or  \_\_\_\_ ) Days After receipt by Seller. (ii) Seller's presentation to Buyer of Short Sale Lender's Consent satisfying 1B removes the contingency in 1A.

- NEW: Delivery of consent meeting the terms of the contract removes the contingency (paragraph 1C).

# SSA Paragraph 1F

- NEW: Neither buyer nor seller must negotiate if lender requires changes
- NEW: Seller to get legal advice before agreeing to any lender changes

F. If Short Sale Lenders' written consent or term sheet(s) provided to Seller require changes to the Agreement in order to satisfy the terms of 1B, (i) neither Buyer nor Seller shall be obligated to continue negotiations to satisfy any of the requirements of the term sheet(s) (ii) either party may in writing cancel this Agreement. And (iii) Seller is advised to seek legal, accounting and tax advice before agreeing to any such changes. If the Agreement is cancelled pursuant to this paragraph, Buyer shall be entitled to return of any remaining deposit delivered to escrow.



# Short Sale Addendum (SSA)

- NEW: Default time periods for contingencies, covenants, etc. begin after lender consent
  - Optional to begin on date of acceptance

2. **TIME PERIODS.** Time periods in the Agreement for inspections, contingencies, covenants, and other obligations: (i) shall begin the Day After Seller delivers to Buyer Short Sale Lenders' Consent satisfying 1B. However, time periods for providing pre-approval/pre-qualification letters and verification of down payment and closing costs shall nonetheless begin as otherwise specified in the Agreement; or (ii) (if checked)  shall begin as specified in the Agreement.



# Short Sale Addendum (SSA)

- NEW: Default time periods for delivering deposit to escrow begins after lender consent
  - Optional to begin on date of acceptance



3. **BUYER'S DEPOSIT CHECK.** Buyer's deposit check shall be delivered to escrow within:  
(i) 3 business Days After Seller delivers to Buyer Short Sale Lenders' Consent satisfying 1B,  
or (ii) (if checked)  as specified in the Agreement.

# Launch Poll #2



# Launch Poll #3



# SSA Paragraph 6

6. **OTHER OFFERS.** Unless otherwise agreed in writing, after Buyer's offer has been accepted by Seller, (i) Seller has the right to continue to market the Property for back-up offers or additional offers; (ii) Seller has the right to accept back-up offers (C.A.R. Form PAA, Paragraph 1), and present to Short Sale Lender(s) any accepted back-up offers or additional offers that are received; and (iii) Seller shall notify Buyer when any accepted back-up offers, or other subsequent offers are presented to Short Sale Lender(s).



# Today's Agenda

## Standard Forms Update

- A. November 2010 Quick Summary
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- C. Short Sale Addendum
- ✓ D. Other Form Changes
- E. Questions.



# New Construction Residential Purchase Agreement (NCPA)

- DRE approved for used in subdivision sales
- Get copy of letter
- car.org - Legal tab - Standard Forms tab
  - *New Construction Residential Purchase Agreement*
  - *NCPA approved by DRE*
  - *Click on link to pdf*

## **New Construction Residential Purchase Agreement**

### **NCPA approved by DRE NEW**

The California Department of Real Estate, by letter dated September 28, 2010, has approved the C.A.R. New Construction Residential Purchase Agreement (NCPA), and complimentary forms NCEI, NCNC, NCA and NCDS, for use in the sale of residential property in a subdivision requiring a public report. An application for a public report that includes these C.A.R. forms should be accompanied by the September 28, 2010 letter. Please [click here](#) to view a copy of the letter.

Provide **SB 800** with Addendum to New Construction Residential Purchase Agreement (NCAD)

**DEPARTMENT OF REAL ESTATE**

320 West Fourth Street, Suite 350  
Los Angeles, CA 90013-1105  
(213) 576-6983



September 28, 2010

Neil Kalin, Esq.  
Assistant General Counsel  
California Association of Realtors  
525 S. Virgil Ave.  
Los Angeles, CA. 90020

RE: California Association of Realtors - Purchase Agreement and Escrow Instructions, DRR # 227

Dear Neil:

Please be advised that the above documents submitted on September 10, 2010 are deemed qualified for statewide use under current DRE regulations and procedures. Please recognize, however, that future changes in the Subdivided Lands Law or the Department's regulations or procedures could render this approval inapplicable.

This supersedes qualifying letters for previous versions of the instruments if any which are now no longer qualified for statewide use.

A copy of this letter should be attached to this agreement when the qualified instruments are submitted for use with future public report applications.

Sincerely,

Handwritten signature of Robert D. Gilmore in cursive.

Robert D. Gilmore  
Managing Deputy Commissioner IV  
Subdivisions

Cc: Chris Neri, Assistant Commissioner Subdivisions

# Residential Listing Agreement

- New: Opt-Outs –Paragraph 6
- A – Internet display
- B(1) – Property comments / reviews
- B(2) – Automatic estimates of market value
- A & B – Use C.A.R. form SEL to opt-out
- New: Paragraph 16 – Additional terms
- Pre-printed language for REO Advisory and SSIA attachments

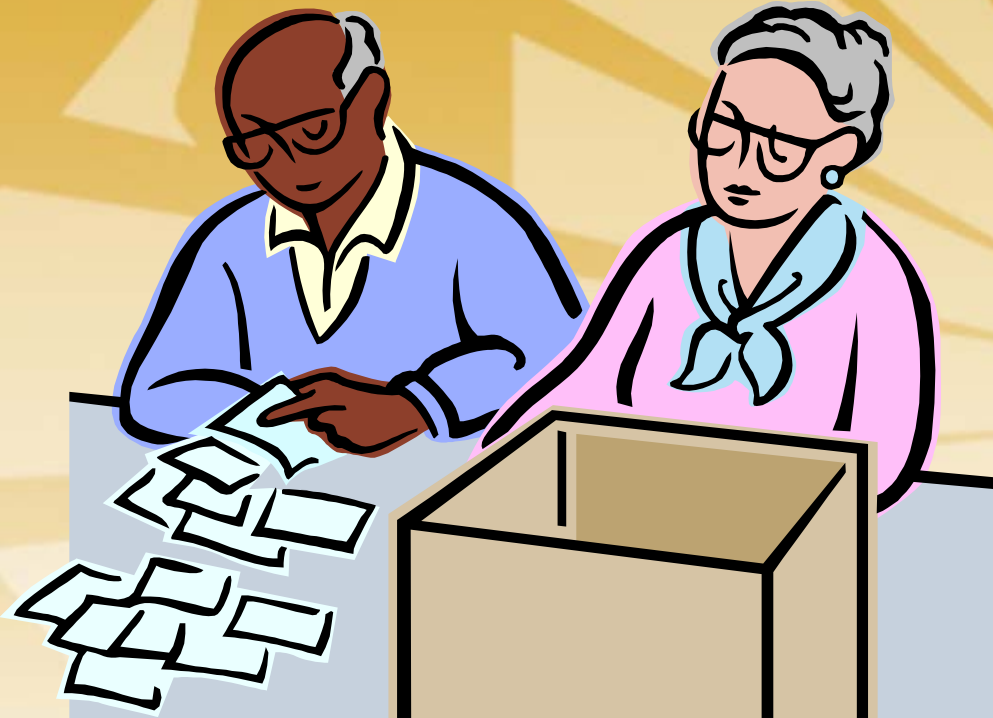




# REO, SPQ, SA, FLD

- New: REO and REOL
  - Language regarding tenant right to remain
- New: Seller Property Questionnaire (SPQ)
  - B (4) Lead renovation compliance
  - I (1- 3) Architectural committee / approval
  - J (2) Settlements
- New: Seller Advisory (SA)
  - 3 E Lead paint renovation requirements
- New: Lead Paint Disclosure (FLD)
  - Page 1 Lead paint renovation requirements

# Launch Poll #4



\*Yes\*No\*Yes\*No\*Yes\*No\*Yes\*No\*Yes\*No\*Yes\*No\*Yes\*No\*Yes\*No\*



Property Address: \_\_\_\_\_ ("Property").

**BUYER RIGHTS AND DUTIES:**

- The physical condition of the land and improvements being purchased are not guaranteed by Seller or Brokers.
- You should conduct thorough investigations of the Property both personally and with appropriate professionals.
- If professionals recommend further inspections, you should contact qualified experts to conduct such inspections.
- You should retain your own professional even if Seller or Broker has provided you with existing reports.
- You should read all written reports given to you and discuss those reports with the persons who prepared them.
- You have the right to request that the Seller make repairs or corrections or take other actions based on inspections or disclosures, but the Seller is not obligated to make any such repairs, corrections or other requested actions.
- If the Seller is unwilling or unable to satisfy your requests, and you act within certain time periods, you may have the right to cancel the Agreement (the Purchase Agreement and any Counter Offer and Addenda together are the "Agreement"). If you cancel outside of these periods, you may be in breach of the Agreement and your deposit might be at risk.
- The terms of the purchase agreement and any counter offers and addenda establish your rights and responsibilities. **YOU ARE STRONGLY ADVISED TO INVESTIGATE THE CONDITION AND SUITABILITY OF ALL ASPECTS OF THE PROPERTY. IF YOU DO NOT DO SO, YOU ARE ACTING AGAINST THE ADVICE OF BROKERS.**

**SELLER RIGHTS AND DUTIES:**

- You have a duty to disclose material facts known to you that affect the value or desirability of the Property.
- You are obligated to make the Property available to the Buyer and have utilities on for inspections as allowed by the Agreement.
- This form is not a substitute for completing a Real Estate Transfer Disclosure Statement, if required, and any other property-specific questionnaires or disclosures.
- The terms of the Agreement establish your rights and responsibilities.

**BROKER RIGHTS AND DUTIES:**

- Brokers do not have expertise in all areas and matters affecting the Property or your evaluation of it.
- For most sales of residential properties with no more than four units, Brokers have a duty to make a reasonably competent and diligent visual inspection of the accessible areas of the Property and disclose to you material facts or defects that the inspection reveals.
- Many defects and conditions may not be discoverable by a Broker's visual inspection.
- If Brokers give a referral to another professional, Brokers do not guarantee that person's performance. You may select any professional of your own choosing.
- Any written agreement between a Broker and either Buyer or Seller or both establishes the rights and responsibilities of those parties.

**1. INSPECTIONS:** Buyer and Seller are advised that Buyer has the right to obtain various inspections of the Property under most residential purchase agreements. Buyer is advised to have the Property inspected by a professional property inspection service within Buyer's inspection contingency period. A licensed building contractor or other professional may perform these services. The inspector generally does not look behind walls or under carpets, or take equipment apart. Certain items on the Property, such as chimneys and spark arresters, plumbing, heating, air conditioning, electrical wiring, pool and spa, septic system, well, roof, foundation and structural items may need to be inspected by another professional, such as a chimney sweep, plumber, electrician, pool and spa service, septic or well company or roofer. A general physical inspection typically will not test for mold, wood destroying pests, lead-based paint, radon, asbestos and other environmental hazards, geologic conditions, age, remaining useful life or water-tightness of roof, cracks, leaks or operational problems associated with a pool or spa or connection of the Property to a sewer system. If Buyer wants further information on any aspect of the Property, Broker recommends that Buyer have a discussion with the professional property inspector and that Buyer hire an appropriate professional for the area of concern to Buyer. Brokers do not have expertise in these areas. Brokers do not verify the results of any such inspection or guarantee the performance of any such inspector or service. Any

# Statewide Buyer and Seller Advisory (SBSA)

- New: 6 – Lead paint renovation rules
- New: 7 – Formaldehyde
- New: 17 – Changing zone maps
- New: 21 – Golf course disclosure
- New: 28 – Added high speed rail
- New: 34 – Litigation, Arbitration, Settlements
- New: 36 – Removed individual paragraphs, refer to CPSC website
- New: 40 – Added internet blogs / social media



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 SECTION 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 Section 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: \_\_\_\_\_

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.

THE FOLLOWING ARE REPRESENTATIONS MADE BY THE SELLER(S) AND ARE NOT THE REPRESENTATIONS OF THE AGENT(S), IF ANY. THIS INFORMATION IS A DISCLOSURE AND IS NOT INTENDED TO BE PART OF ANY CONTRACT BETWEEN THE BUYER AND SELLER.

Seller [ ] is [ ] is not occupying the property.

A. The subject property has the items checked below:

- Range, Oven, Microwave, Dishwasher, Trash Compactor, Garbage Disposal, Washer/Dryer Hookups, Rain Gutters, Burglar Alarms, Carbon Monoxide Device(s), Smoke Detector(s), Fire Alarm, TV Antenna, Satellite Dish, Intercom, Central Heating, Central Air Conditioning, Evaporator Cooler(s)
Wall/Window Air Conditioning, Sprinklers, Public Sewer System, Septic Tank, Sump Pump, Water Softener, Patio/Decking, Built-in Barbecue, Gazebo, Security Gate(s), Garage: Attached Not Attached, Carport, Automatic Garage Door Opener(s)\*, Number Remote Controls
Pool, Child Resistant Barrier\*, Pool/Spa Heater: Gas Solar Electric, Water Heater: Gas Solar Electric, Water Supply: City Well, Private Utility or Other, Gas Supply: Utility Bottled (Tank), Window Screens, Window Security Bars, Quick Release Mechanism on Bedroom Windows\*

Exhaust Fan(s) in \_\_\_\_\_ 220 Volt Wiring in \_\_\_\_\_ Fireplace(s) in \_\_\_\_\_

# Transfer Disclosure Statement (TDS)

- New: IIA – format reads down; added Carbon Monoxide detector
- New: II D 1 and 2 – Seller certification for smoke detectors and water heater bracing
- Same changes for MHTDS
- Water Heater / Smoke Detector form
  - Language about need to file separate statement with HCD



# TDS Seller's Certification

15. Any notices of abatement or citations against the property .....  Yes  No

16. Any lawsuits by or against the Seller threatening to or affecting this real property, including any lawsuits alleging a defect or deficiency in this real property or "common areas" (facilities such as pools, tennis courts, walkways, or other areas co-owned in undivided interest with others) .....  Yes  No

If the answer to any of these is yes, explain. (Attach additional sheets if necessary.): \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

- D. 1. The Seller certifies that the property, as of the close of escrow, will be in compliance with Section 13113.8 of the Health and Safety Code by having operable smoke detector(s) which are approved, listed, and installed in accordance with the State Fire Marshal's regulations and applicable local standards.
- 2. The Seller certifies that the property, as of the close of escrow, will be in compliance with Section 19211 of the Health and Safety Code by having the water heater tank(s) braced, anchored, or strapped in place in accordance with applicable law.

**Seller certifies that the information herein is true and correct to the best of the Seller's knowledge as of the date signed by the Seller.**

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

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

Buyer's Initials (\_\_\_\_)(\_\_\_\_)

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TDS REVISED 11/10 (PAGE 2 OF 3)

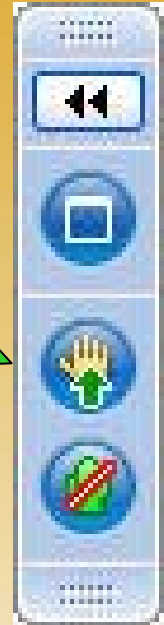
Reviewed by \_\_\_\_\_ Date \_\_\_\_\_



REAL ESTATE TRANSFER DISCLOSURE STATEMENT (TDS PAGE 2 OF 3)

# Questions?

- To ask a question, type it in the chat box, or if you phoned in, just raise your hand on attendee console.
- If your question involves a current transaction with another agent, please direct that question to the Legal Hotline at (213) 739-8282.
- Sorry, but we may not get to everyone's questions.





# Announcements

## ***C.A.R. Legal Live Webinar***

<http://www.car.org/legal/legal-live-webinars/>

- Recorded version of this webinar will be available in a few days.
- Next monthly webinar:

**Small Claims Court  
December 6, 2010.**



# Thank You!



## Still Have a Question?

For legal questions, C.A.R. members may call our Legal Hotline at (213) 739-8282 or submit to “Contact Us” at [www.car.org](http://www.car.org).

If you have any suggestions or comments about this webinar, please answer the survey at the end of this webinar.