

SF Selling

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6/25/2009

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ESCROW INFORMATION SHEET

K K & C REALTY is Listing _____ Selling _____ Both _____

SALESPERSON(S): _____ / _____

(LISTING / SELLING) OFFICE: _____

AGENT: _____

ADDRESS: _____

PHONE: _____ / _____ FAX: _____

OTHER INFORMATION: _____

SELLER(S): _____

BUYER(S): _____

TITLE CO.: _____

OFFICER: _____ ESCROW NO.: _____

ADDRESS: _____

PHONE: _____ / _____ FAX: _____

RATIFICATION DATE: _____ DATE OPENED: _____

PURCHASE PRICE: _____ DATE CLOSED: _____

TERMS: _____

ESCROW INSTRUCTIONS: _____

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San Francisco, CA 94116

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ESCROW FILE CHECKLIST

Property Address: _____ Agent's Name: _____

	Logged by	Date
1. Exclusive Right to Sell (for Listing)	_____	_____
a.) Seller's Intent to Exchange Supplement	_____	_____
2. a.) Lock Box Authorization Addendum	_____	_____
b.) MLS print out	_____	_____
c.) Property Statement	_____	_____
3. Cooperating Broker Compensation Agreement	_____	_____
4. Purchase Agreement	_____	_____
5. Agency Disclosure	_____	_____
6. Non-Foreign Seller Affidavit	_____	_____
7. Counter Offer	_____	_____
8. Addendum	_____	_____
9. Contingency Removal	_____	_____
10. a.) Initial Deposit Receipt	_____	_____
b.) Receipt for Increased Deposit / Liquidated Damages	_____	_____
11. Buyer's Inspection Advisory	_____	_____
12. Seller's Advisory	_____	_____
13. Market Conditions Advisory	_____	_____
14. Daly City Water Heater Ordinance / City of Alameda Sewer Lateral Ordinance / Special Ordinance etc	_____	_____
15. a.) 3-R Report and Awareness of 3-R Report	_____	_____
(SF energy work completion required if not recorded in 3-R)	_____	_____
b.) Residential Energy and Water Conservation Inspection Form	_____	_____
16. General Information for Buyers/Sellers in SF county (Receipt)	_____	_____
17. Preliminary Title Report	_____	_____
18. Property Inspection Reports	_____	_____
a.) Termite Report	_____	_____
b.) Roof Report	_____	_____
c.) Contractor Report	_____	_____
d.) AS-IS Addendum/Waiver of Inspections	_____	_____
19. Home Warranty or Homeowner's Insurance Coverage and Claims History	_____	_____
20. Disclosure Statements	_____	_____
a.) Real Estate Transfer Disclosure	_____	_____
b.) Agent's Inspection Disclosure	_____	_____
c.) Seller's Supplement to Real Estate Transfer Disclosure	_____	_____
d.) Non-Permitted or Non-Conforming Rooms or Improvements	_____	_____
e.) Underground Storage Tank Disclosure (SF only)	_____	_____
f.) Lead-Based Paint Hazards Disclosure	_____	_____

g.) Water Heater Statement of Compliance	_____	_____
h.) Smoke Detector	_____	_____
i.) Natural Hazard Disclosure or Reports	_____	_____
j.) Data Base Disclosure	_____	_____
k.) Additional Disclosure Regarding Mold	_____	_____
l.) Homeowner's Guide to Earthquake Safety & Environment Hazards Booklet (Receipt)	_____	_____
m.) Disclosure of Airport Noise (some cities in Peninsula)	_____	_____
n.) Asbestos Disclosure	_____	_____
o.) Addendum to The Statewide Buyer & Seller Advisory (10pages)	_____	_____
p.) Addendum to The Statewide Buyer & Seller Advisory (1page)	_____	_____
q.) Megan's Law Data Base Disclosure and Online disclosure	_____	_____
r.) Notice of your "Supplemental" Property Tax Bill	_____	_____
21. Homeowner Association Information Request		
a.) Articles of Incorporation / Statement that HOA not incorporated	_____	_____
b.) CC&Rs	_____	_____
c.) Bylaws	_____	_____
d.) Rules and Regulations	_____	_____
e.) Financial Statement Review	_____	_____
f.) Insurance Summary	_____	_____
g.) Most recent 12 months of HOA Minutes	_____	_____
22. SF- Rental Package / Lease Agreement		
a.) Residential Lease or Month-to-Month Rental Agreement	_____	_____
b.) Interim Occupancy Agreement	_____	_____
c.) Disclosure Statement Re: San Francisco Planning Code Section 209.10	_____	_____
d.) Disclosure Regarding Tenant Agreement with Landlord or Owner Move-in / Tenant Status Addendum	_____	_____
e.) Rental Information Questionnaire	_____	_____
f.) Request for information under Sec. 37 (i)(4) of the San Francisco Residential Rent Stabilization and Arbitration Ordinance	_____	_____
g.) Seller Supplement Disclosure Statement	_____	_____
h.) Proposition H Disclosure - Tenant Right to Relocation Expenses for Certain No-Fault Evictions	_____	_____
i.) Notice to Enter Tenant's Unit	_____	_____
j.) Vacancy Disclosure	_____	_____
k.) Income and Expense Statement	_____	_____
23. Closing Instruction to Title Company	_____	_____
24. Final Review by	_____	_____

File Closed on _____



CONTRACT FOR THE SALE AND PURCHASE OF REAL PROPERTY

THIS IS INTENDED TO BE A LEGALLY BINDING CONTRACT. READ IT CAREFULLY.

SAN FRANCISCO ASSOCIATION OF REALTORS® STANDARD FORM

This form is intended for use primarily in San Francisco and the northern peninsula.

_____, California _____ (Date).

_____, ("Buyer") offers to purchase the real property commonly known as _____, or ☐ (if checked) this is a purchase of a _____ % undivided interest in the entire TIC property above pursuant to the attached TIC Addendum (SFAR Form XTPA), in the City and County of _____, California _____ (the "Property") for the Purchase Price of _____ Dollars (\$ _____) upon the following TERMS and CONDITIONS.

1. FINANCIAL TERMS AND CONDITIONS.

- A. \$ _____ **INITIAL DEPOSIT** evidenced by ☐ **personal check** or ☐ _____ payable to _____ (Payee), which shall not be cashed or otherwise negotiated until mutual execution of this Contract ("Acceptance"), whereupon it shall promptly be delivered to Payee.
- B. \$ _____ **ADDITIONAL DEPOSIT** to be placed in escrow ☐ within _____ days after Acceptance or ☐ on or before _____.
- C. \$ _____ **NEW FIRST LOAN.** This Contract is conditioned upon Buyer obtaining a new first loan for a term of thirty (30) or _____ years at an initial annual rate of interest not to exceed _____ % for a loan which is ☐ **adjustable** according to the lender's predetermined schedule or ☐ **fixed for an initial period** of _____ year(s) or ☐ **fixed for the entire term**, secured by a first deed of trust on the Property, with a loan fee of not more than _____ loan points and on other terms and conditions satisfactory to Buyer.
- D. \$ _____ **NEW SECOND LOAN.** This Contract is conditioned upon Buyer obtaining a new second loan for a term of fifteen (15) or _____ years at an initial annual rate of interest not to exceed _____ % for a loan which is ☐ **adjustable** according to the lender's predetermined schedule or ☐ **fixed for an initial period** of _____ year(s) or ☐ **fixed for the entire term**, secured by a second deed of trust on the Property, with a loan fee of not more than _____ loan points and on other terms and conditions satisfactory to Buyer.
- E. \$ _____ **NON-CONTINGENT FINANCING.** Buyer intends to obtain new financing in the amount specified. Seller agrees to provide prompt access to the Property for appraisal purposes. Buyer acknowledges that the full amount may not be obtainable and that the terms and availability of loans are subject to constant change. **Buyer further acknowledges that obtaining financing is not a condition of Buyer's performance.**
- F. \$ _____ **OTHER FINANCING** (see SFAR TIC Addendum or Assumption of Existing Loan / Seller Financing).
- G. \$ _____ **CASH BALANCE** which shall be paid by Buyer into escrow prior to Close of Escrow.
- H. \$ _____ **PURCHASE PRICE, EXCLUDING CLOSING COSTS AND ADJUSTMENTS, IF ANY.**
(Total of A through G.)

2. **SOURCE OF FUNDS.** Buyer represents that the funds required for the Initial Deposit, Additional Deposit, Cash Balance, and closing costs are available at Buyer's disposal, and that obtaining these funds is **not** a condition of this Contract unless paragraph 12F (Sale of Buyer's Property) is initialed, or an additional condition relating to these funds has been agreed to in writing.
3. **FINANCING PROVISIONS.** Buyer shall act diligently and in good faith to obtain all necessary financing and insurance for the purchase of the Property. For loans referred to above requiring an application, within three (3) days after Acceptance, Buyer shall submit to lender(s) a completed application with all supporting documentation and authorizations as required by the lender(s). If Buyer does not remove in writing the loan condition(s) established by paragraph 1 within thirty (30) or _____ days after Acceptance, either party may thereafter terminate this Contract.
4. **APPRAISAL.** ☐ (if checked) Buyer may terminate this Contract if Buyer delivers a current written appraisal report from a California licensed appraiser to Seller within twenty (20) or _____ days after Acceptance valuing the Property at less than the Purchase Price.
5. **ESCROW.** Escrow shall close on _____ (date) or ☐ (if checked) _____ days after Acceptance ("Close of Escrow"). This Contract, including any addenda and counteroffers, shall constitute escrow instructions of Buyer and Seller. The parties shall execute additional instructions consistent with this Contract and deliver them to _____ ("Escrow Agent"). Release of funds from escrow will require mutually consistent signed instructions from both Buyer and Seller, or the rendering of a judicial decision or arbitration award authorizing the release.
6. **OCCUPANCY.** Buyer intends or ☐ (if checked) does not intend to occupy the Property as Buyer's principal residence.
7. **PHYSICAL POSSESSION.** Physical possession of the Property shall be delivered to Buyer upon recordation of the deed or ☐ (if checked) after recordation of the deed but not later than midnight on _____ (date). The agreement setting forth the terms upon which Seller shall occupy the Property after Close of Escrow is attached hereto and made a part of this Contract. ☐ (If checked) Physical possession of the Property shall be delivered subject to tenants' rights.

Buyer's Initials _____ Seller's Initials _____

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Property: _____ Date: _____

8. **PRELIMINARY TITLE REPORT.** Within three (3) or _____ days after Acceptance, Buyer, at Buyer's expense, shall order a Preliminary Title Report from Escrow Agent. **Seller's proceeds from the sale of the Property shall be applied to pay off all monetary liens at Close of Escrow**, except that Seller shall have no obligation to pay off bonds and/or assessments unless agreed to in writing by Buyer and Seller. Buyer's objections to any matter of record ("Exceptions") shall be delivered in writing to Seller within seven (7) or _____ days after Buyer's receipt of the Preliminary Title Report. Buyer shall not be required to object to monetary liens, other than bonds and/or assessments which Buyer does not intend to assume. Seller shall, within three (3) or _____ days after receipt of Buyer's objections, deliver to Buyer written notice that either (a) the Exceptions objected to by Buyer will be eliminated by Close of Escrow, or (b) Seller is unwilling or unable to eliminate the Exceptions. If Seller notifies Buyer that the Exceptions **will not** be eliminated by Close of Escrow, Buyer shall have three (3) or _____ days from receipt of Seller's notification to notify Seller in writing that Buyer will purchase the Property with the Exceptions to the policy of title insurance remaining in effect. If Buyer does not so notify Seller within the specified time period, either party may thereafter terminate this Contract.
9. **FIXTURES.** All fixtures and fittings attached to the Property and major appliances for which custom openings or encasements have been made are included, free of liens, in the Purchase Price, **including without limitation**, electrical, lighting, plumbing and heating fixtures, hardware, solar systems, screens, awnings, shutters, window coverings, drapes, curtains, and related hardware, attached floor coverings, television antennas/satellite dishes and related equipment, water-softening systems, air coolers or conditioners, pool and spa equipment, mailbox, garage door openers and transmitters, security systems, private telephone systems, trees, shrubs and outdoor plants planted in the ground, and items permanently attached to the Property **but excluding** externally-mounted audio-visual equipment (e.g. flat panel screens) and brackets, freestanding furniture attached only for earthquake safety, and: _____

10. **PERSONAL PROPERTY.**

☐ (For Residential Property) **Note to Buyer: Personal property items listed in marketing materials are not included in the sale unless specified here.** The following personal property on the Property at the date of Acceptance is included in the sale, free of liens and without warranty of condition: _____

☐ (For Rental Property) All personal property on the Property at the date of Acceptance owned by Seller and used in operation of the Property is included. Seller shall provide, within seven (7) or _____ days after Acceptance, an inventory of the personal property.

11. **PRORATIONS AND EXPENSES.** The following shall be paid current and then prorated between Buyer and Seller as of Close of Escrow: real property taxes (based upon the latest information available regarding the assessed value of the Property and the applicable tax rate); bonds and assessments; Homeowners' Association dues and assessments; interest on any loan(s) secured by the Property assumed by Buyer; premiums for any insurance on the Property assumed by Buyer; rents; and operating expenses. Security deposits and accrued interest thereon, where the law requires interest to be paid on security deposits, shall be credited to Buyer's account at Close of Escrow. Buyer shall pay the escrow fee and title insurance premiums. Seller shall pay any real property transfer taxes. Buyer shall pay any Homeowners' Association transfer fees and move-in fees. Seller shall pay any Homeowners' Association move-out fees. Seller shall pay any prepayment penalty or other fees or charges imposed by lenders for loans being paid off through escrow. Unless specified in this Contract, all other prorations and expenses shall be paid by either Buyer or Seller in accordance with local custom. Buyer and Seller understand that the Property will be reassessed upon change of ownership. A supplemental tax bill will be sent to Buyer which will reflect a change in property taxes based on the Purchase Price becoming the new assessed value. Any tax bills issued after Close of Escrow for periods of time before Close of Escrow shall be paid by Seller.

12. **ADDITIONAL TERMS AND CONDITIONS.** A through H below are conditions of Buyer's performance only if initialed. Choose one and only one of A or B and one and only one of C or D. Broker(s) strongly recommend that Buyer obtain the inspection reports provided by paragraphs A and C below.

Buyer's Initials _____

_____/_____ **A. STRUCTURAL PEST CONTROL INSPECTION—SUBJECT TO BUYER'S APPROVAL.** Buyer, at Buyer's expense, shall obtain a written structural pest control inspection report with respect to the Property and all improvements thereon. **If Buyer does not remove this condition in writing within fifteen (15) or _____ days after Acceptance, either party may thereafter terminate this Contract.** During this time, Buyer may request that Seller make repairs or credit Buyer for the costs of recommended repair work, but Seller shall not be obligated to agree to any such request.

Buyer's Initials _____

_____/_____ **B. WAIVER OF STRUCTURAL PEST CONTROL INSPECTION.** Although Buyer has been advised that Buyer may order a new written structural pest control inspection report with respect to the Property and all improvements thereon, Buyer elects to purchase the Property without obtaining such a report. **Buyer acknowledges that any reports Buyer may have received do not constitute representations by either Seller or Broker(s) as to the current condition of the Property and Buyer hereby releases Seller and Broker(s) from all claims, demands and liabilities with respect to the existence of conditions and defects which would be likely to be disclosed by an inspection report ordered by Buyer.**

Buyer's Initials _____ Seller's Initials _____

_____/_____ _____/_____

Buyer's Initials
_____/_____

C. PROPERTY INSPECTIONS. Buyer's obligations under this Contract are conditioned upon Buyer's written approval, at Buyer's sole discretion, of both the physical condition of the Property and any other matter affecting the Property. Buyer shall have the right to conduct inspections of the Property by contractors, engineers, architects, and/or other experts retained by Buyer, which inspections may include but are not limited to structural, plumbing, sewer, heating, air conditioning, electrical and mechanical systems, built-in appliances, roof, foundation, retaining walls, geologic conditions, pool/spa and related equipment, environmental hazards (such as asbestos, mold, electromagnetic fields, radon gas, lead-based paint or lead hazards, fuel or chemical storage tanks, and other materials or products), noise transmission, water/utility use restrictions, and location of property lines. **Brokers do not certify or verify lot size, boundary lines or interior square footage, information contained in inspection reports, or representations of others.** Seller shall permit the inspections upon receiving reasonable advance notice from Buyer, with the exception of a Structural Pest Control Inspection if paragraph 12B has been initialed. Buyer agrees to provide Seller with a copy of all inspection reports at no cost to Seller. If Buyer does not remove this condition in writing within fifteen (15) or _____ days after Acceptance, either party may thereafter terminate this Contract. During this time, Buyer may request Seller to make repairs or to credit Buyer for the estimated costs of identified repair work, but Seller shall not be obligated to agree to any such request.

Buyer's Initials
_____/_____

D. WAIVER OF PROPERTY INSPECTIONS. Buyer hereby waives Buyer's right to perform inspections as provided in paragraph 12C above. Buyer is aware that all real property and improvements contain defects and conditions which are not readily apparent and which may affect the value and/or desirability of the Property. Buyer and Seller acknowledge that Broker(s) do not guarantee and in no way assume responsibility for the condition of the Property. Buyer also is aware of Buyer's own affirmative duty to exercise due diligence in observing the condition of and inspecting the Property to protect Buyer's interests. **Buyer acknowledges that any reports Buyer may have received do not constitute representations by either Seller or Broker(s) as to the current condition of the Property. Buyer has been strongly advised to retain Buyer's own contractors and other experts to investigate the condition and suitability of all aspects of the Property and all matters affecting the value and desirability of the Property. If Buyer has elected not to perform inspections as specified in paragraph 12C above, then Buyer, by initialing this paragraph, releases Seller and Broker(s) from all claims, demands, and liabilities which in any manner pertain to matters which could have been disclosed by such inspections.**

Buyer's Initials
_____/_____

E. CONDOMINIUM DISCLOSURE. ☐ (If checked) the Cooperative Apartment Purchase Addendum (SFAR Form XCAP) is made a part of this Contract and the times frames specified in this paragraph shall apply to that Addendum. Within ten (10) or _____ days after Acceptance, Seller, at Seller's expense, shall furnish Buyer with copies of the Property's legal description (including parking and storage spaces, if any), covenants, conditions and restrictions, articles of incorporation, bylaws, rules and regulations currently in force, the most recent financial statements of the Homeowners' Association (HOA), a current operating budget, one year's minutes of HOA meetings and any other documents required by law. Seller shall also advise Buyer within this time of any delinquent or special but uncollected assessments, any anticipated extraordinary maintenance or repair expenses and any pending or anticipated litigation affecting the Property. If Buyer does not deliver to Seller, within five (5) or _____ days after receipt of the documents, written notice approving the documents, either party may thereafter terminate this Contract. Approval of the documents shall be at Buyer's reasonable discretion. **Seller shall promptly notify Buyer of any new or revised HOA documents received by Seller prior to Close of Escrow. Note: Buyer is hereby advised that any structural pest control or other inspections of common areas may be subject to the approval of, and limited in scope by, the HOA and/or its Board of Directors.**

Buyer's Initials
_____/_____

F. SALE OF BUYER'S PROPERTY. Buyer's obligations under this Contract are conditioned upon the sale and close of escrow of Buyer's real property, commonly known as _____, within the time specified in this Contract for Close of Escrow of the Property. Seller shall have the right to continue to offer the Property for sale and conditionally accept another offer subject to the provisions of this Contract. Following such conditional acceptance, Seller shall give Buyer written notice of Seller's acceptance of any such offer. If Buyer does not remove this condition in writing within seventy-two (72) hours after receipt of the notice, this Contract shall terminate. If Buyer elects to remove this condition, Buyer also agrees to remove any loan condition insofar as it depends on the sale of Buyer's property and within three (3) or _____ days from Buyer's removal of this condition, Buyer shall submit documentation to Seller demonstrating Buyer's financial ability to close escrow on the Property without closing escrow on Buyer's property. If Seller does not approve this documentation in writing within five (5) or _____ days of receipt, either party may then terminate this Contract. Seller's approval shall not be unreasonably withheld. Paragraph 30 (Seller Termination) does not apply to this paragraph.

Buyer's Initials
_____/_____

G. INCOME AND EXPENSE STATEMENT. Within seven (7) or _____ days after Acceptance, Seller shall deliver to Buyer a true and complete statement of the income and expenses of the Property for calendar years _____ and the current year to date. If Buyer does not deliver to Seller, within seven (7) or _____ days after receipt of the statement, written notice approving it, either party may thereafter terminate this Contract. Approval of the statement shall be at Buyer's sole discretion.

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

Buyer's Initials

H. RENTAL PROPERTY. Buyer agrees to purchase the Property subject to existing leases and the rights of parties in possession. Within seven (7) or _____ days after Acceptance, Seller shall deliver to Buyer copies of all leases, rental agreements and Section 6.14 notices, as well as copies of all outstanding notices sent to tenants and a written statement of (1) any and all oral agreements with tenants, (2) uncured defaults by Seller or tenants, (3) claims made by Seller against tenants or by tenants against Seller in any court of law or to the San Francisco Rent Board, or other governmental agencies, (4) all tenants' deposits held by Seller, including any claimed offsets against those deposits, (5) any pass-throughs which constitute part of the existing rent, including the nature of the pass-through, the amount, and the period of time for which the pass-through is in effect, (6) which units include parking or storage spaces as part of the rent, whether any garages, parking or storage spaces are rented to non-tenants, the amount received for each space, and the terms of any rental agreement or lease for the space, (7) notices of rent increases and the rental history of each unit from the date of each tenant's occupancy to the present, and (8) any Default or Termination Notices served on tenants and, if the notices have been filed with the San Francisco Rent Board, proof of such filing. If Buyer does not deliver to Seller, within seven (7) or _____ days after receipt of the documents, written notice approving the documents, either party may thereafter terminate this Contract. Approval of the documents shall be at Buyer's sole discretion. Prior to Close of Escrow, Seller agrees that no changes in the leases and/or tenancies shall be made and no new leases or rental agreements shall be entered into without Buyer's prior written consent, which consent shall not be unreasonably withheld. Seller shall deliver to Escrow Agent prior to Close of Escrow: (1) any and all tenants' deposits, including security deposits, last month's rent deposits, cleaning, key or other deposits, and any required interest accrued thereon through Close of Escrow, which deposits and interest shall be disbursed to Buyer at Close of Escrow; and (2) copies of any notice(s) of the transfer of deposits given by Seller to tenants.

13. **RENTAL INFORMATION QUESTIONNAIRES ('ESTOPPELS').** Within three (3) or _____ days after Acceptance, Seller shall deliver to all tenants written Rental Information Questionnaires, requesting from each tenant acknowledgment of the terms and conditions of the tenant's rental. No later than fifteen (15) or _____ days after Acceptance, Seller shall deliver to Buyer all completed Rental Information Questionnaires returned by tenants to Seller. If any Rental Information Questionnaires are returned after that day, Seller agrees to provide them to Buyer within two (2) days of Seller's receipt.

☐ (if checked) **Protected Tenant Status Addendum** (SFAR Form XPTS) is included in this Contract.

14. **RESIDENTIAL RENT CONTROL ORDINANCE.** If the Property is located in San Francisco, Buyer is advised that there is in effect a Residential Rent Stabilization and Arbitration Ordinance, amended from time to time, which may severely affect Buyer's rights of ownership and right to move into the Property. **Buyer is advised to research documents filed with the San Francisco Rent Board pertaining to the Property and to obtain legal advice from a real estate attorney knowledgeable and experienced in San Francisco rent control law to determine the effect of this ordinance on the Property and Buyer's intended use.**
15. **ILLEGAL UNITS OR ROOMS.** Buyer understands that units, rooms, or additions to the Property may not have been legally permitted. They may violate zoning ordinances, may have been built without building permits, and a certificate of final completion and occupancy may not have been issued. Buyer may be required to bring them into compliance or to remove kitchens or other facilities at Buyer's expense. A substantial fine may be imposed and Buyer may be prevented from renting any illegal units. **Buyer is advised to obtain legal advice from a qualified real estate attorney with respect to potential claims tenants renting illegal units may have.**
16. **COMPLIANCE WITH LOCAL, STATE AND FEDERAL LAWS.** Buyer is advised to consult with appropriate authorities to determine the extent to which local, State and federal laws may affect the ownership and use of the Property.
- A. **BUILDING PERMIT HISTORY.** (Applies if the Property contains one or more residential units.) Seller, at Seller's expense, shall order, no later than three (3) days after Acceptance, from the appropriate local governmental agency a Report of Residential Building Record ("3R Report") or similar report and provide same to Buyer. If Buyer does not deliver to Seller, within five (5) or _____ days after receipt of the report, written notice approving it, either party may thereafter terminate this Contract. **Brokers do not investigate or guarantee the accuracy of the information contained in such report. Buyer is strongly advised to investigate to Buyer's own satisfaction the status of zoning, permits or code compliance with the local planning department and not rely solely on the 3R Report or similar report that the Property meets Buyer's intended use.**
- B. **UNDERGROUND STORAGE TANKS (USTs).** The parties acknowledge that Article 21 of the San Francisco Health Code requires owners of real property in San Francisco with USTs located on or immediately adjacent to the real property to file a plan for closure of the USTs within thirty (30) days of their discovery. If Seller does not provide Buyer with a written report by a licensed contractor specializing in USTs stating that no such tanks can be located before Acceptance, then Buyer is advised to conduct Buyer's own professional inspection, which Seller shall permit. If the inspection reveals the existence of one or more USTs, then Seller shall, at Seller's expense, remove the USTs and complete any necessary remedial work to the Property prior to Close of Escrow.
- C. **ENERGY AND WATER CONSERVATION.** Unless an exemption applies or there has been compliance since October 20, 1991, Seller, at Seller's expense, shall order an energy and/or water conservation inspection report. If the inspection report indicates the need for conservation work, then Seller shall pay the cost of the work, not to exceed the maximum expenditure amount, if any, required by local law. Seller shall complete the work by Close of Escrow and shall file a certificate of compliance with the appropriate agencies.
- D. **LEAD-BASED PAINT HAZARDS DISCLOSURE.** Seller shall complete and deliver to Buyer within three (3) days after Acceptance, a Lead-Based Paint Hazards Disclosure and Addendum in compliance with 42 U.S.C. 4852d.

Buyer's Initials**Seller's Initials**

_____/_____/_____



- E. **NATURAL HAZARDS DISCLOSURE STATEMENT.** Seller shall disclose to Buyer within seven (7) days after Acceptance, if the Property is located in a Special Flood Hazard Area, an Area of Potential Flooding as shown on a dam failure inundation map, a Very High Fire Hazard Severity Zone, a Wildland Fire Area that may contain substantial forest fire risks and hazards, an Earthquake Fault Zone, a Seismic Hazard Zone, or any other zone for which disclosure is required by law.
- F. **WATER HEATERS.** California law requires that water heaters be strapped, braced or anchored to resist falling or displacement. The State Uniform Plumbing Code also requires that new or replacement water heaters located in a garage area be installed in such a manner that their ignition point is at least 18 inches above the floor. Buyer is hereby notified that different local authorities may have more stringent requirements, such as in Daly City which requires existing water heaters to be elevated. Seller shall, at Seller's expense, bring any water heater installations into compliance with these requirements prior to Close of Escrow.
- G. **SMOKE DETECTORS.** Applicable State and local law requires that every residential property be properly equipped with approved and functioning smoke and/or heat detectors. If such detectors are not installed on the Property in accordance with applicable law, Seller shall install and pay for the detectors prior to Close of Escrow. If the Property is a single-family dwelling, Seller shall deliver to Buyer a written statement of compliance with applicable law before Close of Escrow.
17. **REAL ESTATE TRANSFER DISCLOSURE STATEMENT.**
- A. **ONE TO FOUR DWELLING UNITS.** If the Property contains one (1) to four (4) dwelling units and a Real Estate Transfer Disclosure Statement (TDS) is required by law, Seller shall complete and deliver to Buyer, within three (3) or _____ days after Acceptance, a TDS in compliance with the provisions of California Civil Code §1102 et seq., unless Seller has already done so.
- B. **SUPPLEMENT TO TDS.** If a TDS is required by law, Seller shall complete and deliver to Buyer, within three (3) or _____ days after Acceptance, a Supplement to the TDS (SFAR Form XST), unless Seller has already done so.
18. **MEGAN'S LAW.** Notice: Pursuant to Section 290.46 of the Penal Code, information about specified registered sex offenders is made available to the public via an Internet web site maintained by the Department of Justice at www.meganslaw.ca.gov. Depending on an offender's criminal history, this information will include either the address at which the offender resides or the community of residence and ZIP Code in which he or she resides.
19. **CONDITION OF PROPERTY.** Seller represents to Buyer and Broker(s) that Seller has no knowledge or notice that the Property has any material defects other than as disclosed by Seller in the TDS or other writing before Acceptance or as soon thereafter as practicable. Seller shall maintain the Property in the same general condition as when this Contract was signed by Buyer and Seller until possession is delivered to Buyer. Seller shall deliver the Property free of debris and in broom-clean condition and provide Buyer, at possession, with existing keys to all property locks, mail boxes, gates, alarms and garage doors, and garage door remote controls, if any. Buyer and Seller agree that Broker(s) shall not be responsible for Seller's performance under this paragraph.
20. **WALK-THROUGH INSPECTION.** Buyer shall have the right to make a final inspection of the Property no later than five (5) or _____ days prior to Close of Escrow, not as a condition of the sale but solely to confirm that: (a) the Property is in substantially the same condition as on the date of Acceptance, unless otherwise agreed to in writing; and (b) Seller has complied with all additional written obligations regarding the condition of the Property.
21. **HOME WARRANTY PLANS.** Buyer and Seller acknowledge that they are aware of the availability of home warranty plans which provide limited coverage against system and appliance failures, but have not relied upon any representation by Broker(s) regarding the extent of coverage of any such plan. ☐ (If checked) A one-year home warranty plan shall be purchased at a cost not to exceed \$ _____, to be paid by _____. The cost of any additional coverage shall be borne by Buyer.
22. **RISK OF LOSS.** All risk of loss to the Property shall be borne by Seller until title has been conveyed to Buyer. If improvements on the Property are destroyed or materially damaged in an amount exceeding five percent (5%) of the Purchase Price prior to transfer of title, Buyer shall have the right to terminate this Contract. All damage totaling less than five percent (5%) of the Purchase Price shall be paid by Seller.
23. **AGENCY RELATIONSHIPS CONFIRMATION.** The following agency relationships are hereby confirmed for this transaction:
- | | |
|---|---|
| Listing Agent (_____) | Selling Agent (_____) |
| is the agent of | (if not the same as Listing Agent) is the agent of |
| <input type="checkbox"/> the Seller exclusively; or | <input type="checkbox"/> the Buyer exclusively; or |
| <input type="checkbox"/> both the Buyer and Seller. | <input type="checkbox"/> the Seller exclusively; or |
| | <input type="checkbox"/> both the Buyer and Seller. |
24. **BROKERS.** Neither Broker(s) nor Real Estate Agent(s) are parties to this Contract between Buyer and Seller. The term Real Estate Agent as used in this Contract shall mean the licensed individual(s) who have personally served as agent(s) for either the Buyer or the Seller in the preparation, negotiation and review of this Contract.
25. **TIME.** Time is of the essence. All references in this Contract to "days" shall mean calendar days.
26. **TAX WITHHOLDING.** If Seller is a foreign person, as defined in the Foreign Investment in Real Property Tax Act (FIRPTA), Buyer must, unless an exemption applies, withhold from Seller's proceeds ten percent (10%) of the gross sale price of the Property. Also, the California Revenue and Taxation Code requires Buyer to withhold from Seller's proceeds three and one-third percent (3 1/3%) of the gross sale price, unless Seller signs an affidavit stating that the Property has been Seller's principal residence as defined in IRC §121, or another exemption applies. Prior to Close of Escrow, Seller and Buyer shall deliver to Escrow Agent all documentation reasonably necessary to carry out the provisions of these laws. Buyer is authorized to deduct from Seller's proceeds any amounts required thereunder.

Buyer's Initials Seller's Initials

_____/_____/_____



27. **MEDIATION OF DISPUTES.** If a dispute arises regarding this Contract, Buyer and Seller agree to first attempt in good faith to settle the dispute by non-binding mediation before resorting to court action or binding arbitration. In mediation, a mutually acceptable resolution is sought rather than a settlement being imposed on the parties. Mediation fees shall be paid equally by Buyer and Seller. If the parties cannot agree on a mediator, JAMS (Judicial Arbitration and Mediation Services) shall be used. This paragraph shall not apply to any disputes within the jurisdictional limits of Small Claims Court. Any party who refuses to mediate as required by this paragraph shall not be entitled to any attorney's fees award under this Contract. A court action to obtain a provisional remedy shall not be a violation of this paragraph provided the party commencing the action agrees, pending mediation, to an immediate stay of the court action after obtaining the provisional remedy. This paragraph shall apply regardless of whether the parties also agree to arbitration.

28. **ARBITRATION OF DISPUTES.** Any dispute or claim in law or equity arising out of this Contract or any resulting transaction shall be decided by neutral binding arbitration in accordance with the rules of the AAA or JAMS (determined by the first filing party) and not by court action, except as provided by California law for judicial review of arbitration proceedings. The parties shall have the right to discovery in accordance with Code of Civil Procedure §1283.05. Arbitrators can award compensatory damages, punitive damages, and/or order specific performance, injunctive relief and declaratory relief. Judgment upon the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof. The following matters are excluded from arbitration hereunder: (a) a judicial or non-judicial foreclosure or other action or proceeding to enforce a deed of trust, mortgage, or real property sales contract as defined in Civil Code §2985; (b) an unlawful detainer action; (c) the filing or enforcement of a mechanic's lien; (d) any matter which is within the jurisdiction of a probate court or a Small Claims Court; or (e) an action for bodily injury or wrongful death. The filing of a judicial action to enable the recording of a notice of pending action, for order of attachment, receivership, injunction, or other provisional remedies, shall not constitute a waiver of the right to arbitrate under this provision.

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

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

Buyer's Initials Seller's Initials (BOTH Buyer's and Seller's initials are required for Arbitration of Disputes to be in effect.)

_____/_____/_____/_____

Buyer and Seller acknowledge that they have not received or relied upon any representation by Broker(s) regarding this paragraph and that they have been advised by Broker(s) to seek legal advice regarding arbitration.

29. **LIQUIDATED DAMAGES.** If Buyer fails to complete this purchase because of Buyer's default, Seller shall retain, as liquidated damages, the deposit actually paid. If the Property is a dwelling with no more than four units, one of which Buyer intends to occupy, then the amount retained shall be no more than 3% of the Purchase Price. Any excess shall be returned to Buyer. Release of funds will require mutual, signed release instructions from both Buyer and Seller, judicial decision or arbitration award. BUYER AND SELLER SHALL SIGN A SEPARATE LIQUIDATED DAMAGES PROVISION FOR ANY INCREASED DEPOSIT (e.g., CAR Form RID).

Buyer's Initials Seller's Initials (BOTH Buyer's and Seller's initials are required for Liquidated Damages to be in effect.)

_____/_____/_____/_____

30. **SELLER TERMINATION.** Termination of this Contract by Seller as provided for herein shall be effected only by delivery of a written notice of termination to Buyer which provides at least a 24-hour period to perform contractual term(s) or remove condition(s). In the event that Buyer does not perform as noticed, this Contract shall be of no further force or effect, and all funds, documents and instructions held by Seller, Buyer, Broker(s) or Escrow Agent shall be promptly returned to the person who delivered the same to the holder, unless otherwise expressly provided for herein. Any escrow or title company charges and fees shall be borne by Buyer.

31. **NON-CONFIDENTIALITY OF OFFERS.** Buyer is advised of the possibility that Seller or Seller's representatives may not treat the existence, terms or conditions of offers as confidential unless such is required by law, regulation or an agreement between the parties.

32. **NOTICE AND DELIVERY.** All notices to be delivered by a party under this Contract, including but not limited to the Acceptance and/or any termination notice issued by Buyer or Seller, shall be in writing and effective only upon personal receipt by the other party or that party's Real Estate Agent. Delivery by any method (personal, mail, fax, etc.) other than e-mail is effective.

Buyer's Initials Seller's Initials

_____/_____/_____/_____

Property: _____ Date: _____

33. **ACCEPTANCE.** Under this Contract, Acceptance occurs only when Seller signs Buyer's original offer without any changes and a signed copy of the offer is delivered to Buyer or Buyer's Real Estate Agent, OR when the last of any counter offers has been signed by the receiving party without any changes and a signed copy of that counter offer is delivered to the issuing party.
34. **ATTORNEYS' FEES.** In any action, proceeding or arbitration between Buyer and Seller arising out of this Contract, the prevailing party shall be entitled to reasonable attorney fees and costs from the non-prevailing party.
35. **GENERAL PROVISIONS.** This Contract contains the entire agreement of the parties. Any purported or prior agreement or representation respecting the Property or the duties of Buyer and Seller in relation thereto which is not expressly set forth herein is null and void. No amendment to or modification of this Contract shall be valid or enforceable unless in writing and signed by Buyer and Seller. This Contract shall be binding upon, and inure to the benefit of, the parties' respective heirs, successors and assigns.
36. **MULTIPLE LISTING SERVICE.** The parties grant to the San Francisco Association of REALTORS® Multiple Listing Service (MLS) the right to publish and disseminate the sales price, terms of this Contract and any other information about the Property and authorize their respective Real Estate Agent(s) to submit such information under the applicable MLS Rules.
37. **ACKNOWLEDGMENT OF RECEIPT.** The parties hereby acknowledge receipt of a copy of this Contract and represent that they have read, and that they understand, its provisions.
38. **ADDITIONAL TERMS AND CONDITIONS** including all attached Addenda signed by Buyer and Seller shall be deemed a part of this Contract. _____

39. **EXPIRATION.** This offer shall be deemed revoked unless a copy of this Contract with Seller's signature accepting it is delivered to Buyer or Buyer's Real Estate Agent within twenty-four (24) or _____ hours of presentation to Seller, or ☐ (if checked) not later than _____ a.m. ☐ p.m. on _____ (date).
NO REPRESENTATION IS MADE AS TO THE LEGAL SUFFICIENCY OR VALIDITY OF ANY PROVISION OF THIS CONTRACT FOR ANY SPECIFIC TRANSACTION. A REAL ESTATE BROKER OR AGENT CAN ADVISE ON REAL ESTATE TRANSACTIONS ONLY. FOR LEGAL OR TAX ADVICE, CONSULT A QUALIFIED ATTORNEY OR CPA.

Buyer _____ Date _____ Buyer _____ Date _____

ACCEPTANCE

The undersigned Seller hereby accepts the foregoing offer and agrees to sell the Property on the terms and conditions set forth herein, or ☐ (if checked) accepts on the above terms and conditions as amended by the counteroffer dated _____.

Seller agrees to pay to Listing Broker the amount specified in a separate written listing agreement, or ☐ (if checked) _____ and from this amount Seller acknowledges and agrees that Listing Broker will assign to Selling Broker the amount specified in the MLS, or ☐ (if checked) _____. Percentages shown shall be based upon the Purchase Price, unless otherwise specified. Compensation to Brokers shall be due and payable (a) upon recordation of the deed or other evidence of title transfer, or (b) if completion of the sale is prevented by default of Seller, upon Seller's default, or (c) if completion of the sale is prevented by default of Buyer, only if and when Seller collects damages from Buyer, by suit or otherwise, and then in an amount equal to one-half of the damages recovered, not to exceed the above compensation after deducting title and escrow expenses and any expenses of collection. Seller hereby irrevocably assigns to Brokers the compensation from Seller's proceeds and irrevocably instructs escrow holder to disburse those funds to Brokers at Close of Escrow. Instructions to escrow regarding compensation can be amended only with the consent of the Brokers. In any action, proceeding, or arbitration relating to the payment of compensation, the prevailing party shall be entitled to reasonable attorney's fees and costs. The undersigned Seller has read and acknowledges receipt of a copy of this Contract, and authorizes Brokers to deliver a signed copy to Buyer.

Seller _____ Date _____ Seller _____ Date _____

AGREEMENT AS TO COMPENSATION AND ACKNOWLEDGMENT OF AGENCY RELATIONSHIPS. Broker(s) hereby agree to the terms and conditions for compensation stated above and acknowledge the agency relationships confirmed in paragraph 23.

Listing Broker _____ Selling Broker _____

Real Estate Agent for Seller _____ Date _____ Real Estate Agent for Buyer _____ Date _____

Reviewed by Managing Broker _____ Date _____



DISCLOSURE REGARDING REAL ESTATE AGENCY RELATIONSHIPS

(As required by the Civil Code)
(C.A.R. Form AD, Revised 4/06)

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

SELLER'S AGENT

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

To the Seller:

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

To the Buyer and the Seller:

- (a) Diligent exercise of reasonable skill and care in performance of the agent's duties.
- (b) A duty of honest and fair dealing and good faith.
- (c) A duty to disclose all facts known to the agent materially affecting the value or desirability of the property that are not known to, or within the diligent attention and observation of, the parties.

An agent is not obligated to reveal to either party any confidential information obtained from the other party that does not involve the affirmative duties set forth above.

BUYER'S AGENT

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

To the Buyer:

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

To the Buyer and the Seller:

- (a) Diligent exercise of reasonable skill and care in performance of the agent's duties.
- (b) A duty of honest and fair dealing and good faith.
- (c) A duty to disclose all facts known to the agent materially affecting the value or desirability of the property that are not known to, or within the diligent attention and observation of, the parties.

An agent is not obligated to reveal to either party any confidential information obtained from the other party that does not involve the affirmative duties set forth above.

AGENT REPRESENTING BOTH SELLER AND BUYER

A real estate agent, either acting directly or through one or more associate licensees, can legally be the agent of both the Seller and the Buyer in a transaction, but only with the knowledge and consent of both the Seller and the Buyer.

In a dual agency situation, the agent has the following affirmative obligations to both the Seller and the Buyer:

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

In representing both Seller and Buyer, the agent may not, without the express permission of the respective party, disclose to the other party that the Seller will accept a price less than the listing price or that the Buyer will pay a price greater than the price offered.

The above duties of the agent in a real estate transaction do not relieve a Seller or Buyer from the responsibility to protect his or her own interests. You should carefully read all agreements to assure that they adequately express your understanding of the transaction. A real estate agent is a person qualified to advise about real estate. If legal or tax advice is desired, consult a competent professional.

Throughout your real property transaction you may receive more than one disclosure form, depending upon the number of agents assisting in the transaction. The law requires each agent with whom you have more than a casual relationship to present you with this disclosure form. You should read its contents each time it is presented to you, considering the relationship between you and the real estate agent in your specific transaction.

This disclosure form includes the provisions of Sections 2079.13 to 2079.24, inclusive, of the Civil Code set forth on page 2. Read it carefully.

I/WE ACKNOWLEDGE RECEIPT OF A COPY OF THIS DISCLOSURE AND THE PORTIONS OF THE CIVIL CODE PRINTED ON THE BACK (OR A SEPARATE PAGE).

☐ Buyer ☐ Seller ☐ Landlord ☐ Tenant _____ Date _____

☐ Buyer ☐ Seller ☐ Landlord ☐ Tenant _____ Date _____

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

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

THIS FORM SHALL BE PROVIDED AND ACKNOWLEDGED AS FOLLOWS (Civil Code §2079.14):

- When the listing brokerage company also represents Buyer, the Listing Agent shall have one AD form signed by Seller and one signed by Buyer.
- When Buyer and Seller are represented by different brokerage companies, the Listing Agent shall have one AD form signed by Seller and the Buyer's Agent shall have one AD form signed by Buyer and one AD form signed by Seller.

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Reviewed by _____ Date _____



AD REVISED 4/06 (PAGE 1 OF 2)

DISCLOSURE REGARDING REAL ESTATE AGENCY RELATIONSHIPS (AD PAGE 1 OF 2)

Agent: _____ Phone: (415) 759-8818 Fax: (415) 759-7988 Prepared using WINForms® software
Broker: K K & C Realty 950 Taraval Street, San Francisco CA 94116

CIVIL CODE SECTIONS 2079.13 THROUGH 2079.24 (2079.16 APPEARS ON THE FRONT)

2079.13 As used in Sections 2079.14 to 2079.24, inclusive, the following terms have the following meanings:

(a) "Agent" means a person acting under provisions of title 9 (commencing with Section 2295) in a real property transaction, and includes a person who is licensed as a real estate broker under Chapter 3 (commencing with Section 10130) of Part 1 of Division 4 of the Business and Professions Code, and under whose license a listing is executed or an offer to purchase is obtained. (b) "Associate licensee" means a person who is licensed as a real estate broker or salesperson under Chapter 3 (commencing with Section 10130) of Part 1 of Division 4 of the Business and Professions Code and who is either licensed under a broker or has entered into a written contract with a broker to act as the broker's agent in connection with acts requiring a real estate license and to function under the broker's supervision in the capacity of an associate licensee. The agent in the real property transaction bears responsibility for his or her associate licensees who perform as agents of the agent. When an associate licensee owes a duty to any principal, or to any buyer or seller who is not a principal, in a real property transaction, that duty is equivalent to the duty owed to that party by the broker for whom the associate licensee functions. (c) "Buyer" means a transferee in a real property transaction, and includes a person who executes an offer to purchase real property from a seller through an agent, or who seeks the services of an agent in more than a casual, transitory, or preliminary manner, with the object of entering into a real property transaction. "Buyer" includes vendee or lessee. (d) "Dual agent" means an agent acting, either directly or through an associate licensee, as agent for both the seller and the buyer in a real property transaction. (e) "Listing agreement" means a contract between an owner of real property and an agent, by which the agent has been authorized to sell the real property or to find or obtain a buyer. (f) "Listing agent" means a person who has obtained a listing of real property to act as an agent for compensation. (g) "Listing price" is the amount expressed in dollars specified in the listing for which the seller is willing to sell the real property through the listing agent. (h) "Offering price" is the amount expressed in dollars specified in an offer to purchase for which the buyer is willing to buy the real property. (i) "Offer to purchase" means a written contract executed by a buyer acting through a selling agent which becomes the contract for the sale of the real property upon acceptance by the seller. (j) "Real property" means any estate specified by subdivision (1) or (2) of Section 761 in property which constitutes or is improved with one to four dwelling units, any leasehold in this type of property exceeding one year's duration, and mobile homes, when offered for sale or sold through an agent pursuant to the authority contained in Section 10131.6 of the Business and Professions Code. (k) "Real property transaction" means a transaction for the sale of real property in which an agent is employed by one or more of the principals to act in that transaction, and includes a listing or an offer to purchase. (l) "Sell," "sale," or "sold" refers to a transaction for the transfer of real property from the seller to the buyer, and includes exchanges of real property between the seller and buyer, transactions for the creation of a real property sales contract within the meaning of Section 2985, and transactions for the creation of a leasehold exceeding one year's duration. (m) "Seller" means the transferor in a real property transaction, and includes an owner who lists real property with an agent, whether or not a transfer results, or who receives an offer to purchase real property of which he or she is the owner from an agent on behalf of another. "Seller" includes both a vendor and a lessor. (n) "Selling agent" means a listing agent who acts alone, or an agent who acts in cooperation with a listing agent, and who sells or finds and obtains a buyer for the real property, or an agent who locates property for a buyer or who finds a buyer for a property for which no listing exists and presents an offer to purchase to the seller. (o) "Subagent" means a person to whom an agent delegates agency powers as provided in Article 5 (commencing with Section 2349) of Chapter 1 of Title 9. However, "subagent" does not include an associate licensee who is acting under the supervision of an agent in a real property transaction.

2079.14 Listing agents and selling agents shall provide the seller and buyer in a real property transaction with a copy of the disclosure form specified in Section 2079.16, and, except as provided in subdivision (c), shall obtain a signed acknowledgement of receipt from that seller or buyer, except as provided in this section or Section 2079.15, as follows: (a) The listing agent, if any, shall provide the disclosure form to the seller prior to entering into the listing agreement. (b) The selling agent shall provide the disclosure form to the seller as soon as practicable prior to presenting the seller with an offer to purchase, unless the selling agent previously provided the seller with a copy of the disclosure form pursuant to subdivision (a). (c) Where the selling agent does not deal on a face-to-face basis with the seller, the disclosure form prepared by the selling agent may be furnished to the seller (and acknowledgement of receipt obtained for the selling agent from the seller) by the listing agent, or the selling agent may deliver the disclosure form by certified mail addressed to the seller at his or her last known address, in which case no signed acknowledgement of receipt is required. (d) The selling agent shall provide the disclosure form to the buyer as soon as practicable prior to execution of the buyer's offer to purchase, except that if the offer to purchase is not prepared by the selling agent, the selling agent shall present the disclosure form to the buyer not later than the next business day after the selling agent receives the offer to purchase from the buyer.

2079.15 In any circumstance in which the seller or buyer refuses to sign an acknowledgement of receipt pursuant to Section 2079.14, the agent, or an associate licensee acting for an agent, shall set forth, sign, and date a written declaration of the facts of the refusal.

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

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

is the agent of (check one): ☐ the seller exclusively; or ☐ both the buyer and seller.

(Name of Listing Agent)

is the agent of (check one): ☐ the buyer exclusively; or ☐ the seller exclusively; or ☐ both the buyer and seller.

(Name of Selling Agent if not the same as the Listing Agent)

(d) The disclosures and confirmation required by this section shall be in addition to the disclosure required by Section 2079.14.

2079.18 No selling agent in a real property transaction may act as an agent for the buyer only, when the selling agent is also acting as the listing agent in the transaction.

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

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

2079.21 A dual agent shall not disclose to the buyer that the seller is willing to sell the property at a price less than the listing price, without the express written consent of the seller. A dual agent shall not disclose to the seller that the buyer is willing to pay a price greater than the offering price, without the express written consent of the buyer. This section does not alter in any way the duty or responsibility of a dual agent to any principal with respect to confidential information other than price.

2079.22 Nothing in this article precludes a listing agent from also being a selling agent, and the combination of these functions in one agent does not, of itself, make that agent a dual agent.

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

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

Seller's/Landlord Initials (_____) (_____)

Buyer's/Tenant's Initials (_____) (_____)

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AD REVISED 4/06 (PAGE 2 OF 2)

Reviewed by _____ Date _____



DISCLOSURE REGARDING REAL ESTATE AGENCY RELATIONSHIPS (AD PAGE 2 OF 2)

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ADDENDUM TO THE STATEWIDE BUYER AND SELLER ADVISORY

Real Estate Brokers can only advise in real estate. Real Estate Brokers do not have the expertise in areas and conditions that are set out in the Statewide Buyer and Sellers Advisory and any additional Addenda which may be attached to the advisory.

Upon receiving, reviewing, reading and understanding the Statewide Buyer and Seller Advisory and the Addenda attached thereto, as well as the Transfer Disclosure Statement, The Buyer(s) have elected to have the following inspections performed on the subject property, as evidenced by Buyer(s) initials:

Physical Home Inspection () ()	Soil and Geologic Conditions () ()	Environmental Hazards () ()
Septic Systems () ()	Well and Water Systems () ()	Roof Inspection () ()
Boundary Lines/Lot Size () ()	Basements/Encroachments () ()	Pool and/or Spa () ()
Permits, Zoning & Code Compliance () ()	Water Shortages and Conservations () ()	

Concerning the "Local Addenda" contained in Paragraph 37 of the Statewide Buyer and Seller Advisory, Buyer(s) agrees that he/they will conduct their own independent investigation of the items disclosed and contained in such Local Addenda. () ()

WAIVER OF INSPECTIONS: In the event Buyer(s) elects to purchase the subject property without any or some of the professional inspections stated above, Buyer(s) is acting against the advice and recommendations of the Listing and Selling Brokers.

With respect to such inspections and/or inspection reports not obtained by Buyer(s), Buyer(s) agrees that Buyer(s) will conduct his/their own independent investigation of the subject property and basis his/their decision to purchase the subject property on his/their own independent investigation.

NO VERIFICATION OF INFORMATION BY BROKERS: Brokers hereby inform Buyer(s) that Brokers have not and will not verify any information provided by Seller or any other source.

BUYER(S) HEREBY ACKNOWLEDGE A COPY OF THIS ADDENDUM

Name: _____

Signature: _____ Date: _____

ADDENDUM

(C.A.R. Form ADM, Revised 10/01)

No. _____

The following terms and conditions are hereby incorporated in and made a part of the: ☐ Residential Purchase Agreement, ☐ Manufactured Home Purchase Agreement, ☐ Business Purchase Agreement, ☐ Residential Lease or Month-to-Month Rental Agreement, ☐ Vacant Land Purchase Agreement, ☐ Residential Income Property Purchase Agreement, ☐ Commercial Property Purchase Agreement, ☐ other _____

dated _____, on property known as _____

in which _____ is referred to as ("Buyer/Tenant")
and _____ is referred to as ("Seller/Landlord").

The foregoing terms and conditions are hereby agreed to, and the undersigned acknowledge receipt of a copy of this document.

Date _____ Date _____

Buyer/Tenant _____ Seller/Landlord _____

Buyer/Tenant _____ Seller/Landlord _____

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 525 South Virgil Avenue, Los Angeles, California 90020

Reviewed by _____
 Broker or Designee _____ Date _____



ADM-11 REVISED 10/01 (PAGE 1 OF 1)

ADDENDUM (ADM-11 PAGE 1 OF 1)

K K. & C Realty 950 Taraval Street, San Francisco CA 94116
Phone: (415) 759-8818 Fax: (415) 759-7988

 $\dots x_{fx}$



CALIFORNIA
ASSOCIATION
OF REALTORS®

COUNTER OFFER No. _____

For use by Seller or Buyer. May be used for Multiple Counter Offer.
(C.A.R. Form CO, Revised 10/04)

Date _____, at _____, California.
This is a counter offer to the: ☐ California Residential Purchase Agreement, ☐ Counter Offer, or ☐ Other _____ ("Offer"),
dated _____, on property known as _____ ("Property"),
between _____ ("Buyer") and _____ ("Seller").

1. **TERMS:** The terms and conditions of the above referenced document are accepted subject to the following:
- A. Paragraphs in the Offer that require initials by all parties, but are not initialed by all parties, are excluded from the final agreement unless specifically referenced for inclusion in paragraph 1C of this or another Counter Offer.
 - B. Unless otherwise agreed in writing, down payment and loan amount(s) will be adjusted in the same proportion as in the original Offer.
 - C. _____

D. The following attached supplements are incorporated into this Counter Offer: ☐ Addendum No. _____
☐ _____ ☐ _____

2. **RIGHT TO ACCEPT OTHER OFFERS:** Seller has the right to continue to offer the Property for sale or for other transaction, and to accept any other offer at any time prior to notification of acceptance, as described in paragraph 3. If this is a Seller Counter Offer, Seller's acceptance of another offer prior to Buyer's acceptance and communication of notification of this Counter Offer, shall revoke this Counter Offer.
3. **EXPIRATION:** This Counter Offer shall be deemed revoked and the deposits, if any, shall be returned unless this Counter Offer is signed by the Buyer or Seller to whom it is sent and a Copy of the signed Counter Offer is personally received by the person making this Counter Offer or

who is authorized to receive it, by 5:00 PM on the third Day After this Counter Offer is made or, (if checked) by ☐ _____ (date), at _____ ☐ AM ☐ PM. This Counter Offer may be executed in counterparts.

4. ☐ (If checked:) **MULTIPLE COUNTER OFFER:** Seller is making a Counter Offer(s) to another prospective buyer(s) on terms that may or may not be the same as in this Counter Offer. Acceptance of this Counter Offer by Buyer shall **not** be binding unless and until it is subsequently re-Signed by Seller in paragraph 7 below and a Copy of the Counter Offer Signed in paragraph 7 is personally received by Buyer or by _____, who is authorized to receive it, by 5:00PM on the third Day after this Counter Offer is made or, (if checked) by ☐ _____ (date), at _____ ☐ AM ☐ PM. Prior to the completion of all of these events, Buyer and Seller shall have no duties or obligations for the purchase or sale of the Property.

5. **OFFER:** ☐ BUYER OR ☐ SELLER MAKES THIS COUNTER OFFER ON THE TERMS ABOVE AND ACKNOWLEDGES RECEIPT OF A COPY.

Date _____

Date _____

6. **ACCEPTANCE:** I/WE accept the above Counter Offer (If checked ☐ SUBJECT TO THE ATTACHED COUNTER OFFER) and acknowledge receipt of a Copy.

Date _____ Time _____ ☐ AM ☐ PM

Date _____ Time _____ ☐ AM ☐ PM

7. **MULTIPLE COUNTER OFFER SIGNATURE LINE:** By signing below, Seller accepts this Multiple Counter Offer.
NOTE TO SELLER: Do NOT sign in this box until after Buyer signs in paragraph 6. (Paragraph 7 applies only if paragraph 4 is checked.)

Date _____ Time _____ ☐ AM ☐ PM

Date _____ Time _____ ☐ AM ☐ PM

8. (_____/_____) (Initials) **Confirmation of Acceptance:** A Copy of Signed Acceptance was personally received by the maker of the Counter Offer, or that person's authorized agent as specified in paragraph 3 (or, if this is a Multiple Counter Offer, the Buyer or Buyer's authorized agent as specified in paragraph 4) on (date) _____, at _____ ☐ AM ☐ PM. A binding Agreement is created when a Copy of Signed Acceptance is personally received by the the maker of the Counter Offer, or that person's authorized agent (or, if this is a Multiple Counter Offer, the Buyer or Buyer's authorized agent) whether or not confirmed in this document. Completion of this confirmation is not legally required in order to create a binding Agreement; it is solely intended to evidence the date that Confirmation of Acceptance has occurred.

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Reviewed by _____ Date _____



CO REVISED 10/04 (PAGE 1 OF 1)

COUNTER OFFER (CO PAGE 1 OF 1)

Agent: _____ Phone: (415) 759-8818 Fax: (415) 759-7988 Prepared using WINForms® software
Broker: K K & C Realty 950 Taraval Street, San Francisco CA 94116

MOLD DISCLOSURE

There has been a great deal of publicity regarding the existence of toxic and non-toxic mold in homes, apartments and commercial buildings. Current information indicates that some types of mold may cause severe health problems for certain individuals, but not everyone.

Not all molds are detectable as part of a visual inspection by Realtor or even a professional whole house inspector. It is also possible that the property could have a hidden mold problem that the seller is not aware of.

The only way to provide any reasonable assurance that the property could have a mold or other health hazard problem is to retain the services of an environmental expert who will conduct specific test. Normally, these tests will consist of an interior and exterior examination for airborne spores and a carpet test but the other procedures may be necessary. Any visible mold should be professionally evaluated.

Broker advises that every buyer should consider having a specific mold test performed by an environmental professional as either a separate investigation or an add-on to his or her whole house inspections. This is especially necessary if the buyer has a known problem with mold and/or if any of the inspection reports or disclosure documents indicates that there is evidence of past or present moisture, standing water or water intrusion at the property since most molds thrive on moisture.

All inspections, including those to detect mold, should be completed within the inspection period established in the purchase contract. Any waiver of failure on the part of a buyer to complete and obtain all appropriate tests, including those for mold, is against the advice of the Broker.

Some insurance companies have stopped writing homeowner's insurance policies in California as well as in other states as a result of the increase in mold claims. Many insurance companies will not write a homeowner's policy on a home that has had any mold or water intrusion claims within the last five years. Obtaining homeowner's insurance may be difficult, if not more expensive, where either the seller or the buyer has made a mold and/or water intrusion claim within the last five years. Sellers should disclose to the buyers all prior claims made to their insurance carrier regarding the property within the last five years and need to detail all past or present water intrusion problems, even those that have been fixed. Buyers should assure themselves that homeowner's insurance could be obtained on the property prior to removing their inspection and/or insurance contingency.

Broker has not and cannot verify whether or not there is any health hazard at the property.

Property Address: _____

Buyer_____ Buyer_____ Date_____

Buyer_____ Buyer_____ Date_____

Seller_____ Seller_____ Date_____



CALIFORNIA
ASSOCIATION
OF REALTORS®

RECEIPT FOR INCREASED DEPOSIT/LIQUIDATED DAMAGES

(C.A.R. Form RID, 7/97)

This Receipt for Increased Deposit relates to the ☐ Residential Purchase Agreement, or ☐ _____
_____, ("Agreement"), dated _____
on property known as _____
("Property"), in which _____ is referred to as
Buyer and _____ is referred to as Seller.
By depositing the sum of _____
Dollars (\$ _____) by ☐ cash, ☐ cashier's check, ☐ personal check, or ☐ _____,
payable to _____, Buyer hereby increases the total deposit to
_____ Dollars (\$ _____)

Receipt for additional deposit is acknowledged on (Date) _____
Real Estate Broker _____ By _____

**THE FOLLOWING LIQUIDATED DAMAGES PROVISION IS HEREBY INCORPORATED IN AND MADE A PART OF
THE AGREEMENT.**

**If Buyer fails to complete this purchase because of Buyer's default, Seller shall retain, as liquidated damages, the
deposit actually paid. If the Property is a dwelling with no more than four units, one of which Buyer intends to
occupy, then the amount retained shall be no more than 3% of the purchase price. Any excess shall be returned to
Buyer. Release of funds will require mutual, Signed release instructions from both Buyer and Seller, judicial
decision or arbitration award.**

The undersigned have read and acknowledge receipt of a copy of this agreement.

Date _____

Date _____

BUYER _____

SELLER _____

BUYER _____

SELLER _____

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RID 7/97 (PAGE 1 OF 1)

RECEIPT FOR INCREASED DEPOSIT/LIQUIDATED DAMAGES (RID PAGE 1 OF 1) REVISED 7/97

Agent: .	Phone: (415) 759-8818	Fax: (415) 759-7988	Prepared using WINForms® software
Broker: K K & C Realty	950 Taraval Street, San Francisco CA 94116		



COMMISSION AGREEMENT

(C.A.R. Form CA, 10/00)

- 1. COMPENSATION: Notice:** The amount or rate of real estate commissions is not fixed by law. They are set by each broker individually and may be negotiable between the Seller/Buyer ("Principal") and Broker.

_____, ("Principal"),
agrees to pay to _____, ("Broker(s")),
as compensation for services, irrespective of agency relationships, the sum of either ☐ _____ percent of the transaction price, or

☐ _____
Dollars (\$ _____), for property situated in the City of _____, County of _____, California, described as _____.

Compensation is payable as follows: (a) On recordation of the deed or other evidence of title; or (b) If completion of the transaction is prevented by default of Principal, then upon such default; or (c) If completion of the transaction is prevented by a party to the transaction other than Principal, then only if and when Principal collects damages by suit, settlement, or otherwise, and then in an amount equal to the lesser of one-half of the damages recovered, or the above compensation, after first deducting title and escrow expenses and the expenses of collection, if any. Broker may cooperate with other brokers, and divide with other brokers such compensation in any manner acceptable to Broker. Principal hereby irrevocably assigns to Broker the above compensation from Principal's funds and proceeds in escrow.

- 2. ATTORNEY FEES:** In any action, proceeding, or arbitration between Principal and Broker(s) arising out of this Agreement, the prevailing party shall be entitled to reasonable attorney fees and costs.

3. DISPUTE RESOLUTION:

A. MEDIATION: Principal and Broker agree to mediate any dispute or claim arising between them out of this Agreement, or any resulting transaction, before resorting to arbitration or court action, subject to paragraph 3C below. Mediation fees, if any, shall be divided equally among the parties involved. If any party commences an action based on a dispute or claim to which this paragraph applies, without first attempting to resolve the matter through mediation, then that party shall not be entitled to recover attorney's fees, even if they would otherwise be available to that party in any such action. THIS MEDIATION PROVISION APPLIES WHETHER OR NOT THE ARBITRATION PROVISION IS INITIALED.

B. ARBITRATION OF DISPUTES: Principal and Broker agree that any dispute or claim in law or equity arising between them regarding the obligation to pay compensation under this Agreement, which is not settled through mediation, shall be decided by neutral, binding arbitration, subject to paragraph 3C below. The arbitrator shall be a retired judge or justice, or an attorney with at least five years of residential real estate law experience, unless the parties mutually agree to a different arbitrator, who shall render an award in accordance with substantive California Law. In all other respects, the arbitration shall be conducted in accordance with Part III, Title 9 of the California Code of Civil Procedure. Judgment upon the award of the arbitrator(s) may be entered in any court having jurisdiction. The parties shall have the right to discovery in accordance with Code of Civil Procedure §1283.05.

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

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

Principal's Initials _____ / _____ Broker's Initials _____ / _____

C. EXCLUSIONS FROM MEDIATION AND ARBITRATION: The following matters are excluded from Mediation and Arbitration hereunder: (a) A judicial or non-judicial foreclosure or other action or proceeding to enforce a deed of trust, mortgage, or installment land sale contract as defined in Civil Code §2985; (b) An unlawful detainer action; (c) The filing or enforcement of a mechanic's lien; (d) Any matter that is within the jurisdiction of a probate, small claims, or bankruptcy court; and (e) An action for bodily injury or wrongful death, or for latent or patent defects to which Code of Civil Procedure §337.1 or §337.15 applies. The filing of a court action to enable the recording of a notice of pending action, for order of attachment, receivership, injunction, or other provisional remedies, shall not constitute a violation of the mediation and arbitration provisions.

4. OTHER TERMS AND CONDITIONS: _____

Principal has read and acknowledges receipt of a copy of this Agreement.

Principal _____

Principal _____

(Print Name) _____

(Print Name) _____

Address _____

Address _____

Date _____ Phone/Fax/Email _____

Date _____ Phone/Fax/Email _____

Real Estate Broker agrees to the foregoing:

Broker _____ By _____ Date _____

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Reviewed by _____ Date _____





BUYER'S INSPECTION ADVISORY

(C.A.R. Form BIA-A, Revised 10/02)

Property Address: _____ ("Property").

A. IMPORTANCE OF PROPERTY INVESTIGATION: The physical condition of the land and improvements being purchased is not guaranteed by either Seller or Brokers. For this reason, you should conduct thorough investigations of the Property personally and with professionals who should provide written reports of their investigations. A general physical inspection typically does not cover all aspects of the Property nor items affecting the Property that are not physically located on the Property. If the professionals recommend further investigations, including a recommendation by a pest control operator to inspect inaccessible areas of the Property, you should contact qualified experts to conduct such additional investigations.

B. BUYER RIGHTS AND DUTIES: You have an affirmative duty to exercise reasonable care to protect yourself, including discovery of the legal, practical and technical implications of disclosed facts, and the investigation and verification of information and facts that you know or that are within your diligent attention and observation. The purchase agreement gives you the right to investigate the Property. If you exercise this right, and you should, you must do so in accordance with the terms of that agreement. This is the best way for you to protect yourself. It is extremely important for you to read all written reports provided by professionals and to discuss the results of inspections with the professional who conducted the inspection. You have the right to request that Seller make repairs, corrections or take other action based upon items discovered in your investigations or disclosed by Seller. If Seller is unwilling or unable to satisfy your requests, or you do not want to purchase the Property in its disclosed and discovered condition, you have the right to cancel the agreement if you act within specific time periods. If you do not cancel the agreement in a timely and proper manner, you may be in breach of contract.

C. SELLER RIGHTS AND DUTIES: Seller is required to disclose to you material facts known to him/her that affect the value or desirability of the Property. However, Seller may not be aware of some Property defects or conditions. Seller does not have an obligation to inspect the Property for your benefit nor is Seller obligated to repair, correct or otherwise cure known defects that are disclosed to you or previously unknown defects that are discovered by you or your inspectors during escrow. The purchase agreement obligates Seller to make the Property available to you for investigations.

D. BROKER OBLIGATIONS: Brokers do not have expertise in all areas and therefore cannot advise you on many items, such as soil stability, geologic or environmental conditions, hazardous or illegal controlled substances, structural conditions of the foundation or other improvements, or the condition of the roof, plumbing, heating, air conditioning, electrical, sewer, septic, waste disposal, or other system. The only way to accurately determine the condition of the Property is through an inspection by an appropriate professional selected by you. If Broker gives you referrals to such professionals, Broker does not guarantee their performance. You may select any professional of your choosing. In sales involving residential dwellings with no more than four units, Brokers have a duty to make a diligent visual inspection of the accessible areas of the Property and to disclose the results of that inspection. However, as some Property defects or conditions may not be discoverable from a visual inspection, it is possible Brokers are not aware of them. If you have entered into a written agreement with a Broker, the specific terms of that agreement will determine the nature and extent of that Broker's duty to you. **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.**

E. YOU ARE ADVISED TO CONDUCT INVESTIGATIONS OF THE ENTIRE PROPERTY, INCLUDING, BUT NOT LIMITED TO THE FOLLOWING:

- 1. GENERAL CONDITION OF THE PROPERTY, ITS SYSTEMS AND COMPONENTS:** Foundation, roof, plumbing, heating, air conditioning, electrical, mechanical, security, pool/spa, other structural and non-structural systems and components, fixtures, built-in appliances, any personal property included in the sale, and energy efficiency of the Property. (Structural engineers are best suited to determine possible design or construction defects, and whether improvements are structurally sound.)
- 2. SQUARE FOOTAGE, AGE, BOUNDARIES:** Square footage, room dimensions, lot size, age of improvements and boundaries. Any numerical statements regarding these items are APPROXIMATIONS ONLY and have not been verified by Seller and cannot be verified by Brokers. Fences, hedges, walls, retaining walls and other natural or constructed barriers or markers do not necessarily identify true Property boundaries. (Professionals such as appraisers, architects, surveyors and civil engineers are best suited to determine square footage, dimensions and boundaries of the Property.)
- 3. WOOD DESTROYING PESTS:** Presence of, or conditions likely to lead to the presence of wood destroying pests and organisms and other infestation or infection. Inspection reports covering these items can be separated into two sections: Section 1 identifies areas where infestation or infection is evident. Section 2 identifies areas where there are conditions likely to lead to infestation or infection. A registered structural pest control company is best suited to perform these inspections.
- 4. SOIL STABILITY:** Existence of fill or compacted soil, expansive or contracting soil, susceptibility to slippage, settling or movement, and the adequacy of drainage. (Geotechnical engineers are best suited to determine such conditions, causes and remedies.)

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BIA-A REVISED 10/02 (PAGE 1 OF 2)

Buyer's Initials (_____) (_____) (_____)

Seller's Initials (_____) (_____) (_____)

Reviewed by _____ Date _____



BUYER'S INSPECTION ADVISORY (BIA-A PAGE 1 OF 2)

Agent: _____	Phone: (415) 759-8818	Fax: (415) 759-7988	Prepared using WINForms® software
Broker: K K & C Realty	950 Taraval Street, San Francisco CA 94116		

5. **ROOF:** Present condition, age, leaks, and remaining useful life. (Roofing contractors are best suited to determine these conditions.)
6. **POOL/SPA:** Cracks, leaks or operational problems. (Pool contractors are best suited to determine these conditions.)
7. **WASTE DISPOSAL:** Type, size, adequacy, capacity and condition of sewer and septic systems and components, connection to sewer, and applicable fees.
8. **WATER AND UTILITIES; WELL SYSTEMS AND COMPONENTS:** Water and utility availability, use restrictions and costs. Water quality, adequacy, condition, and performance of well systems and components.
9. **ENVIRONMENTAL HAZARDS:** Potential environmental hazards, including, but not limited to, asbestos, lead-based paint and other lead contamination, radon, methane, other gases, fuel oil or chemical storage tanks, contaminated soil or water, hazardous waste, waste disposal sites, electromagnetic fields, nuclear sources, and other substances, materials, products, or conditions (including mold (airborne, toxic or otherwise), fungus or similar contaminants). (For more information on these items, you may consult an appropriate professional or read the booklets "Environmental Hazards: A Guide for Homeowners, Buyers, Landlords and Tenants," "Protect Your Family From Lead in Your Home" or both.)
10. **EARTHQUAKES AND FLOODING:** Susceptibility of the Property to earthquake/seismic hazards and propensity of the Property to flood. (A Geologist or Geotechnical Engineer is best suited to provide information on these conditions.)
11. **FIRE, HAZARD AND OTHER INSURANCE:** The availability and cost of necessary or desired insurance may vary. The location of the Property in a seismic, flood or fire hazard zone, and other conditions, such as the age of the Property and the claims history of the Property and Buyer, may affect the availability and need for certain types of insurance. Buyer should explore insurance options early as this information may affect other decisions, including the removal of loan and inspection contingencies. (An insurance agent is best suited to provide information on these conditions.)
12. **BUILDING PERMITS, ZONING AND GOVERNMENTAL REQUIREMENTS:** Permits, inspections, certificates, zoning, other governmental limitations, restrictions, and requirements affecting the current or future use of the Property, its development or size. (Such information is available from appropriate governmental agencies and private information providers. Brokers are not qualified to review or interpret any such information.)
13. **RENTAL PROPERTY RESTRICTIONS:** Some cities and counties impose restrictions that limit the amount of rent that can be charged, the maximum number of occupants; and the right of a landlord to terminate a tenancy. Deadbolt or other locks and security systems for doors and windows, including window bars, should be examined to determine whether they satisfy legal requirements. (Government agencies can provide information about these restrictions and other requirements.)
14. **SECURITY AND SAFETY:** State and local Law may require the installation of barriers, access alarms, self-latching mechanisms and/or other measures to decrease the risk to children and other persons of existing swimming pools and hot tubs, as well as various fire safety and other measures concerning other features of the Property. Compliance requirements differ from city to city and county to county. Unless specifically agreed, the Property may not be in compliance with these requirements. (Local government agencies can provide information about these restrictions and other requirements.)
15. **NEIGHBORHOOD, AREA, SUBDIVISION CONDITIONS; PERSONAL FACTORS:** Neighborhood or area conditions, including schools, proximity and adequacy of law enforcement, crime statistics, the proximity of registered felons or offenders, fire protection, other government services, availability, adequacy and cost of any speed-wired, wireless internet connections or other telecommunications or other technology services and installations, proximity to commercial, industrial or agricultural activities, existing and proposed transportation, construction and development that may affect noise, view, or traffic, airport noise, noise or odor from any source, wild and domestic animals, other nuisances, hazards, or circumstances, protected species, wetland properties, botanical diseases, historic or other governmentally protected sites or improvements, cemeteries, facilities and condition of common areas of common interest subdivisions, and possible lack of compliance with any governing documents or Homeowners' Association requirements, conditions and influences of significance to certain cultures and/or religions, and personal needs, requirements and preferences of Buyer.

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

By signing below, Buyer and Seller each acknowledge that they have read, understand, accept and have received a Copy of this Advisory. Buyer is encouraged to read it carefully.

Buyer Signature _____

Date _____

Buyer Signature _____

Date _____

Seller Signature _____

Date _____

Seller Signature _____

Date _____

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Reviewed by _____ Date _____





"AS-IS" ADDENDUM

SAN FRANCISCO ASSOCIATION OF REALTORS® STANDARD FORM

This form is intended for use primarily in San Francisco and the northern peninsula.

The following terms and conditions are hereby incorporated in and made a part of the ☐ Contract for the Sale and Purchase of Real Property, or ☐ Counter Offer No. _____, or ☐ other _____ dated _____

for the Property known as _____

between _____ (Buyer)

and _____ (Seller).

1. **Buyer is buying the Property in its present "AS-IS" condition.** Unless otherwise agreed in writing:
 - A. This Addendum supersedes any provision in the Contract requiring Seller to repair or make operable any appliance, component or system.
 - B. Seller is not relieved from compliance with any statutory obligations related to the sale of the Property, including without limitation, those regarding the Transfer Disclosure Statement (TDS).
 - C. Seller will not investigate public records for the Property (e.g., zoning, permits or code compliance).
 - D. Buyer has not relied and will not rely on any oral representations or warranties from Seller or Brokers with respect to the condition of the property. Buyer is relying upon Buyer's independent investigation of the Property.
 - E. Seller will not agree to any requests for credits or reductions in the Purchase Price regarding any matter that may be revealed by Buyer's independent investigation of the Property, or otherwise.
2. Buyer acknowledges Civil Code Section 2079.5, which provides that: **"Nothing in this article relieves a buyer or prospective buyer of the duty to exercise reasonable care to protect himself or herself, including those facts which are known to or within the diligent attention and observation of the buyer or prospective buyer."**
3. California law requires a Seller to disclose all material facts he or she actually knows relating to the value or desirability of the Property. However, what may be perceived as "material" may vary from person-to-person. Therefore, in executing this Contract, Buyer acknowledges that:
 - A. The Property and its components, appliances, fixtures, systems and materials have varying remaining useful lives.
 - B. Not all components, improvements or fixtures on the Property may comply with current code, zoning or setback requirements.
 - C. Square footage and lot dimensions, if given, are approximate only and should not be relied upon.
 - D. Lot lines cannot be reliably determined by existing fences, landscaping, retaining walls, or the like.
 - E. Neighborhood nuisance issues (including noise) can be subjective, depending on varying personal sensitivities.
 - F. Future or ongoing construction at surrounding properties can obstruct view corridors.
4. If any of the above items, or other factors affecting the Property, are important to Buyer, then Buyer is urged to conduct inspections utilizing appropriate professionals other than Brokers. No independent investigation of the above items will be conducted by Seller.
5. If provided for in the Contract, Buyer may have all inspections that Buyer desires with respect to the Property. In removing the inspection conditions in this Contract, it will be conclusively presumed that Buyer is fully satisfied with respect to the items which are the subject of that condition (e.g., physical condition of the Property). If Buyer does not have a particular inspection of the Property, or any portion of it, it will be conclusively presumed that Buyer has waived that inspection and waived any claims with respect to items that would have been disclosed by such an inspection, to the fullest extent allowed by law.

This addendum affects important legal rights. No representation is made as to the legal validity or sufficiency of any provision above for any particular transaction Buyer and Seller are each urged to engage qualified legal counsel if legal advice is desired regarding the above. A Real Estate Broker or Agent cannot advise on such matters.

Acknowledged and Agreed by:

Date _____

Date _____

Buyer _____

Seller _____

Buyer _____

Seller _____



CALIFORNIA
ASSOCIATION
OF REALTORS®

AGENT VISUAL INSPECTION DISCLOSURE (CALIFORNIA CIVIL CODE § 2079 ET SEQ.)

For use by an agent when a transfer disclosure statement is
required or when a seller is exempt from completing a TDS
(C.A.R. Form AVID, Revised 11/07)

This inspection disclosure concerns the residential property situated in the City of _____, County of _____, State of California, described as _____ ("Property").

California law requires, with limited exceptions, that a real estate broker or salesperson (collectively, "Agent") conduct a reasonably competent and diligent **visual** inspection of reasonably and normally accessible areas of certain properties offered for sale and then disclose to the prospective purchaser material facts affecting the value or desirability of that property that the inspection reveals. The duty applies regardless of whom that Agent represents. The duty applies to residential real properties containing one-to-four dwelling units, and manufactured homes (mobilehomes). The duty applies to a stand-alone detached dwelling (whether or not located in a subdivision or a planned development) or an attached dwelling such as a condominium. The duty also applies to a lease with an option to purchase, a ground lease or a real property sales contract of one of those properties.

California law does not require the Agent to inspect the following:

- Areas that are not reasonably and normally accessible
- Areas off site of the property
- Public records or permits
- Common areas of planned developments, condominiums, stock cooperatives and the like.

Agent Inspection Limitations: Because the Agent's duty is limited to conducting a reasonably competent and diligent visual inspection of reasonably and normally accessible areas of only the Property being offered for sale, there are several things that the Agent will not do. What follows is a non-exclusive list of examples of limitations on the scope of the Agent's duty.

Roof and Attic: Agent will not climb onto a roof or into an attic.

Interior: Agent will not move or look under or behind furniture, pictures, wall hangings or floor coverings. Agent will not look up chimneys or into cabinets, or open locked doors.

Exterior: Agent will not inspect beneath a house or other structure on the Property, climb up or down a hillside, move or look behind plants, bushes, shrubbery and other vegetation or fences, walls or other barriers.

Appliances and Systems: Agent will not operate appliances or systems (such as, but not limited to, electrical, plumbing, pool or spa, heating, cooling, septic, sprinkler, communication, entertainment, well or water) to determine their functionality.

Size of Property or Improvements: Agent will not measure square footage of lot or improvements, or identify or locate boundary lines, easements or encroachments.

Environmental Hazards: Agent will not determine if the Property has mold, asbestos, lead or lead-based paint, radon, formaldehyde or any other hazardous substance or analyze soil or geologic condition.

Off-Property Conditions: By statute, Agent is not obligated to pull permits or inspect public records. Agent will not guarantee views or zoning, identify proposed construction or development or changes or proximity to transportation, schools, or law enforcement.

Analysis of Agent Disclosures: For any items disclosed as a result of Agent's visual inspection, or by others, Agent will not provide an analysis of or determine the cause or source of the disclosed matter, nor determine the cost of any possible repair.

What this means to you: An Agent's inspection is not intended to take the place of any other type of inspection, nor is it a substitute for a full and complete disclosure by a seller. Regardless of what the Agent's inspection reveals, or what disclosures are made by sellers, California Law specifies that a buyer has a duty to exercise reasonable care to protect himself or herself. This duty encompasses facts which are known to or within the diligent attention and observation of the buyer. Therefore, in order to determine for themselves whether or not the Property meets their needs and intended uses, as well as the cost to remedy any disclosed or discovered defect, **BUYER SHOULD: (1) REVIEW ANY DISCLOSURES OBTAINED FROM SELLER; (2) OBTAIN ADVICE ABOUT, AND INSPECTIONS OF, THE PROPERTY FROM OTHER APPROPRIATE PROFESSIONALS; AND (3) REVIEW ANY FINDINGS OF THOSE PROFESSIONALS WITH THE PERSONS WHO PREPARED THEM. IF BUYER FAILS TO DO SO, BUYER IS ACTING AGAINST THE ADVICE OF BROKER.**

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AVID REVISED 11/07 (PAGE 1 OF 3)

Buyer's Initials (____)(____)

Seller's Initials (____)(____)

Reviewed by _____ Date _____



AGENT VISUAL INSPECTION DISCLOSURE (AVID PAGE 1 OF 3)

Agent: _____
Broker: K K & C Realty

Phone: (415) 759-8818
950 Taraval Street, San Francisco CA 94116

Fax: (415) 759-7988

Prepared using WINForms® software

Property Address: _____ Date: _____

Inspection Date/Time: _____ Weather conditions: _____

Other persons present: _____

THE UNDERSIGNED, BASED ON A REASONABLY COMPETENT AND DILIGENT VISUAL INSPECTION OF THE REASONABLY AND NORMALLY ACCESSIBLE AREAS OF THE PROPERTY, STATES THE FOLLOWING:

Entry (excluding common areas): _____

Living Room: _____

Dining Room: _____

Kitchen: _____

Other Room: _____

Hall/Stairs (excluding common areas): _____

Bedroom # ____ : _____

Bedroom # ____ : _____

Bedroom # ____ : _____

Bath # ____ : _____

Bath # ____ : _____

Bath # ____ : _____

Other Room: _____

Buyer's Initials (____)(____)

Seller's Initials (____)(____)

Reviewed by _____ Date _____



Property Address: _____ Date: _____

Other Room: _____

Other: _____

Other: _____

Other: _____

Garage/Parking (excluding common areas): _____

Exterior Building and Yard - Front/Sides/Back: _____

Other Observed or Known Conditions Not Specified Above: _____

This disclosure is based on a reasonably competent and diligent visual inspection of reasonably and normally accessible areas of the Property on the date specified above.

Real Estate Broker (Firm who performed the Inspection) _____

By _____ Date _____
(Signature of Associate Licensee or Broker)

Reminder: Not all defects are observable by a real estate licensee conducting an inspection. The inspection does not include testing of any system or component. Real Estate Licensees are not home inspectors or contractors. BUYER SHOULD OBTAIN ADVICE ABOUT AND INSPECTIONS OF THE PROPERTY FROM OTHER APPROPRIATE PROFESSIONALS. IF BUYER FAILS TO DO SO, BUYER IS ACTING AGAINST THE ADVICE OF BROKER.

I/we acknowledge that I/we have read, understand and received a copy of this disclosure.

Date _____ Date _____
SELLER _____ SELLER _____

Date _____ Date _____
BUYER _____ BUYER _____

Real Estate Broker (Firm Representing Seller) _____ Date _____

By _____
(Associate Licensee or Broker Signature)


Real Estate Broker (Firm Representing Buyer) _____ Date _____

By _____
(Associate Licensee or Broker Signature)

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Reviewed by _____ Date _____





REO ADVISORY
For Properties Being Sold by a Lender After Foreclosure
(C.A.R. Form REO, 4/08)

Property Address: _____ ("Property").

The Seller of the Property is a lender who has acquired title to the Property either by foreclosure or through a deed given in lieu of foreclosure. Many obligations imposed upon sellers, particularly sellers of real property containing one-to-four dwelling units, may not be applicable to the sale of the Property. However, even though Seller is exempt from many obligations, Seller must still comply with many others. Further, even though a Seller may be exempt from certain obligations, a real estate broker's obligations may still apply. This Advisory is intended to inform Buyer and Seller of their rights and obligations independent of those established by the contract between them.

EXEMPTIONS:

1. **TDS, NHD, Mello-Roos, Improvement Bond Act, Supplemental Property Taxes, Private Transfer Fee:** Seller is exempt from providing Buyer with the Real Estate Transfer Disclosure Statement (TDS), Natural Hazard Disclosure Statement (NHD), a Mello-Roos district lien disclosure, an Improvement Bond Act of 1915 notice, a Supplemental Property Tax notice, and a Notice of Private Transfer Fee pursuant to California Civil Code §§ 1102 et seq.
2. **Earthquake Guides:** Seller is exempt from providing either a Homeowner's or Commercial Property Owner's Guide to Earthquake Safety.

REQUIREMENTS:

1. **Disclosures:** Seller is not exempt from common law and statutory duties concerning fraud and deceit, even though the specific TDS Form is not required to be completed. Seller remains obligated to disclose known material facts affecting the value and desirability of the Property.
2. **Hazard Zones:** Seller is not exempt from applicable statutory obligations to disclose earthquake fault zones, seismic hazard zones, state fire responsibility areas, very high fire hazard severity zones, special flood hazard areas and flood hazard zones pursuant to the Public Resources Code, Government Code and United States Code, even though, pursuant to the Civil Code, the specific NHD Form is not required to be completed.
3. **Smoke Detectors:** The sale is not exempt from the State requirements that, for single family residences, operable smoke detectors be in place and that a written statement of compliance be provided to Buyer. It is negotiable between Buyer and Seller who is to pay for the cost of compliance.
4. **Water Heaters:** The sale is not exempt from the State requirement that water heaters be properly anchored, braced or strapped and that Seller provide a written statement of compliance to Buyer. It is negotiable between Buyer and Seller who is to pay for the cost of compliance.
5. **Lead-based Paint:** The Seller is not exempt from the federal obligation to: (i) disclose known lead-based paint and lead-based paint hazards; (ii) provide Buyer copies of reports or studies covering lead-based paint and hazards on the Property; (iii) provide Buyer with the pamphlet "Protect Your Family From Lead In Your Home;" and (iv) give Buyer a 10-day opportunity to inspect for lead-based paint and hazards, if the Property contains residential dwelling units and was constructed prior to 1978.

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Buyer's Initials (_____) (_____)

Seller's Initials (_____) (_____)

Reviewed by _____ Date _____



REO 4/08 (PAGE 1 OF 2)

REO ADVISORY (REO PAGE 1 OF 2)

Agent: .	Phone: (415) 759-8818	Fax: (415) 759-7988	Prepared using WINForms® software
Broker: K K & C Realty	950 Taraval Street, San Francisco CA 94116		

Property Address: _____ Date: _____

6. **Megan's Law Database Disclosure:** The sale is not exempt from the requirement that residential sales contracts contain the following notice regarding the availability of information about registered sex offenders: "Notice: Pursuant to Section 290.46 of the Penal Code, information about specified registered sex offenders is made available to the public via an Internet Web site maintained by the Department of Justice at www.meganslaw.ca.gov. Depending on an offender's criminal history, this information will include either the address at which the offender resides or the community of residence and ZIP Code in which he or she resides." (Neither Seller nor Brokers are required to check this website. If Buyer wants further information, Broker recommends that Buyer obtain information from this website during Buyer's inspection contingency period. Brokers do not have expertise in this area.)
7. **Tax Withholding:** The sale is not exempt from providing information pertaining to the withholding obligation under either the federal "FIRPTA" or the California withholding requirements upon the sale of real property. However, an REO Seller which is a corporation or limited liability company, formed within the United States, and either qualified with the Secretary of State to do business in California or with a permanent place of business in California, will be exempt from withholding under both Federal and California law.
8. **Brokers:**
- A. **Inspection:** The sale is not exempt from the Broker's obligation to conduct a reasonably competent and diligent visual inspection of the accessible areas of the Property and disclose to Buyer material facts revealed by such an inspection in the sale of residential property containing one-to-four dwelling units. Brokers may do so on C.A.R. Form AVID.
- B. **Agency:** The sale is not exempt from the obligation to provide agency relationship disclosure and confirmation forms in the sale of residential property containing one-to-four dwelling units.

OTHER CONSIDERATIONS:

1. **Local Law:** Local law may impose obligations on the transfer of real property (such as the installation of low flow toilets or shower heads, emergency gas shut-off valves or installation of smoke detectors). Local law should be consulted to determine if sales of Lender-owned property are exempt from such requirements.
2. **Amendments to Contract:** Lender-prepared addenda, amendments, or counter-offers to a Buyer and Seller Agreement, or a Lender-Prepared contract may conflict with, contradict or be inconsistent with terms in Buyer's offer. Brokers cannot advise Buyer or Seller: (i) which specific terms in any offer may be affected; (ii) whether the terms in any such lender-prepared documents are permissible under California Law; or, (iii) in the event of a discrepancy between the Lender-prepared documents and the Buyer-Seller Agreement, which document or which terms may supersede the other. Buyer is advised to seek legal counsel to discuss the applicability and interpretation of any lender-prepared documents prior to signing any such documents.

By signing below, the undersigned acknowledge that each has read, understands and has received a copy of this REO Advisory.

Buyer _____ Date _____

Buyer _____ Date _____

Seller _____ Date _____

Seller _____ Date _____

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SHORT SALE ADDENDUM
(C.A.R. Form SSA, 11/07)

This is an addendum to the ☐ California Residential Purchase Agreement, ☐ Counter Offer, ☐ Other _____
_____, ("Agreement"), dated _____,

on property known as _____
("Property"), between _____
("Buyer") and _____
("Seller").

A. SHORT SALE APPROVAL. This Agreement is contingent upon Seller's receipt of written consent from all existing secured lenders and lienholders ("Short-Sale Lenders"), no later than 5:00 P.M. on _____ (date) ("Short-Sale Contingency Date"), 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 and Repairs) without requiring Seller to place any funds into escrow. If Seller fails to give Buyer written notice of all existing Short-Sale Lenders' consent by the Short-Sale Contingency Date, either Seller or Buyer may cancel the Agreement in writing, and Buyer shall be entitled to a return of any deposit. Seller shall reasonably cooperate with existing Short-Sale lenders in the short-sale process.

B. TIME PERIODS: BUYER'S DEPOSIT CHECK

1. Time periods in the Agreement for inspections, contingencies, covenants, and other obligations: (i) shall begin as specified in the Agreement; or (ii) (if checked) ☐ shall begin the Day After Seller delivers to Buyer written notice of Short-Sale Lenders' consent.
2. Buyer's deposit check shall be: (i) immediately handled as provided in the Agreement; or (ii) (if checked) ☐ held uncashed until the Day After Seller delivers to Buyer a written notice of Short Sale Lenders' consent.

C. NO ASSURANCE OF LENDER APPROVAL. Buyer and Seller understand that Short-Sale Lenders (i) are not obligated to give consent to a short-sale; (ii) may require Seller to forward any other offer received; and (iii) may give consent to other offers. Additionally, Short-Sale Lenders may require that, in order to obtain their approval for a short sale, some terms of the Agreement, such as the Close of Escrow, be amended or that Seller sign a personal note or some other obligation for all or a portion of the amount of the secured debt reduction. Buyer and Seller do not have to agree to any of Short-Sale Lenders' proposed terms. Buyer, Seller and Brokers do not have control over whether Short-Sale Lenders will consent to a short-sale, or any act, omission, or decision by any Short-Sale Lender in the short-sale process.

D. BUYER AND SELLER COSTS. Buyer and Seller acknowledge that each may incur costs in connection with rights or obligations under the Agreement. These costs may include, but are not limited to, payments for loan applications, inspections, appraisals, and other reports. Such costs will be the sole responsibility of the party incurring them, if Short-Sale Lenders do not consent to the transaction or either party cancels pursuant to the Agreement.

E. OTHER OFFERS. Unless otherwise agreed in writing, Seller may continue to market the Property despite acceptance of Buyer's offer, and to present to Short-Sale Lender(s) any additional offers that are received on the Property.

F. CREDIT, LEGAL AND TAX ADVICE. Seller is informed that a short-sale may have credit or legal consequences and may result in taxable income to Seller. **Seller is advised to seek advice from an attorney, certified public accountant or other expert regarding such potential consequences of a short-sale.**

By signing below, Buyer and Seller each acknowledge that they have read, understand, accept and have received a copy of this Short Sale Addendum.

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

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Reviewed by _____ Date _____



ASBESTOS DISCLOSURE

In reference to the Purchase Contract between _____
Buyers, and _____, Seller, dated
_____, and accepted, dated _____
for the property located at _____

Buyer is hereby informed that subject property may have some asbestos material, a material that can be harmful to health.

Areas that might contain asbestos, but not limited to: Blown ceilings, heating systems, floor covering, etc. Particular attention at subject property is directed at:

KK & C Realty recommends that the Buyer have the property inspected for this potential hazard. It is understood by the parties to this contract that upon removal of the contingency in this contract in this contract for inspections of the property, the buyer will be accepting the building materials used in the property as satisfactory.

For information about laboratories for asbestos testing and guidelines for how the repair or remove asbestos, call the C.P.S.C. Hotline (800-638-2772) or write to the U.S. Consumer Product Safety Commission, Washington, DC 20207.

Seller

Buyer

Seller

Buyer

Date

Date

GENERAL INFORMATION FOR BUYERS AND SELLERS OF RESIDENTIAL REAL PROPERTY IN THE CITY AND COUNTY OF SAN FRANCISCO

The San Francisco Association of REALTORS® has compiled the general information contained in this document to assist buyers and sellers of residential real property in the City and County of San Francisco in gaining an understanding of certain matters which can become issues in real property sale and purchase transactions, and to foster informed decisions. In many cases, the information relates to matters which can affect the desirability of the property or the property's use or value. In others, the information relates to the obligations of buyers and sellers in real property sale and purchase transactions. Not every matter will be applicable to every transaction. For more information regarding San Francisco residential real property go to www.sfbaywindow.com or call the help line for the City and County of San Francisco (telephone: 311).

This document is not meant to be a complete source of information on all matters which can become issues in real property sale and purchase transactions. For that reason, it is strongly recommended that buyers and sellers use the utmost care and diligence in reviewing and investigating all matters which may be relevant to any transaction. It should be understood that the San Francisco Association of REALTORS® neither guarantees nor warrants the accuracy of the information contained in this document. Further, it makes no representation regarding the adequacy of any information contained in this document as it relates to any specific transaction.

Buyers and sellers are urged to verify and confirm the accuracy, applicability, legal effect and/or tax consequences of all information contained in this document. If they have any legal and/or tax questions, buyers and sellers are urged to consult with a qualified attorney and/or certified public accountant. Real estate brokers and agents are qualified to advise on real estate transactions, not legal and tax matters.

By signing in the space provided below, the buyer(s) or seller(s) acknowledge receipt of a copy of "General Information for Buyers and Sellers of Residential Real Property in the City and County of San Francisco," published by the San Francisco Association of REALTORS®, consisting of 53 pages and bearing a revision date of January 1, 2009. Buyers and sellers are urged to satisfy any questions or concerns they might have regarding matters covered in this document, as well as any other matters relevant to any real property sale and purchase transaction, at the earliest possible time and before removing any contingencies.

NAME (PLEASE PRINT): _____

SIGNATURE: _____

DATE: _____

NAME (PLEASE PRINT): _____

SIGNATURE: _____

DATE: _____

FOR OFFICE USE ONLY

PROPERTY ADDRESS _____

BROKER'S NAME: _____

BROKER'S OFFICE: _____

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CALIFORNIA
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CONTINGENCY REMOVAL No. _____ (C.A.R. Form CR, 10/03)

In accordance with the terms and conditions of the: ☐ California Residential Purchase Agreement or
☐ Other _____ ("Agreement"), dated _____, on property known
as _____ ("Property"),
between _____ ("Buyer")
and _____ ("Seller").

A. BUYER'S REMOVAL OF BUYER CONTINGENCIES: Buyer removes those contingencies specified below. With respect to any contingency and cancellation right that Buyer removes, unless otherwise specified in a separate written agreement between Buyer and Seller (such as C.A.R. Form RR), as applicable, Buyer shall conclusively be deemed to have: (i) completed all Buyer Investigations and review of reports and other applicable information and disclosures; (ii) elected to proceed with the transaction; and (iii) assumed all liability, responsibility and, if any, expense for Repairs, corrections, or for the inability to obtain financing.

NOTE: Pre-printed paragraph numbers are for reference only and refer to the specified paragraph in the California Residential Purchase Agreement (C.A.R. Form RPA-CA).

1. ONLY the following individually checked Buyer contingencies are removed:

- A. ☐ Loan (Paragraph 2I)
- B. ☐ Appraisal (Paragraph 2J)
- C. ☐ Tenant-Occupied Property (Paragraph 3C(iii))
- D. ☐ Reports/Disclosures (Paragraphs 4 and 5)
- E. ☐ Common Interest (HOA) Disclosures (Paragraph 6B)
- F. ☐ Buyer's Investigation, including insurability (Paragraph 9)
- G. ☐ Title: Preliminary Report (Paragraph 12)
- H. ☐ Sale of Buyer's Property (Paragraph 13)
- I. ☐ _____
- J. ☐ _____
- K. ☐ _____

OR 2. ☐ ALL Buyer contingencies are removed, EXCEPT: ☐ Loan Contingency (Paragraph 2I); ☐ Appraisal Contingency (Paragraph 2J); ☐ Contingency for the Sale of Buyer's Property (C.A.R. Form COP); ☐ Common Interest (HOA) Disclosures; ☐ Other _____

OR 3. ☐ BUYER HEREBY REMOVES ANY AND ALL BUYER CONTINGENCIES. (Once all contingencies are removed, whether or not Buyer has satisfied him/herself regarding all contingencies or received any information relating to those contingencies, Buyer's deposit may not be returned if Buyer does not close escrow. This could happen even if, for example, Buyer does not approve of some aspect of the Property or lender does not approve Buyer's loan.)

Buyer _____ Date _____

Buyer _____ Date _____

B. SELLER REMOVAL OF SELLER CONTINGENCIES: Seller hereby removes the following Seller contingencies: ☐ Contingency for Seller's purchase of replacement property (C.A.R. Form COP); ☐ Other _____

Seller _____ Date _____

Seller _____ Date _____

(____/____/____) (Initials) **CONFIRMATION OF RECEIPT:** A copy of this signed Contingency Removal was personally received by ☐ Buyer ☐ Seller or authorized agent on _____ (date), at _____ ☐ AM/ ☐ PM.

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Reviewed by _____ Date _____



ADDITIONAL DISCLOSURE REGARDING MOLD

In recent months there has been a great deal of publicity regarding the issue of toxic and non-toxic mold in the homes, apartments, offices and commercial buildings.

Current information indicates that certain types of mold cause severe allergic reactions and other health problems for some people.

Not all molds are visual inspection of the property. Therefore a visual inspection of a home required by the Transfer Disclosure Statement and even a professional whole house inspection may not reveal the presence of mold. It is also possible that a home could have hidden mold that the seller is not aware of.

The only way to provide a reasonable assurance that a home does not have a mold problem is to have a specific test performed for mold. This test will normally consist of an interior and exterior test for airborne spores and a carpet test. Any visible mold should be tested directly.

Sellers at the property address: _____

And KK&C Realty Agents advises that every buyer obtain the information from the seller contained in the "Request for Additional Information", regarding mold and also have the specific mold test performed as either a separate test or an addition to their whole house inspection.

All inspections including mold should be completed within the time frames set forth in the purchase agreement. Any waiver or failure on the part of a Buyer to complete and obtain all appropriate tests, including testing for mold, is against the advice of KK&C Realty and Agents.

Buyer acknowledges receipt of this "Additional Disclosure Regarding Mold".

To Whom It May Concern: I have received a copy of the Mold Chapter as well as the full "Environmental Hazards: A Guide for Homeowners, Buyers, Landlords and Tenants," which include the federal Lead booklet and the "Homeowners Guide to Earthquake Safety."

Buyer

Date

Buyer

Date

05/2009



CALIFORNIA
ASSOCIATION
OF REALTORS®

STATEWIDE BUYER AND SELLER ADVISORY
(This Form Does Not Replace Local Condition Disclosures.
Additional Addenda May Be Attached to This Advisory. See Paragraph 44)
(C.A.R. Form SBSA, Revised 4/07)

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 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, corrections or take other actions based on inspections or disclosures.
- 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. If you cancel outside these periods, you may be in breach of contract.
- 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 for inspections allowed by the contract.
- This form is not a substitute for completing a Real Estate Transfer Disclosure Statement, if required, and any other property-specific questionnaire or disclosure.
- The terms of the Purchase Agreement and any Counter Offers and Addenda 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 Broker gives a referral to another professional, Broker does not guarantee that person's performance. You may select any professional of your own choosing.
- Any written agreement between Broker and Buyer or Seller 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 election by Buyer to waive the right to a physical inspection of the Property or to rely on somebody other than an appropriate professional is against the advice of Brokers. Not all inspectors are licensed and licenses are not available for all types of inspection activities.

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SBSA REVISED 4/07 (PAGE 1 OF 10)

Buyer's Initials (____) (____)
Seller's Initials (____) (____)

Reviewed by _____ Date _____



STATEWIDE BUYER AND SELLER ADVISORY (SBSA PAGE 1 OF 10)

Agent: _____	Phone: 4157598818	Fax: _____	Prepared using WINForms® software
Broker: K K & C Realty 950 Taraval St., San Francisco CA 94116			

Date: _____



EQUAL HOUSING
OPPORTUNITY

Property Address: _____ Date: _____

7. WATER INTRUSION: Buyer and Seller are advised that many homes suffer from water intrusion or leakage. The causes of water intrusion are varied, and can include defective construction, faulty grading, deterioration of building materials and absence of waterproof barriers. Water intrusion can cause serious damage to the Property. This damage can consist of wood rot, mold, mildew and even damage to the structural integrity of the Property. The cost of repairing and remediating water intrusion damage and its causes can be very significant. The existence and cause of water intrusion is often difficult to detect. Because you, your Broker or a general home inspector cannot visually observe any effects of water intrusion, Buyer and Seller should not assume that such intrusion does not exist. Broker recommends that Buyer have the Property inspected for water intrusion by an appropriate professional. Brokers do not have expertise in this area.

8. SEPTIC SYSTEM(S): Buyer and Seller are advised that a property may be served by one or more septic systems even though adjoining properties are connected to a sewer line. Buyer and Seller are also advised that some septic tanks and systems may have been abandoned or have leaked into ground water sources. Buyer is advised to contact the appropriate government agency to verify that the Property is connected to a sewer or served by a septic system. If the Property is served by a septic system it may consist of a septic tank, cesspool, pits, leach lines or a combination of such mechanisms ("collectively, System"). No representation or warranty is made by Seller or Broker concerning the condition, operability, size, capacity or future expansion of a System, nor whether a System is adequate for use by the intended occupants of the Property. A change in the number of occupants or the quantity, composition or methods of depositing waste may affect the efficiency of the System. In addition, the amount of rainfall and ground water table may also affect the efficiency of the System. Many factors including, but not limited to, natural forces, age, deterioration of materials and the load imposed on a System can cause the System to fail at any time. Broker recommends that Buyer obtain an independent evaluation of any System by a qualified sanitation professional during Buyer's inspection contingency period. Brokers do not have expertise in this area. Buyer should consult with their sanitation professional to determine if their report includes the tank only, or other additional components of the System such as pits and leach fields. Not all inspectors are licensed and licenses are not available for all types of inspection activities. In some cases, Buyer's lender as well as local government agencies may require System inspection. System-related maintenance costs may include, but not be limited to, locating, pumping or providing outlets to ground level. Brokers are unable to advise Buyer or Seller regarding System-related issues or associated costs, which may be significant. If Buyer and Seller agree to obtain a System inspection, Buyer and Seller are cautioned that the inspection cost may include, but not be limited to, the costs of locating, pumping or providing outlets to ground level.

9. WELL AND WATER SYSTEM(S): Buyer and Seller are advised that the Property may be served by one or more water wells, springs, or private community or public water systems. Any of these private or public water systems may contain bacteria, chemicals, minerals and metals, such as chromium. Well(s) may have been abandoned on the Property. Buyer is advised to have both the quality and the quantity of water evaluated, and to obtain an analysis of the quality of any domestic and agricultural water in use, or to be used at the Property, from whatever source. Water quality tests can include not only tests for bacteria, such as coliform, but also tests for organic and inorganic chemicals, metals, mineral content and gross alpha testing for radioactivity. Broker recommends that Buyer consult with a licensed, qualified well and pump company and local government agency to determine whether any well/spring or water system will adequately serve Buyer's intended use and that Buyer have a well consultant perform an extended well output test for this purpose. Water well or spring capacity, quantity output and quality may change at any time. There are no guarantees as to the future water quality, quantity or duration of any well or spring. If Buyer wants further information, Broker recommends that Buyer obtain an inspection of the condition, age, adequacy and performance of all components of the well/spring and any water system during Buyer's inspection contingency period. Brokers do not have expertise in this area.

10. WOOD DESTROYING PESTS: Buyer and Seller are advised that the presence of, or conditions likely to lead to the presence of, or other infestation or infection of wood destroying pests and organisms may adversely affect the Property. Inspection reports covering these items can be separated into two sections: Section 1 identifies areas where infestation or infection is evident. Section 2 identifies areas where there are conditions likely to lead to infestation or infection. Brokers do not have expertise in this area. If Buyer wants further information, Buyer is advised and Broker recommends that Buyer have the Property inspected for the existence of such conditions and organisms, and conditions that may lead to their formation by a registered structural pest control company during Buyer's inspection contingency period.

11. EASEMENTS, ACCESS AND ENCROACHMENTS: Buyer and Seller are advised that confirming the exact location of easements, shared or private driveways or roadways, and encroachments on or to the Property may be possible only by conducting a survey. There may be unrecorded easements, access rights, encroachments and other agreements affecting the Property that may not be disclosed by a survey. Representations regarding these items that are made in a Multiple Listing Service, advertisements, or plotted by a title company are often approximations, or based upon inaccurate or incomplete records. Brokers have not verified any such representations. If Buyer wants further information Buyer is advised and Broker recommends that Buyer hire a licensed surveyor during Buyer's inspection contingency period. Brokers do not have expertise in this area.

Buyer's Initials (_____) (_____)

Seller's Initials (_____) (_____)

Reviewed by _____ Date _____



Property Address: _____

Date: _____

12. EARTHQUAKE FAULT ZONES AND SEISMIC HAZARD ZONES: Buyer and Seller are advised that California Public Resources Code Sections 2622 and 2696 require the delineation and mapping of "Earthquake Fault Zones" along known active faults and "Seismic Hazard Zones" in California. Affected cities and counties must regulate certain development projects within these zones. Construction or development on affected properties may be subject to the findings of a geological report prepared by a registered California geologist. Generally, Seller must disclose if the Property is in such a zone and can use a research company to aid in the process. If Buyer wants further information, Broker recommends that, during Buyer's inspection contingency period, Buyer make independent inquiries with such research companies or with appropriate government agencies concerning the use and improvement of the Property. Brokers do not have expertise in this area. Buyer is advised that there is a potential for earthquakes and seismic hazards even outside designated zones.

13. FIRE HAZARDS: Buyer and Seller are advised that fires annually cause the destruction of thousands of homes. Due to varied climate and topography, certain areas have higher risks of fires than others. Certain types of materials used in home construction create a greater risk of fire than others. If the Property is located within a State Fire Responsibility Area or a Very High Fire Hazard Zone, generally Seller must disclose that fact to Buyer under California Public Resources Code Section 4136 and California Government Code Sections 51178 and 51183.5, and may use a research company to aid in the process. If Buyer wants further information, Broker recommends that, during Buyer's inspection contingency period, Buyer contact the local fire department and Buyer's insurance agent regarding the risk of fire. Brokers do not have expertise in this area. Buyer is advised that there is a potential for fires even outside designated zones.

14. FLOOD HAZARDS: Buyer and Seller are advised that if the Property is located within a Special Flood Hazard Area, as designated by the Federal Emergency Management Agency, or an area of Potential Flooding pursuant to California Government Code Section 8589.3, generally Seller must disclose this fact to Buyer and may use a research company to aid in the process. The National Flood Insurance Program was established to identify all flood plain areas and establish flood-risk zones within those areas. The program mandates flood insurance for properties within high-risk zones if loans are obtained from a federally-regulated financial institution or are insured by any agency of the United States Government. The extent of coverage and costs may vary. If Buyer wants further information, Broker recommends that Buyer consult his or her lender and/or insurance agent during Buyer's inspection contingency period. Brokers do not have expertise in this area. Buyer is advised that there is a potential for flooding even outside designated zones.

15. BUILDING PERMITS, ZONING AND CODE COMPLIANCE: Buyer and Seller are advised that any structure on the Property, including the original structure and any addition, modification, remodel or improvement may have been built without permits, not according to building codes, or in violation of zoning laws. Further, even if such structure was built according to the then-existing code or zoning requirement, it may not be in compliance with current building standards or local zoning. It is also possible that local law may not permit structures that now exist to be rebuilt in the event of damage or destruction. Buyer is advised to check with appropriate government agencies or third party professionals to verify permits and legal requirements and the effect of such requirements on current and future use of the Property, its development and size. If Buyer wants further information Broker recommends that Buyer discuss the issue with an appropriate professional during Buyer's inspection contingency period. Brokers do not have expertise in this area.

16. VIEWS: Buyer and Seller are advised that present views from the Property may be affected by future development or growth of trees and vegetation on adjacent properties and any other property within the line of sight of the Property. Broker makes no representation regarding the preservation of existing views. If Buyer wants further information, Broker recommends that Buyer review Covenants, Conditions and Restrictions, if any, and contact neighboring property owners, government agencies and homeowner associations, if any, during Buyer's inspection contingency period. Brokers do not have expertise in this area.

17. FUTURE REPAIRS, REPLACEMENTS AND REMODELS: Buyer and Seller are advised that replacement or repairs of certain systems or remodels of portions of the Property may trigger requirements that homeowners comply with laws and regulations that either come into effect after Close of Escrow or are not required to be complied with until the replacement, repair or remodel has occurred. Permit or code requirements or building standards may change after Close of Escrow, resulting in increasing costs to repair existing features. In particular, changes to state and federal energy efficiency regulations impact the installation, replacement and some repairs of heating and air conditioning units (HVAC). Federal regulations now require manufacturers of HVAC units to produce only units meeting a new higher Seasonal Energy Efficiency Rating (SEER). This will likely impact repairs and replacements of existing HVAC units. State regulations now require that when installing or replacing HVAC units, with some exceptions, duct work must be tested for leaks. Duct work leaking more than 15 percent must be repaired to reduce leaks. The average existing duct work typically leaks 30 percent. More information is available at the California Energy Commission's website <http://www.energy.ca.gov/title24/changeout>. Home warranty policies may not cover such inspections or repairs. If Buyer wants further information Broker recommends that Buyer discuss the issue with an appropriate professional during Buyer's inspection contingency period. Brokers do not have expertise in this area.

18. ERRANT GOLF BALLS: Buyer and Seller are advised that if the Property is located adjacent to or near a golf course there is a possibility that golf balls may damage the Property or injure persons or pets on it. Additionally, persons playing golf may enter the Property to retrieve errant golf balls or for other purposes. Broker recommends that Buyer investigate this possibility during Buyer's Inspection contingency period. Brokers do not have expertise in this area.

Buyer's Initials (_____) (_____)
Seller's Initials (_____) (_____)

Reviewed by _____ Date _____



Property Address: _____ Date: _____

26. INSURANCE: Buyer and Seller are advised that Buyer may have difficulty obtaining insurance regarding the Property if there has been a prior insurance claim affecting the Property or made by Buyer but unrelated to the Property. Seller is required by C.A.R. Form RPA to disclose known insurance claims made during the past five years. Sellers may not be aware of claims prior to their ownership. If Buyer wants further information, Broker recommends that, during Buyer's inspection contingency period, Buyer conduct his or her own investigation for past claims. Buyer may need to obtain Seller's consent in order to have access to certain investigation reports. If the Property is a condominium, or is located in a planned unit development or other common interest subdivision, Buyer and Seller are advised to determine if the individual unit is covered by the Homeowner Association Insurance. Broker recommends that Buyer consult Buyer's insurance agents during Buyer's inspection contingency period to determine the need, availability and possibility of securing any and all forms of other insurance or coverage or any conditions imposed by insurer as a requirement of issuing insurance. If Buyer takes possession prior to Close of Escrow or Seller remains in possession after Close of Escrow, whether for a limited or extended period of time, Broker recommends that Buyer and Seller each consult with their own insurance agent regarding insurance or coverage that could protect them in the transaction (including but not limited to: personal property, flood, earthquake, umbrella and renter's). Brokers do not have expertise in this area.

27. CALIFORNIA FAIR PLAN: Buyer and Seller are advised that insurance for certain hillside, oceanfront and brush properties may be available only from the California Fair Plan. This may increase the cost of insurance for such properties and coverage may be limited. Broker recommends that Buyer consult with Buyer's own insurance agent during Buyer's inspection contingency period regarding the availability of coverage under the California Fair Plan and the length of time it may take for processing of a California Fair Plan application. Brokers do not have expertise in this area.

28. HISTORICAL DESIGNATION, COASTAL COMMISSION, ARCHITECTURAL, LANDSCAPE, AGRICULTURAL OR OPEN SPACE AND OTHER RESTRICTIONS ON BUILDINGS OR IMPROVEMENTS: Buyer and Seller are advised that the Property may be: (i) designated as a historical landmark, (ii) protected by a historical conservancy, (iii) subject to an architectural or landscaping review process, (iv) within the jurisdiction of the California Coastal Commission or other government agency, or (v) subject to a contract preserving use of all or part of the Property for agriculture or open space. If the Property is so designated or within the jurisdiction of any such, or similar, government agency then there may be restrictions on Buyer's ability to develop, remove or trim trees or other landscaping, remodel, make improvements to and build on or rebuild the Property. Broker recommends that Buyer satisfy him/herself during Buyer's inspection contingency period if any of these issues are of concern to Buyer. Brokers do not have expertise in this area.

29. 1915 BOND AND MELLO-ROOS COMMUNITY AND OTHER FACILITIES DISTRICTS: Buyer and Seller are advised that the Property may be subject to an improvement bond assessment under the Improvement Bond Act of 1915 and/or a levy of a special tax pursuant to a Mello-Roos community facilities or other district. Seller is generally required to make a good faith effort to obtain a disclosure notice from any local agency collecting such taxes and deliver such notice to Buyers. Brokers do not have expertise in this area.

30. HOMEOWNER ASSOCIATIONS AND COVENANTS, CONDITIONS AND RESTRICTIONS (CC&Rs): Buyer and Seller are advised that if the Property is a condominium, or located in a planned unit development, or in a common interest subdivision there are typically restrictions on use of the Property and rules that must be followed. Restrictions and rules are commonly found in Declarations of Covenants, Conditions and Restrictions (CC&Rs) and other governing documents. Further there is likely to be a homeowner association (HOA) that has the authority to affect the Property and its use. Whether or not there is a HOA, the Property may still be subject to CC&Rs restricting use of the Property. The HOA typically has the authority to enforce the rules of the association, assess monetary payments (both regular monthly dues and special assessments) to provide for the upkeep and maintenance of the common areas, and enforce the rules and assessment obligations. If you fail to abide by the rules or pay monies owed to the HOA, the HOA may put a lien against your Property. The law requires the Seller to provide the Buyer with the CC&Rs and other governing documents, as well as a copy of the HOA's current financial statement and operating budget, among other documents. Buyer is advised to carefully review all HOA documents provided by Seller and the CC&Rs, if any, and satisfy him/herself regarding the use and restrictions of the Property, the amount of monthly dues and/or assessments, the adequacy of reserves, current and past insurance coverage and claims and the possibility of any legal action that may be taken by or against the HOA. The HOA may not have insurance or may not cover personal property belonging to the owner of the unit in the condominium, common interest or planned unit development. See paragraph 26 for further information regarding insurance. Brokers do not have expertise in this area.

31. COMMUNITY ENHANCEMENT AND PRIVATE TRANSFER FEES: Buyer and Seller are advised that some areas or communities may have enhancement fees or user-type fees, or private transfer fees, over and above any stated association fees. Private transfer fees: (A) may last for a fixed period of time or in perpetuity, (B) are typically calculated as a percentage of home's sales price, and (C) may have private parties, charitable organizations or interest-based groups as their recipients. Brokers do not have expertise in this area.

Buyer's Initials (____) (____)
Seller's Initials (____) (____)

Reviewed by _____ Date _____



Property Address: _____

Date: _____

32. GENERAL RECALL/DEFECTIVE PRODUCT/CLASS ACTION INFORMATION: Buyer and Seller are advised that government entities and manufacturers may at any time issue recall notices and/or warnings about products that may be present in the Property, and that these notices or warnings can change. There is no single, all-inclusive source of information on product recalls, defective products or class actions; however, the U.S. Consumer Product Safety Commission (CPSC) maintains a website that contains useful information. If Buyer wants further information regarding the items listed below, Broker recommends that Buyer consult the CPSC website at <http://www.cpsc.gov> during Buyer's inspection contingency period. The following are examples of recall/defective products/class action information. The information is not exclusive. If Buyer wants further information, Broker recommends that Buyer contact the sources below. Brokers do not have expertise in this area and will not determine if any aspect of the Property is subject to a recall or is affected by a class action lawsuit. (NOTE: While the information below is believed to be current as of the revision date of this form, phone numbers and web addresses may change or be discontinued.)

A. FURNACES: Buyer is advised that the CPSC has issued a warning regarding certain gas-fired horizontal forced-air furnaces that present a substantial risk of fire. The furnaces in question were manufactured from 1983 to 1994 by Consolidated Industries and were marketed under many different brand names. Homes built before 1983 or after 1994 could still have the furnaces in question due to replacements or remodeling. If Buyer wants further information, Broker recommends that Buyer contact CPSC's hotline at (800) 638-2772.

B. WHIRLPOOL MICROWAVE-HOOD COMBINATION: Buyer is advised that Whirlpool Corporation has voluntarily recalled approximately 1.8 million microwave-hood combinations that have been known to overheat and catch fire. The units at issue are installed above ranges and are sold under the Whirlpool, KitchenAid and Kenmore brand names. If Buyer wants further information, Broker recommends that Buyer contact Whirlpool by phone at (800) 785-8897 or at its website, <http://www.repair.whirlpool.com>.

C. ROOF TILES: Buyer is advised that there is a class action lawsuit concerning certain fire free tiles and quantum panels manufactured and installed by RE-Con Building Products, Inc. from December 1993 to November 1997. If Buyer wants further information, Broker recommends that Buyer call (800) 966-3696 or view the website at <http://www.firefreeclaims.com>.

D. FIRE SPRINKLER: Buyer is advised that Central Sprinkler Company is recalling 35 million fire sprinkler heads that may be defective. If Buyer wants further information, Broker recommends that Buyer consult the CPSC website at <http://www.cpsc.gov> or Central Sprinkler Company at (866) 505-8553 or <http://www.sprinklerreplacement.com>.

E. WATER HEATER: Buyer is advised that certain water heaters manufactured by a variety of companies between 1993 and 1997 may be defective. If Buyer wants further information, Broker recommends that Buyer discuss the issue with an appropriate professional who can determine if the water heater on the Property is defective.

F. ALUMINUM WIRING: Buyer is advised that some properties in California are wired in whole or in part with aluminum wiring which was approved at the time of construction but subsequently determined to be a potential hazard. If Buyer wants further information, Broker recommends that Buyer discuss the issue with an appropriate professional who can determine if the wiring on the Property is defective.

G. GALVANIZED, ABS, POLYBUTYLENE AND COPPER PIPE: Buyer is advised that galvanized steel water pipes may corrode and leak after several years and that ABS plastic drain waste and vent pipe may be subject to failure. Buyer is also advised that the adhesive used in the installation of polybutylene pipe has been subject to failure. Additionally, copper pipe installed in slabs may develop leaks as result of reaction to certain soils. If Buyer wants further information, Broker recommends that Buyer discuss the issue with an appropriate professional who can determine if the water pipes and drains on the Property are defective.

H. WATER HEATER GAS CONTROL VALVES: Buyer is advised that the CPSC in cooperation with Robertshaw Controls Company has announced a voluntary recall of approximately 178,000 gas control valves installed on water heaters manufactured between July 2005 and August 2005 with production date codes 5-31 through and including 5-33 under brand names American Proline, Bradford White, GE, GSE, Hotpoint, Jetglas, John Wood, Lochinvar, Premire Plus, Powerflex, Rheem, Richmond, Ruud, Vanguard, Whirlpool and U.S. Craftsman.

Further information, Broker recommends that Buyer consult the CPSC website at <http://www.cpsc.gov> or contact Robertshaw Controls at (888) 225-1071 or <http://www.robertshaw.com>.

Buyer's Initials (____) (____)

Seller's Initials (____) (____)

Reviewed by _____ Date _____



Property Address: _____ Date: _____

I. ARC-FAULT CIRCUIT BREAKER: Buyer is advised that the CPSC in cooperation with Schneider Electric has announced a voluntary recall of approximately 700,000 Square D Q® and Homeline® AFCI circuit breakers manufactured by Schneider Electric North American Operating Division. The recalled arc-fault interrupter circuit breakers are designed for use in 15 and 20-amp branch circuits; have a blue test button and were manufactured between March 2004 and September 2004. Tests show that these circuit breakers may not provide the arc-fault protection required by the 2001 California Electrical Code, Section 210-21. If Buyer wants further information, Broker recommends that Buyer consult the CPSC website at <http://www.cpsc.gov> or contact Schneider Electric at (877) 202-9064 or <http://www.us.squared.com/recallafci>.

33. RENTAL PROPERTY RESTRICTIONS: Buyer and Seller are advised that some cities and counties impose restrictions that limit the rent that can be charged to a tenant, the maximum number of tenants who can occupy the property and the right of a landlord to terminate a tenancy and the costs to do so. If Buyer wants further information, Broker recommends that Buyer investigate the issue with an appropriate government authority during Buyer's inspection contingency period. Brokers do not have expertise in this area.

34. LAND LEASE: Buyer and Seller are advised that certain developments are built on leased land. This means that: (i) Buyer does not own the land, (ii) the right to occupy the land will terminate at some time, (iii) the cost to lease the land may increase at some point in the future, and (iv) Buyer may not be able to obtain title insurance. If Buyer wants further information, Broker recommends that Buyer discuss the issue with an attorney or other appropriate professional. Brokers do not have expertise in this area.

35. HOME WARRANTY: Buyer and Seller are advised that Buyer and Seller can purchase home warranty plans covering certain standard systems of the Property both before and after Close of Escrow. Seller can obtain coverage for the Property during the listing period. For an additional premium, an upgraded policy providing additional coverage for air conditioning, pool and spa and other features can be purchased. Home warranties do not cover every aspect of the Property and may not cover inspections or upgrades for repairs required by state or federal laws. Broker recommends that Buyer review the policy for details. Brokers do not have expertise in this area.

36. INTERNET ADVERTISING: Buyer and Seller are advised that Broker may employ a service to provide a "virtual tour" or Internet marketing of the Property, permitting potential buyers to view the Property over the Internet. Neither the service provider nor Broker has control over who will obtain access to the service or what action such persons might take. Buyer and Seller are advised that Brokers have no control over how long the information concerning the Property will be available on the Internet. Brokers do not have expertise in this area.

37. ESCROW FUNDS: Buyer and Seller are advised that California Insurance Code section 12413.1 provides that escrow companies cannot disburse funds unless there are sufficient "good funds" to cover the disbursement. "Good funds" are defined as cash, wire transfers and cashiers' or certified checks drawn on California depositories. Escrow companies vary in their definitions of "good funds." Broker recommends that Buyer and Seller ask the escrow company regarding its treatment of "good funds." All drafts and out-of-state checks are subject to waiting periods and do not constitute "good funds" until the money is physically transferred to the escrow holder's account. Brokers do not have expertise in this area.

38. NOTICE OF YOUR "SUPPLEMENTAL" PROPERTY TAX BILL: Buyer and Seller are advised that pursuant to Civil Code § 1102.6(c), Seller or his or her agent is required to provide the following "Notice of Your 'Supplemental' Property Tax Bill" to the Buyer:

"California property tax law requires the Assessor to revalue real property at the time the ownership of property changes. Because of this law, you may receive one or two supplemental tax bills, depending on when your loan closes.

The supplemental tax bills are not mailed to your lender. If you have arranged for your property tax payments to be paid through an impound account, the supplemental tax bills will not be paid by your lender. It is your responsibility to pay these supplemental bills directly to the Tax Collector.
If you have any questions concerning this matter, please call your Tax Collector's Office."

Although the notice refers to loan closing as a trigger, it is actually the change of ownership which triggers this reassessment. Therefore, the Property can be reassessed even if there is no loan involved in the purchase of the Property. The purchase agreement may allocate supplemental tax bills received after the Close of Escrow to the Buyer. If Buyer wants further information concerning these matters, Broker recommends that Buyer discuss the issue with the County Assessor or Tax Collector. Brokers do not have expertise in this area.

Buyer's Initials (_____) (_____)
Seller's Initials (_____) (_____)

Reviewed by _____ Date _____



Property Address: . . .

Date: _____

39. NON CONFIDENTIALITY OF OFFERS: Buyer is advised that Seller or Listing Agent may disclose the existence, terms, or conditions of Buyer's offer unless all parties and their agent have signed a written confidentiality agreement. Whether any such information is actually disclosed depends on many factors, such as current market conditions, the prevailing practice in the real estate community, the Listing Agent's marketing strategy and the instructions of the Seller.

40. FIRPTA/CALIFORNIA WITHHOLDING: Buyer and Seller are advised that: (i) Internal Revenue Code section 1445 requires a Buyer to withhold and remit to the Internal Revenue Service 10% of the purchase price if Seller is a non-resident alien, unless an exemption applies. Seller may avoid withholding by providing Buyer a statement of non-foreign status. The statement must be signed by Seller under penalty of perjury and include Seller's tax identification number. Buyer can also avoid the federal withholding requirement if the property price is \$300,000 or less and the Buyer signs an affidavit stating Buyer intends to occupy the property as a principal residence. (ii) California Revenue and Taxation Code Section 18662 requires that a Buyer withhold and remit to the California Franchise Tax Board 3 1/3% of the purchase price unless the Seller signs an affidavit that the property was the Seller's (or the decedent's if a trust or probate sale) principal residence or that the sales price is \$100,000 or less or another exemption applies. Exemptions from withholding also apply to legal entities such as corporations, LLCs, and partnerships. Brokers cannot give tax advice. Broker recommends that Buyer and Seller seek advice from a CPA, attorney or taxing authority. Brokers do not have expertise in this area.

41. LIQUIDATED DAMAGES: Buyer and Seller are advised that a liquidated damages clause is a provision Buyer and Seller can use to agree in advance to the amount of damages that a seller will receive if a buyer breaches the agreement. The clause usually provides that a seller will retain a Buyer's initial deposit paid if the Buyer breaches the agreement, and generally must be separately initialed by both parties to be enforceable. For any additional deposits to be covered by the liquidated damages clause, there generally must be another separately signed or initialed agreement. However, if the Property contains from 1 to 4 units, one of which the Buyer intends to occupy, California Civil Code Section 1675 limits the amount of the deposit subject to liquidated damages to 3% of the purchase price. Even though both parties have agreed to a liquidated damages clause, an escrow company will usually require either a judge's or arbitrator's decision or instructions signed by both parties in order to release the Buyer's deposit to the Seller. Buyers and Sellers must decide on their own, or with the advice of legal counsel, whether to agree to a liquidated damages clause. Brokers do not have expertise in this area.

42. MEDIATION: Buyer and Seller are advised that mediation is a process in which the parties hire a neutral person to facilitate discussion and negotiation between the parties with the goal of helping them reach a settlement of their dispute. The parties generally share in the cost of this confidential, non-binding negotiation. If no agreement is reached, either party can pursue further legal action. Under C.A.R. Form RPA-CA; (i) the parties must mediate any dispute arising out of their agreement (with a few limited exceptions, such as matters within the jurisdiction of a small claims court) before they resort to arbitration or court, and (ii) if a party proceeds to arbitration or court without first attempting to mediate the dispute, that party risks losing the right to recover attorney fees even if he or she prevails.

43. ARBITRATION: Buyer and Seller are advised that arbitration is a process by which the disputing parties hire a neutral person to render a decision. Generally, arbitration is faster and less expensive than resolving disputes by litigating in court. The rules are usually less formal than in court, and it is a private process not on the public record. By agreeing to arbitration the parties give up the right to a jury trial and to appeal. Arbitration decisions have been upheld even when arbitrators have made a mistake as to the law or the facts. If the parties agree to arbitration, then any dispute arising out of their agreement (with a few limited exceptions) must be submitted to binding arbitration. Buyer and Seller must weigh the benefits of a potentially quicker and less expensive arbitration against giving up the right to a jury trial and the right to appeal. Brokers cannot give legal advice regarding these matters. Buyers and Sellers must decide on their own, or with the advice of legal counsel, whether to agree to arbitration. Brokers do not have expertise in this area.

Buyer's Initials () ()
Seller's Initials () ()

Reviewed by _____ Date _____



Property Address: _____ Date: _____

44. LOCAL ADDENDA (IF CHECKED):

The following local disclosures or addenda are attached:

- A. ☐ _____
B. ☐ _____
C. ☐ _____
D. ☐ _____

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

By signing below, Buyer and Seller acknowledge that each has read, understands and received a copy of this Advisory. Buyer and Seller are encouraged to read it carefully.

Date _____ Date _____

BUYER _____ BUYER _____

(Print name) (Print name)

(Address)

Date _____ Date _____

SELLER _____ SELLER _____

(Print name) (Print name)

(Address)

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

By _____ DRE Lic. # _____ Date _____

Address _____ City _____ State _____ Zip _____

Telephone _____ Fax _____ E-mail _____

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

By _____ DRE Lic. # _____ Date _____

Address _____ City _____ State _____ Zip _____

Telephone _____ Fax _____ E-mail _____

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