

KEY ELEMENTS FOR THE TC CHANGING ON NEW RPA

WENDI MOLINA

KEY ELEMENTS CHANGING ON NEW RPA

- 3B- COE defaults to days after

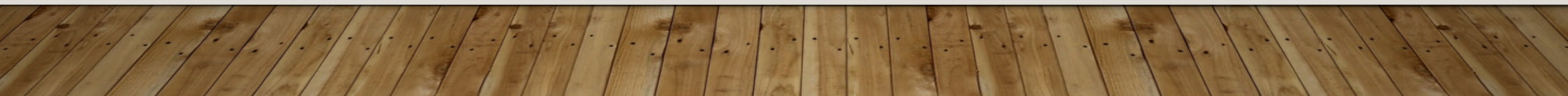
B		Close Of Escrow (COE)	____ Days after Acceptance OR on ____ (date) (mm/dd/yyyy)
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- 3D(1) shows now as wire transfer and no longer electronic funds

D(1)	5A(1)	Initial Deposit Amount	\$ _____ (____% of purchase price) (% number above is for calculation purposes and is not a contractual term)	within 3 (or ____) business days after Acceptance by wire transfer OR <input type="checkbox"/> _____
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- 3E(1) If FHA or VA the FVAC and HID will auto attach

E(1)	5C(1)	Loan Amount(s): First Interest Rate Points If FHA or VA checked, Deliver list of lender required repairs	\$ _____ (____% of purchase price) Fixed rate or <input type="checkbox"/> Initial adjustable rate not to exceed ____% Buyer to pay zero points or up to ____% of the loan amount 17 (or ____) Days after Acceptance	Conventional or, if checked, <input type="checkbox"/> FHA <input type="checkbox"/> VA (CAR Forms FVAC, HID attached) <input type="checkbox"/> Seller Financing <input type="checkbox"/> Other: _____
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FHA/VA Amendatory Clause
(C.A.R. Form FVAC, Revised 12/21)

This is an addendum to the Purchase Agreement, OR Other _____
 _____ (“Agreement”),
 dated _____, on property known as _____ (“Property”),
 between _____ (“Buyer”),
 and _____ (“Seller”).
 Buyer and Seller are referred to as the “Parties”

1. **“It is expressly agreed that notwithstanding any other provisions of this contract,** the purchaser shall not be obligated to complete the purchase of the property described herein or to incur any penalty by forfeiture of earnest money deposits or otherwise unless the purchaser has been given in accordance with HUD/FHA or VA requirements a written statement by the Federal Housing Commissioner, Department of Veterans Affairs, or a Direct Endorsement lender setting forth the **appraised value of the property of not less than \$ _____.** The purchaser shall have the privilege and option of proceeding with consummation of the contract without regard to the amount of the appraised valuation. The appraised valuation is arrived at to determine the maximum mortgage the Department of Housing and Urban Development will insure or Department of Veterans Affairs will guaranty. Neither HUD or VA warrant the value or the condition of the property. The purchaser should satisfy himself/herself that the price and condition of the property are acceptable.”

If, after signing this Amendatory Clause, the purchase price increases, Buyer and Seller agree to sign, before Close Of Escrow, a new amendatory clause that reflects the final purchase price agreed to by Buyer and Seller.

For FHA transactions, the Amendatory Clause **is not required** on HUD REO sales, sales where the seller is Fannie Mae, Freddie Mac, the Department of Veterans Affairs, Rural Housing Services, other Federal, State and local government agencies, mortgagees disposing of REO assets, or sellers at foreclosure sales and those sales where the borrower will not be an owner-occupant (e.g., sales to nonprofit agencies).





FOR YOUR PROTECTION: GET A HOME INSPECTION
Required For FHA Transactions
(C.A.R. Form HID, Revised 12/19)

YOU MUST MAKE A CHOICE ON GETTING A HOME INSPECTION. IT IS NOT DONE AUTOMATICALLY.

You have the right to examine carefully your potential new home with a professional home inspector. But a home inspection is not required by law, and will occur only if you ask for one and make the arrangements. You may schedule the inspection before or after signing your contract. You may be able to negotiate with the seller to make the contract contingent on the results of the inspection. For this reason, it is usually in your best interest to conduct your home inspection as soon as possible if you want one. In a home inspection, a professional home inspector takes an in-depth, unbiased look at your potential new home to:

- ✓ Evaluate the physical condition: structure, construction, and mechanical systems;
- ✓ Identify items that need to be repaired;
- ✓ Estimate the remaining useful life of the major systems, equipment, structure and finishes.

The Appraisal is NOT a Home Inspection and does not replace an inspection.

An appraisal estimates the market value of the home to protect the lender. An appraisal does not examine or evaluate the condition of the home to protect the home buyer. An appraisal only makes sure that the home meets FHA and/or your lender's minimum property standards. A home inspection provides much more detail.

FHA and Lenders may not Guarantee the Condition of your Potential New Home

If you find problems with your new home after closing, neither FHA nor your lender may give or lend you money for repairs. Additionally, neither FHA nor your lender may buy the home back from you. Ask a qualified home inspector to inspect your potential new home and give you the information you need to make a wise decision.

Your Home Inspector may test for Radon, Health/Safety, and Energy Efficiency

EPA, HUD and DOE recommend that houses be tested and inspected for radon, health and safety, and energy efficiency, respectively. Specific tests are available to you. You may ask about tests with your home inspector, in addition to the structural and mechanical systems inspection. For more information: Radon – call 1-800-SOS-Radon; Health and Safety – see the HUD Healthy Homes Program at www.HUD.gov; Energy Efficiency – see the DOE Energy Star Program at www.energystar.gov.

Selecting a Trained Professional Home Inspector

Seek referrals from friends, neighbors, other buyers, realtors, as well as local listings from licensing authorities and local advertisements. In addition, consult the American Society of Home Inspectors (ASHI) on the web at: www.ashi.org or by telephone at: 1-800-743-2744.

I/We (circle one) have read this document and understand that if I/we wish to get a home inspection, it is best to do so as soon as possible. The appraisal is not a home inspection. I/we will make a voluntary choice whether to get a home inspection. A home inspection will be done only if I/we ask for one and schedule it. Your lender may not perform a home inspection and neither FHA nor your lender may guarantee the condition of the home. Health and safety tests can be included in the home inspection if I/we choose.

(Signed) Homebuyer

Date

(Signed) Homebuyer

Date

KEY ELEMENTS CHANGING ON NEW RPA

- G(2) any paragraph that has typing will automatically create a text overflow addendum if you type past the character limit

G(2)	ADDITIONAL FINANCE TERMS: _____
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- K(23) Now if Assigning the buyer has a time frame to make the assignment – there could be a consequence if the assignment is not made in the time-frame in the contract

K	23	Assignment Request	17 (or _____) Days after Acceptance
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TEXT OVERFLOW ADDENDUM No. 1
(C.A.R. Form TOA, Revised 6/16)

This addendum is given in connection with the property known as 72635 Tehama St, Los Angeles, CA ("Property"),
in which Bobby Buyer is referred to as ("Buyer")
and Sam Seller, Salley Seller is referred to as ("Seller").

1) RPA, paragraph 7D(8):
Increased deposit to be made upon removal of both investigation of property contingency (Paragraphs 3L3 and 8C) and loan contingency (Paragraphs 3L1 and 8A).

2) RPA, paragraph 7D(9):
A termite inspection prepared by the Neil D. Kalin Incredibly Awesome and Always Accurate pest control company.

- (6) Buyer to pay for any HOA certification fee.
- (7) Buyer Seller shall pay for any private transfer fee _____.
- (8) Buyer Seller shall pay for See Text Overflow Addendum (C.A.R. Form TOA) paragraph 1.
- (9) Buyer Seller shall pay for See Text Overflow Addendum (C.A.R. Form TOA) paragraph 2.
- (10) Buyer Seller shall pay for the cost, not to exceed \$ _____, of a standard (or upgraded)

KEY ELEMENTS CHANGING ON NEW RPA

- L(1) Loan Contingency is now 17 days
- L(2) Appraisal can now have a stated price if different that purchase price

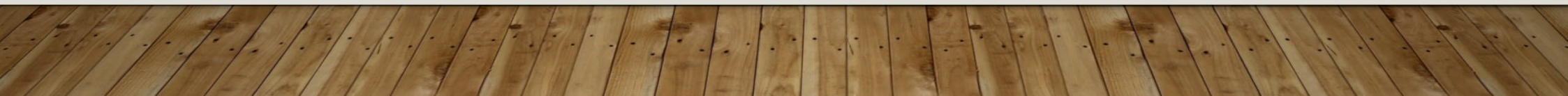
L(1)	8A	Loan(s)	17 (or ____) Days after Acceptance	<input type="checkbox"/> No loan contingency
L(2)	8B	Appraisal: Appraisal contingency based upon appraised value at a minimum of purchase price or <input type="checkbox"/> \$ _____	17 (or ____) Days after Acceptance	<input type="checkbox"/> No appraisal contingency Removal of appraisal contingency does not eliminate appraisal cancellation rights in FVAC.

- M(1) Possession is now at time or recordation

M(1)		Time of Possession	Upon notice of recordation, OR <input type="checkbox"/> 6 PM or <input type="checkbox"/> AM <input type="checkbox"/> PM on date specified, as applicable, in 3M(2) or attached TOPA.
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- M(3) TIP is now TOPA

M(3)	4A	<input type="checkbox"/> Tenant Occupied units	If checked, see Tenant Occupied Property Addendum (C.A.R. form TOPA) attached
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TENANT OCCUPIED PROPERTY ADDENDUM
 (For use when selling tenant occupied 1-4 unit properties)
 (C.A.R. Form TOPA, 12/21)

This is an addendum to the Purchase Agreement, OR Counter Offer No. _____, Other _____, ("Agreement"), dated _____,

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

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

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

OR B. **PROPERTY TO BE DELIVERED VACANT:**

- (1) The Property (or Unit _____) shall be delivered vacant, without existing Tenant(s).
- (2) If Seller, after exercise of good faith attempts and subject to applicable Law, is unable to remove existing Tenant(s) by Close Of Escrow (or 5 Days Before COE): (i) Buyer may cancel this Agreement and Buyer's sole remedy shall be return of deposit(s) and Buyer's reasonable out-of-pocket expenses for inspection reports and appraisal fees under the Agreement, or (ii) Buyer may elect to proceed with the transaction with the tenant(s) in possession and waives any claim for other damages or compensation arising out of the tenant(s) remaining in possession.

2. **TENANT REMAINING IN POSSESSION ADDITIONAL TERMS:**

- A. **Tenant Deposits and Unearned Rent:** Seller shall transfer to Buyer, through escrow, (i) all unused tenant deposits, if any, and (ii) all prepaid but unearned rents, if any, prorated as of Close Of Escrow. Seller shall disclose to Buyer any tenant delinquencies. Seller shall credit Buyer for any delinquent rent, prorated as of Close Of Escrow.
- B. **Government Compliance:** No warranty is made concerning compliance with governmental restrictions, if any, limiting the amount of rent that can lawfully be charged, the maximum number of persons who can lawfully occupy the Property, or the ability of Buyer to remove any tenant from possession. Buyer is advised to carefully read and consider the attached Rent Cap and Just Cause Addendum (C.A.R. Form RCJC) which may impact Buyer's and Tenant's rights and obligations under the Law. Buyer is advised that local ordinances may also affect Buyer's and Tenant's rights and obligations.
- C. **Proposed Changes:**
 - (1) Seller shall give Buyer written notice of (i) any changes to existing leases or tenancies; (ii) new agreements to lease or rent; or (iii) changes to the status of the condition of the Property ("Proposed Changes") at least 7 (or _____) Days prior to any Proposed Changes.
 - (2) Buyer shall, within 5 (or _____) Days after receipt of notice of Proposed Changes, give Seller notice of Buyer's objection to the Proposed Changes in which case Seller shall not make the Proposed Changes.
- D. **Personal Property Included in Sale:**
 - (1) A complete list of all personal Property of Seller currently used in the operation of the Property and included in the purchase price shall be delivered to Buyer with the time specified in paragraph 14.
 - (2) Seller shall deliver title to the personal property by Bill of Sale, free of all liens and encumbrances, and without warranty of condition.
 - (3) As additional security for any note in favor of Seller for any part of the purchase price, Buyer shall execute a UCC-1 Financing Statement to be filed with the Secretary of State, covering the personal property included in the purchase, replacement thereof and insurance proceeds.
- E. **Seller Documentation and Additional Disclosure:** Within the time specified in the Agreement for Seller Delivery of Documents, and subject to Buyer's right of review, Seller shall disclose, make available or Deliver, as applicable, to Buyer, the following information:
 - (1) **RENTAL SERVICE AGREEMENTS:** (i) All current leases, rental agreements, service contracts, and other agreements pertaining to the operation of the Property; (ii) A rental statement including names of tenants, rental rates, period of rental, date of last rent increase, security deposits, rental concessions, rebates or other benefits, if any, and a list of delinquent rents and their duration. Seller represents that the documents to be furnished are those maintained in the ordinary and normal

Default is tenant to remain in possession – opposite default of old RPA

1B. Limited buyer remedies if seller unsuccessful.

- Seller must make good faith attempt
- Buyer may cancel and get out-of-pocket \$ back **OR**
- Proceed with tenant remaining in possession

KEY ELEMENTS CHANGING ON NEW RPA

- N(4) Now Smoke Detector/Water Heater and CMD must be installed within 7 days after acceptance

N(4)	10B(1)	Install smoke alarm(s), CO detector(s), water heater bracing	7 (or _____) Days after Acceptance
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- 4A Changes for Probate and Manufactured Homes no separate contract also 2 additional types of addenda Tenancy in Common and Stock Cooperative

Property Address: _____ Date: _____

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

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

Probate Agreement Purchase Addendum (C.A.R. Form PA-PA)

Manufactured Home Purchase Addendum (C.A.R. Form MH-PA)

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

Tenancy in Common Purchase Addendum (C.A.R. Form TIC-PA)

Stock Cooperative Purchase Addendum (C.A.R. Form COOP-PA)

Other _____

B. OTHER ADDENDA: This Agreement is subject to the terms contained in the Addenda checked below:

Addendum # _____ (C.A.R. Form ADM)

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

Septic, Well, Property Monument and Propane Addendum (C.A.R. Form SWPI)

Other _____

Short Sale Addendum (C.A.R. Form SSA)

Court Confirmation Addendum (C.A.R. Form CCA)

Buyer Intent to Exchange Addendum (C.A.R. Form BXA)

Seller Intent to Exchange Addendum (C.A.R. Form SXA)

Other _____

KEY ELEMENTS CHANGING ON NEW RPA

- 4C now FHDA and CCPA are already bundle with the contract but are now referenced on the contract

<input type="checkbox"/> Other _____	<input type="checkbox"/> Other _____
C. BUYER AND SELLER ADVISORIES: (Note: All Advisories below are provided for reference purposes only and are not intended to be incorporated into this Agreement.)	
<input checked="" type="checkbox"/> Buyer's Inspection Advisory (C.A.R. Form BIA)	<input checked="" type="checkbox"/> Fair Housing and Discrimination Advisory (C.A.R. Form FHDA)
<input checked="" type="checkbox"/> Wire Fraud Advisory (C.A.R. Form WFA)	<input checked="" type="checkbox"/> Cal. Consumer Privacy Act Advisory (C.A.R. Form CCPA)
	(Parties may also receive a privacy disclosure from their own Agent.)
<input type="checkbox"/> Wildfire Disaster Advisory (C.A.R. Form WDFDA)	<input type="checkbox"/> Statewide Buyer and Seller Advisory (C.A.R. Form SBSA)
<input type="checkbox"/> Trust Advisory (C.A.R. Form TA)	<input type="checkbox"/> Short Sale Information and Advisory (C.A.R. Form SSIA)
<input type="checkbox"/> REO Advisory (C.A.R. Form REO)	<input type="checkbox"/> Probate Advisory (C.A.R. Form PA)
<input type="checkbox"/> Other: _____	<input type="checkbox"/> Other _____

KEY ELEMENTS CHANGING ON NEW RPA

- 8B Copy of appraisal must now be given if buyer cancelling due to appraisal contingency

B. APPRAISAL:

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

- 10B(1&3) Legally required installations of SD/WH/CMD seller could become responsible for fees incurred by buyer if not installation of said items are not completed on time for the lender. Also the seller can pay for the appraisal reinspection fee if the appraisal has to go back for seller has not complied with the installation of items required.

KEY ELEMENTS CHANGING ON NEW RPA

- 10B(1&3) Legally required installations of SD/WH/CMD seller could become responsible for fees incurred by buyer if installation of said items are not completed on time for the lender. Also, the seller obligated to pay for the appraisal reinspection fee if the appraiser has to go back because seller has not complied with the installation of items required.

B. GOVERNMENT REQUIREMENTS AND CORRECTIVE OR REMEDIAL ACTIONS:


- (1) **LEGALLY REQUIRED INSTALLATIONS AND PROPERTY IMPROVEMENTS:** Any required installation of smoke alarm or carbon monoxide device(s) or securing of water heater shall be completed within **the time specified in paragraph 3N(4)**. If Buyer is to pay for these items, Buyer, as instructed by Escrow Holder, shall deposit funds into escrow or directly to the vendor completing the repair or installation. Prior to Close Of Escrow, Seller shall Deliver to Buyer written statement(s) of compliance in accordance with any Law, unless Seller is exempt. If Seller is to pay for these items and does not fulfill Seller's obligation in the time specified, and Buyer incurs costs to comply with lender requirements concerning those items, Seller shall be responsible for Buyer's costs.
- (2) **POINT OF SALE REQUIREMENTS:**
- (A) Point of sale inspections, reports and repairs refer to any such actions required to be completed before or after Close Of Escrow that are required in order to close under any Law. Unless Parties Otherwise Agree to another time period, any such repair, shall be completed prior to final verification of Property. If Buyer agrees to pay for any portion of such repair, Buyer, shall (i) directly pay to the vendor completing the repair or (ii) provide an invoice to Escrow Holder, deposit funds into escrow sufficient to pay for Buyer's portion of such repair and request Escrow Holder pay the vendor completing the repair.
- (B) Buyer shall be provided, within the time specified in **paragraph 3N(1)**, unless Parties Otherwise Agree to another time period, a Copy of any required government-conducted or point-of-sale inspection report prepared pursuant to this Agreement or in anticipation of this sale of the Property.
- (3) **REINSPECTION FEES:** If any repair in **paragraph 10B(1)** is not completed within the time specified and the lender requires an additional inspection to be made, Seller shall be responsible for any corresponding reinspection fee. If Buyer incurs costs to comply with lender requirements concerning those items, Seller shall be responsible for those costs.

KEY ELEMENTS CHANGING ON NEW RPA

- 11B(1) Lead Paint disclosure has changed form name LPD
- 11C & D Home Fire Hardening

B. LEAD DISCLOSURES:

- (1) Seller shall, within the time specified in **paragraph 3N(1)**, for any residential property built before January 1, 1978, unless exempted by Law, Deliver to Buyer a fully completed Federal Lead-Based Paint Disclosures (C.A.R. Form LPD) and pamphlet ("Lead Disclosures").
- (2) Buyer shall, within the time specified in **paragraph 3L(3)**, have the opportunity to conduct a risk assessment or to inspect for the presence of lead-based paint hazards.

PA 12/21 (PAGE 7 OF 16) Buyer's Initials _____/_____/_____ Seller's Initials _____/_____/_____ 

CALIFORNIA RESIDENTIAL PURCHASE AGREEMENT AND JOINT ESCROW INSTRUCTIONS (RPA PAGE 7 OF 16)

Property Address: _____ Date: _____

C. HOME FIRE HARDENING DISCLOSURE AND ADVISORY: For any transaction where a TDS is required, the property is located in a high or very high fire hazard severity zone, and the home was constructed before January 1, 2010. Seller shall, within the time specified in **paragraph 3N(1)**, Deliver to Buyer: (i) a home hardening disclosure required by law; and (ii) a statement of features of which the Seller is aware that may make the home vulnerable to wildfire and flying embers; and (iii) a final inspection report regarding compliance with defensible space requirements if one was prepared pursuant to Government Code § 511B2 (C.A.R. Form FHDS).

D. DEFENSIBLE SPACE DISCLOSURE AND ADDENDUM: For any transaction in which a TDS is required and the property is located in a high or very high fire hazard severity zone, Seller shall, within the time specified in **paragraph 3N(1)**, Deliver to Buyer (i) a disclosure of whether the Property is in compliance with any applicable defensible space laws designed to protect a structure on the Property from fire; and (ii) an addendum allocating responsibility for compliance with any such defensible space law (C.A.R. Form FHDS).

KEY ELEMENTS CHANGING ON NEW RPA

- 14 E Notice to perform- set time frame and if incorrect not valid ... note to show paragraph 14G is the same for the Demand to Close escrow

E. NOTICE TO BUYER OR SELLER TO PERFORM: The Notice to Buyer to Perform or Notice to Seller to Perform shall: (i) be in writing; (ii) be Signed by the applicable Buyer or Seller; and (iii) give the other Party at least **2 Days** after Delivery (or until the time specified in the applicable paragraph, whichever occurs last) to take the applicable action. A Notice to Buyer to Perform or Notice to Seller to Perform may not be Delivered any earlier than **2 Days** prior to the Scheduled Performance Day to remove a contingency or cancel this Agreement or meet an obligation specified in **paragraph 14**, whether or not the Scheduled Performance Day falls on a Saturday, Sunday or legal holiday. If a Notice to Buyer to Perform or Notice to Seller to Perform is incorrectly Delivered or specifies a time less than the agreed time, the notice shall be deemed invalid and void and Seller or Buyer shall be required to Deliver a new Notice to Buyer to Perform or Notice to Seller to Perform with the specified timeframe.

KEY ELEMENTS CHANGING ON NEW RPA

- 23 Assignment of Agreement- Seller approval is not required if the buyer is transferring to Trust or wholly owned entity that is in existence...new lender letter is needed

provided in paragraph 30A.
23. ASSIGNMENT: Buyer shall have the right to assign all of Buyer's interest in this Agreement to Buyer's own trust or to any wholly owned entity of Buyer that is in existence at the time of such assignment. Otherwise, Buyer shall not assign all or any part of Buyer's interest in this Agreement without first having obtained the separate written consent of Seller to a specified assignee. Such consent shall not be unreasonably withheld. Prior to any assignment, Buyer shall disclose to Seller the name of the assignee and the amount of any monetary consideration between Buyer and assignee. Buyer shall provide assignee with all documents related to this Agreement including, but not limited to, the Agreement and any disclosures. If assignee is a wholly owned entity or trust of Buyer, that assignee does not need to re-sign or initial all documents provided. Whether or not an assignment requires seller's consent, at the time of assignment, assignee shall deliver a letter from assignee's lender that assignee is prequalified or preapproved as specified in paragraph 6B. Should assignee fail to deliver such a letter, Seller, after first giving Assignee an Notice to Buyer to Perform, shall have the right to terminate the assignment. Buyer shall, within the time specified in paragraph 3K, Deliver any request to assign this Agreement for Seller's consent. If Buyer fails to provide the required information within this time frame, Seller's withholding of consent shall be deemed reasonable. Any total or partial assignment shall not relieve Buyer of Buyer's obligations pursuant to this Agreement unless Otherwise Agreed by Seller (C.A.R. Form AOAA).

- 25K Just a note—That a Dropbox link or Google Drive link is deemed delivery as well.

Buy or Days means business day or days. However, delivery or deposit to escrow is based on business days.
K. "Deliver", "Delivered" or "Delivery" of documents, unless Otherwise Agreed, means and shall be effective upon personal receipt of the document by Buyer or Seller or their Authorized Agent. Personal receipt means (i) a Copy of the document, or as applicable, link to the document, is in the possession of the Party or Authorized Agent, regardless of the Delivery method used (i.e. e-mail, text, other), or (ii) an electronic Copy of the document, or as applicable, link to the document, has been sent to any of the designated electronic delivery addresses specified in the Real Estate Broker Section on page 16. After Acceptance, Agent may change the designated electronic delivery address for that Agent by, in writing, Delivering notice of the change in designated electronic delivery address to the other Party. Links could be, for example, to DropBox or GoogleDrive or other functionally equivalent program. If the recipient of a link is unable or unwilling to open the link or download the documents or otherwise prefers Delivery of the documents directly, Recipient of a link shall notify the sender in writing, within 3 Days after Delivery of the link (C.A.R. Form RFR). In such case, Delivery shall be effective upon Delivery of the documents and not the link. Failure to notify sender within the time specified above shall be deemed consent to receive, and Buyer opening, the document by link.
L. "Electronic Copy" or "Electronic Signature" means, as applicable, an electronic copy or signature complying with California



ASSIGNMENT OF AGREEMENT ADDENDUM
(C.A.R. Form AOAA, Revised 12/21)

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

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

1. **Partial or Total Assignment:**
 - A. **Partial Assignment (Adding a buyer):** Buyer is adding the Assignee(s) named below to the Agreement and granting to such Assignee(s) a partial interest in the Agreement.
 - OR B. **Total Assignment (New Buyer or Deleting a Buyer):** Buyer is assigning all of Buyer's interest in the Agreement to the new or remaining Buyers (Assignee(s)) named below.
 - C. **Assignee(s) Names:** _____
 - D. Assignee is Buyer's own trust or a wholly-owned entity of Buyer.
2. **Prior Documents:** Assignee shall initial the first page of each document and Deliver to Seller all of the transaction documents previously approved by Buyer including, but not limited to, all contract documents, inspection reports, pamphlets, advisories, and disclosures ("Prior Documents") within the time specified below. Unless Otherwise Agreed, Assignee acknowledges that all time frames in the Agreement remain the same and no additional time shall be provided for any matter including but not limited to, investigation, review of documents, or Close Of Escrow.
 - A. **DELIVERY OF PRIOR DOCUMENTS:**
 - (1) Prior Documents already delivered to Assignee: Assignee acknowledges that Buyer has already provided Assignee all Prior Documents.
 - OR (2) Prior Documents not yet delivered to Assignee: Seller shall Deliver to Buyer and Assignee a seller-signed copy of this Assignment of Agreement Addendum ("Assignment"). Upon receipt of the seller-signed Assignment, Buyer shall immediately Deliver to Assignee all Prior Documents.
 - B. **PREQUALIFICATION OR PREAPPROVAL OF ASSIGNEE:** Assignee has been prequalified or preapproved by Buyer's lender as per the Agreement and a copy is attached. This requirement applies even if 1D is checked.
 - C. **TIME TO RETURN ASSIGNEE-INITIALED PRIOR DOCUMENTS:**
 - (1) Initialed copies of all Prior Documents are attached to this Assignment.
 - OR (2) Assignee shall Deliver initialed copies of all Prior Documents to Seller within 3 (or _____) Days after Seller Delivers to Assignee a Signed Copy of this Assignment.
 - (3) If 1D is checked, Delivery and Return of Prior Documents is not required because Assignee is Buyer's own trust or a wholly-owned entity of Buyer.
 - D. **EFFECT OF FAILURE TO RETURN OR ATTACH DOCUMENTS:** Seller, after first Delivering a Notice to Buyer to Perform, may cancel this Assignment and the Assignment shall have no further force and effect:
 - (1) Prior Documents: If Assignee does not Deliver to Seller all Prior Documents within the time specified in 2C.
 - (2) Prequalification or preapproval: If Assignee does not attach same prequalification or preapproval from Buyer's lender as required by Buyer.
3. **Consideration for Assignment:**
 - A. Buyer has received consideration from Assignee in the amount of \$ _____ (or _____).
 - B. Buyer has not received any monetary consideration from Assignee for this Assignment.
4. Assignee represents for the benefit of Seller that Assignee ratifies and approves as Assignee's own acts all prior approvals and acts of Buyer pursuant to the Agreement up to and including the date of this Assignment.
5. Assignee assumes and agrees to perform and observe all of the obligations and covenants of Buyer in the Agreement to be performed after the date of this Assignment.
6. Buyer acknowledges and agrees that, notwithstanding Seller's agreement to this Assignment, Buyer is not released from any obligations or covenants under the Agreement.
7. Other terms: _____
8. Without releasing Buyer from any obligations or covenants under the Agreement and preserving all rights and remedies under the Agreement, in consideration of the covenants contained herein, Seller consents to the foregoing Assignment.



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

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

Buyer _____ Date _____
Buyer _____ Date _____

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

Assignee _____ Date _____
Assignee _____ Date _____

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

Seller _____ Date _____
Seller _____ Date _____

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



KEY ELEMENTS CHANGING ON NEW RPA

- 28 Legally Authorized Signer and the RCSD

28. LEGALLY AUTHORIZED SIGNER: Whenever the signature or initials of the Legally Authorized Signer identified in **paragraph 32** or **33** appear on this Agreement or any related documents, it shall be deemed to be in a representative capacity for the entity described and not in an individual capacity, unless otherwise indicated. The Legally Authorized Signer (i) represents that the entity for which that person is acting already exists and is in good standing to do business in California and (ii) shall Deliver to the other Party and Escrow Holder, within **3 Days** after Acceptance, evidence of authority to act in that capacity (such as but not limited to: applicable portion of the trust or Certification Of Trust (Probate Code § 18100.5), letters testamentary, court order, power of attorney, corporate resolution, or formation documents of the business entity).

KEY ELEMENTS CHANGING ON NEW RPA

- 32B & 33B RCSD information is now on the contract
- There is no longer a confirmation of Acceptance
- Realtor Box Designated Electronic Delivery- email addresses on contract

Buyer's Authorized Agent. **Seller has no obligation to respond to an offer made.**

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

(1) One or more Buyers is a trust, corporation, LLC, probate estate, partnership, holding a power of attorney or Other: _____

(2) This Agreement is being Signed by a Legally Authorized Signer in a representative capacity and not in an individual capacity. See **paragraph 28** for additional terms.

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

(4) If a trust, identify Buyer as trustee(s) of the trust or by simplified trust name (ex. John Doe, co-trustee, Jane Doe, co-trustee or Doe Revocable Family Trust). If the entity is a trust or under probate, the following is the full name of the trust or probate case, including case #: _____

C. The RPA has 16 pages. Buyer acknowledges receipt of, and has read and understands, every page and all attachments that make up the Agreement.

D. BUYER SIGNATURE(S):

(Signature) By, _____ **Date:** _____

Printed name of BUYER: _____

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

(Signature) By, _____ **Date:** _____

Printed name of BUYER: _____

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

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

ACCEPTANCE

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

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

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

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

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

(1) One or more Sellers is a trust, corporation, LLC, probate estate, partnership, holding a power of attorney or Other _____

(2) This Agreement is being Signed by a Legally Authorized Signer in a representative capacity and not in an individual capacity. See **paragraph 28** for additional terms.

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

(4) If a trust, identify Seller as trustee(s) of the trust or by simplified trust name (ex. John Doe, co-trustee, Jane Doe, co-trustee or Doe Revocable Family Trust). If the entity is a trust or under probate, the following is the full name of the trust or probate case, including case #: _____

C. The RPA has 16 pages. Seller acknowledges receipt of, and has read and understands, every page and all attachments that make up the Agreement.

D. SELLER SIGNATURE(S):

(Signature) By, _____ **Date:** _____

Printed name of SELLER: _____

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

(Signature) By, _____ **Date:** _____

Printed name of SELLER: _____

CHANGES TO FORMS

- Forms that are changing names:
 - RID to DID
 - FLD to LPD
 - TIP to TOPA
 - BXA and SXA
- 85 forms updated (and 6 new ones) will now have a new revision date to 12/21. Very few RPA-related forms will be older than 2019.

Form Code	Form Name	Form Count
New Purchase Agreements		
ABSPA	Already-Built Subdivision Purchase Agreement and Joint escrow Instruction	
CCSPA	Condo Conversion Subdivision Purchase Agreement and Joint Escrow Instructions	
CPA	Commercial Property Purchase Agreement and Joint Escrow Instructions	
NCPA	New Construction Residential Purchase Agreement and Joint Escrow Instructions	
NODPA	Notice of Default Purchase Agreement	
RIPA	Residential Income Property Purchase Agreement and Joint Escrow Instructions	
RPA	Residential Purchase Agreement	
VLPA	Vacant Land Purchase Agreement and Joint Escrow Instructions	8
New Forms		
COOP-OA	Stock Cooperative Ownership Advisory	
COOP-PA	Stock Cooperative Purchase Addendum	
TIC-FD	Tenancy-In-Common Financial Disclosure Statement	
TIC-OA	Tenancy-In-Common Ownership Advisory	
TIC-PA	Tenancy-In-Common Purchase Addendum	
TOPA	Tenant Occupied Property Addendum	6

Revised Forms (Substantive)	
AOAA	Assignment of Agreement Addendum
BCO	Buyer Counter Offer
CC	Cancellation of Contract, Release of Deposit and Joint Escrow Instructions
CCPA	California Consumer Privacy Act
CR	Contingency Removal
NBP	Notice to Buyer to Perform
NSP	Notice to Seller to Perform
RFR	Receipt for Reports
RLAS	Residential Lease After Sale (Seller in Possession After Close of Escrow)
RR	Request for Repair
RRRR	Seller Response and Buyer Reply to Request for Repair
SCO	Seller Counter Offer
SMCO	Seller Multiple Counter Offer
SPQ	Seller Property Questionnaire
WDFA	Wildfire Disaster Advisory
Revised Forms (Minor)	
AAA	Additional Agent Acknowledgement
AB	Buyer's Affidavit (FIRPTA Compliance)
ABA	Additional Broker Acknowledgement
AC	Confirmation of Real Estate Agency Relationships
AD	Disclosure Regarding Real Estate Agency Relationships
ADM	Addendum
AEA	Amendment of Existing Agreement Terms
AFA	Assumed Financial Addendum
AS	Sellers Affidavit of Nonforeign Status and/or California Withholding Exemption

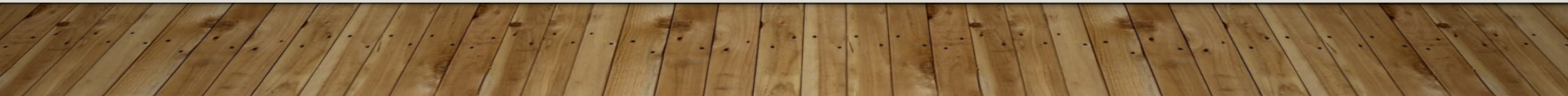
ASA	Additional Signature Addendum
AVID	Agent Visual Inspection Disclosure
BEO	Buyer Early Occupancy Addendum
BHAA	Buyer Homeowner's Association Advisory
BIA	Buyer Investigation Advisory
BIE	Buyer's Inspection Elections
BIW	Buyer's Inspection Waiver
BUO	Back-Up Offer Addendum
CCA	Court Confirmation Addendum
CND	Confidentiality and Non-Disclosure Agreement
CEEI	Condo Conversion and Existing Supplemental Escrow Instructions
DCE	Demand to Close Escrow
DLT	Declaration Regarding Real Estate License and Tax Reporting
ESV	Electronic Signature Verification for Third Parties
FVAC	FHA/VA Amendatory Clause
HOA-IR	Homeowner Association Information Request
HOA-RN	Request for Non-Statutory Homeowner Association Documents, Other Information, and Charges
HOA-RS	Request for Required Homeowner Association Documents and Charges
IOA	Interim Occupancy Agreement
LR	Residential Lease or Month-to-Month Rental Agreement
MCA	Market Conditions Advisory
MH-PA	Manufactured Home Purchase Agreement and Joint Escrow Instructions
NCDS	New Construction Property Disclosure Statement
NCEI	Common Interest Subdivision Supplemental Escrow Instructions
NCNC	New Construction Notice of Completion and Notice to Close Escrow
NCOU	Options and Upgrades

NNR	Notice of Nonresponsibility
NTF	Notice of Private Transfer Fee
PA	Probate Advisory
POSA	Pre-Occupancy Storage Addendum
PRBS	Possible Representation of More Than One Buyer or Seller
QS	Qualified Substitute Declaration of Possession of Transferor's Affidavit of Nonforeign Stats
RCSD-B	Representative Capacity Signature Disclosure (For Buyer Representative)
RCSD-S	Representative Capacity Signature Disclosure (For Seller Representative)
REO	REO Advisory
SFA	Seller Financing Addendum and Disclosure
SIP	Seller in Possession Addendum
SPT	Notice of Your "Supplemental" Property Tax Bill
SSA	Short Sale Addendum
SSIA	Short Sale Information and Advisory
SWPI	Septic Inspection, Well Inspection, Property Monument and Allocation of Cost Addendum

TA	Trust Advisory
TDS	Real Estate Transfer Disclosure Statement
VP	Verification of Property Condition
WFA	Wire Fraud Advisory
WHS	Water Heater Statement of Compliance
WOO	Withdrawal of Offer

WCO	Withdrawal of Offer	30
Renamed Forms		
BXA	Buyer Intent to Exchange Addendum	
CNC-PA	Completed New Construction-Purchase Addendum	
DID	Delivery of Increase Deposit	
LPD	Lead-Based Paint and Lead-Based Paint Hazards Disclosure, Acknowledgment and Addendum for Pre-1978 Housing Sales, Leases, or Rentals	
PA-PA	Probate Agreement Purchase Addendum	
SXA	Seller Intent to Exchange Addendum	6
Total		91

QUESTIONS???



LENDER RELATED CLAUSES IN NEW RPA AND C.A.R. FINANCE RESOURCES

MARC FARFEL

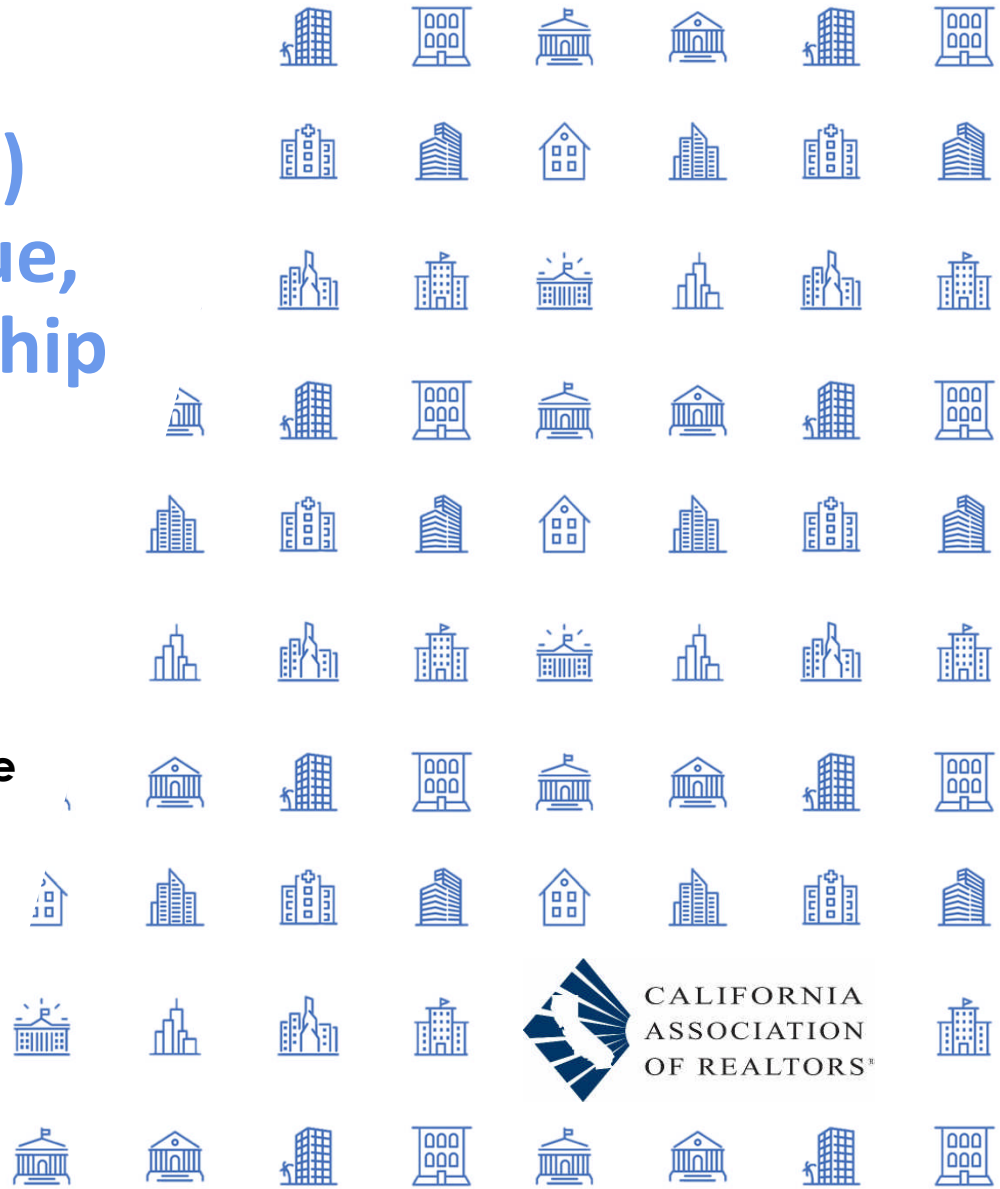
Transaction Coordinator (TC) Training - Transaction Rescue, STEPS Toward Homeownership & REALTOR® Resources

October 29th, 2021

Transaction Rescue

California Association of REALTORS®

Marc Farfel, Lender Liaison, Transaction Rescue
Manager



Key Elements Changing on New RPA Financing Related

- Paragraph 3E(3) Occupancy defaults to primary (like in current contract) but gives two alternate choices, Secondary (home) or investment. - Important if 2nd home or distance, or occupying
- Paragraph 3G(1) Seller credits to be applied to closing costs (not open ended like in current contract)
- specific limits as to amounts and purpose see attached
- Paragraph 3H(3) Loan application letter from lender has three choices, buyer is prequalified, buyer is pre-approved, or buyer has received fully underwritten preapproval
- Paragraph 3H(3) Buyer to provide letter from lender with offer (current contract allows buyer 3 days after acceptance) – will talk about this later but pre-Approval with underwriter most beneficial especially considering timelines & Contingencies
- Paragraph 4A Separate addendum for Manufactured home purchases (C.A.R. Form MF-PA). Mobile home purchase agreement is being discontinued. - important based on rental park or mobile, as it will affect Down, and lender capacity
- Paragraph 5C(3) Buyer authorizes seller or agent to contact lender to check on buyer's loan status – Lenders gladly do or should do this, sometimes required when dually qualifying as required by Sellers
- Paragraph 23 If buyer assigns contract, the assigned must provide seller with the same prequalification or preapproval type as the named buyer – I understand this may include adding/replacing co-coborrower, so this is something to check w/Lender based on timing



Key Elements Changing on New RPA

Possible Interest

- Paragraph 8A(1) If buyer waives appraisal contingency, and property does not appraise, and failure to appraise is reason lender will not loan, buyer does not have a contractual right to cancel – **May affect Lending based on loan type**
- Paragraph 8A(2) If lender will not make loan because buyer has not acquired insurance, and buyer has already removed investigation contingency, buyer does not have a contractual right to cancel – **simple solution in advance, don't get to this final stage without conversation**
- Paragraph 8B(2) If buyer cancels because of failure of property to appraise, buyer shall deliver copy of appraisal to seller – **nice to have, but that appraisal is not usable for another lender or other purpose**
- Paragraph 10B(1) If seller does not address smoke alarms or carbon monoxide detectors or brace or anchor water heaters, and buyer incurs costs to meet lender demands on these items, buyer can pursue seller for the costs incurred – **during Lender Appraisal this should be done in advance, so as not to require re-visit or calling out other items**
- Paragraph 10B(3) If lender charges buyer for reinspection fee to address smoke alarms, carbon monoxide detectors or water heaters, buyer can pursue seller for the reinspection fees

Key Elements Changing on New RPA Lender Limits Relating to Seller Credits

FHLMC:

Maximum Interested Party Financing Concessions Updated – 10-28-21

Financing Concessions: Financing concessions are funds that originate from an interested party to the transaction that are used to:–Reduce permanently the interest rate on the Mortgage–Fund a buydown plan to temporarily subsidize the Borrower’s monthly payment on the Mortgage–Make contributions in any way related to the Borrower’s Closing Costs, including up to twelve (12) months of HOA dues

Fannie Mae (FNMA)

Occupancy	LTV/TLTV > 90%	LTV/TLTV 75.01 – 90%	LTV/TLTV ≤ 75%
Primary Residences & Second Homes	3%	6%	9%
Investment Properties	2%	2%	2%

FHA:

Interested Party Contributions
<ul style="list-style-type: none"> ➤ Interested parties refer to Sellers, Real Estate Agents, Builders, Developers or other parties with an interest in the transaction. ➤ Interested Party Contribution refers to a payment by an Interest Party, or combination of parties, toward the Borrower’s origination fees, other closing costs and discount points. ➤ Interested Parties may contribute up to 6% of the lesser of the property’s sales price or appraised value towards the buyer’s closing costs, prepaid expenses, discount points and other financing concessions. ➤ The 6% limit also includes; <ul style="list-style-type: none"> » Interested Party payment for permanent or temporary interest rate buydowns and other payment supplements, » Payments of mortgage interest for fixed rate mortgages, » Mortgage payment protection insurance; and, » Payment of UFMIIP. ➤ Interested Party Contributions that exceed actual origination fees, other closing costs and discount points are considered an inducement to purchase. ➤ Interested Party Contributions exceeding six (6%) percent are considered an inducement to purchase. ➤ Interested Party Contributions may not be used for the Borrower’s MRI. ➤ Payment of real estate commissions or fees, typically paid by the seller under local or state law or local custom, is not considered an Interested Party Contribution. ➤ HBFS must document the total Interested Party Contributions on Form HUD-92900-LT, Settlement Statement or similar legal documentation, and the sales contract.

Freddie Mac (FHLMC)

Occupancy	LTV/TLTV > 90%	LTV/TLTV 75.01 – 90%	LTV/TLTV ≤ 75%
Primary Residences & Second Homes	3%	6%	9%
Investment Properties	2%	2%	2%

VA: (note that VA is the only one that allows seller to payoff borrowers credit balances)

Seller Contributions
<ul style="list-style-type: none"> » For the purpose of this topic, a seller concession is anything of value added to the transaction by the builder or seller for which the buyer pays nothing additional and which the seller is not customarily expected or required to pay or provide. » Seller concession include; but are not limited to, the following; <ul style="list-style-type: none"> – Payment of buyer’s VA funding fee, – Prepayment of the buyer’s property taxes and insurance, – Gifts such as a television set or microwave oven, – Payment of extra points to provide permanent interest rate buydowns, – Provision of escrowed funds to provide temporary interest rate buydowns; and, – Payoff of credit balances or judgments on behalf of the buyer. » Seller concessions do not include payment of the buyer’s closing costs or payment of points as appropriate to the market. Example: If the market dictates an interest rate of 7½% with 2 discount points, the seller’s payment of 2 discount points would not be a seller concession. If the seller paid 5 discount points, 3 of these would be considered as a seller concession. » The problem – In some localities, builders or sellers offer concessions as a competitive tool. In extreme cases, the concessions may entice unwary and unqualified veterans into home mortgages they cannot afford. The concessions may disguise the Veteran’s inability to qualify for the loan. » Four Percent (4%) Limit <ul style="list-style-type: none"> – Any seller concession in combination of concessions which exceeds four percent (4%) or the established reasonable value of the property is considered excessive and unacceptable for VA-guaranteed loans. – Do not include normal discount points and payment of the buyer’s closing costs in total concession for determining whether concession exceed the four percent (4%) limit.

Lending, Homeownership and Resource Update

Transaction Rescue was established as the Finance Helpline in February of 2013. While we have adjusted the name a few times to Mortgage Rescue and now to its current Transaction Rescue. <http://mortgage.car.org> to focus on Finance, Lending, Fair Housing, Better Business Bureau (BBB), Title and Property Valuation concerns.


As a Free Member Benefit, we focus on Education, Support and Expanding Options and Knowledge for our REALTORS® to be Local Experts for their Clients.

- Areas NOT covered by the Legal Hotline or offered through paid REBS courses
- We have three major areas that we divide our education:
 - Down Payment Assistance – <http://FindDownPayment.car.org>
 - STEPS Toward Homeownership <http://on.car.org/STEPS>
 - Individual Assistance for REALTORS® on their Transactions
TransactionRescue@car.org



CALIFORNIA ASSOCIATION OF REALTORS®
Transaction Rescue™

The CALIFORNIA ASSOCIATION OF REALTORS® Transaction Rescue™ is a FREE C.A.R. member benefit providing you with invaluable one-on-one assistance for any of your mortgage related questions or issues.

 (213) 739-8383

 TransactionRescue@car.org

 mortgage.car.org

Your direct line to all finance and mortgage related questions

What can Transaction Rescue™ help you with?

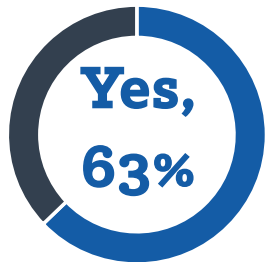
- Issue with a Lender
- Finding a Lender
- Loan Qualifications
- Financing Assistance
- Down Payment Assistance
- Closing Delays
- Title and Escrow
- Short Sale
- Forbearance
- Foreclosure
- Lending Discrimination
- Appraisals
- SBA Loans, PUA



Down Payment Assistance

Did you know?

63% of consumers would start searching for a home if they knew they could qualify for a low-down payment



If you knew you could qualify for a mortgage with a much lower down payment, would you start to look for a house?

(n=1,008)

Source: 2019 C.A.R. Consumer Survey

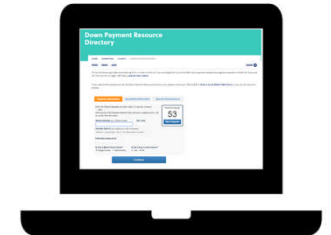


C.A.R.'s Down Payment Resource Directory

<http://FindDownPayment.car.org>

Within the C.A.R Tool, you can find:

- Participating Lenders
- Program Guide/Flyer
- Filters/Guidelines:
 - Special Groups (Teachers, Protectors, etc.)
 - Eligible Properties
 - Maximum Sales Price
 - Eligible Borrowers
 - Maximum Household Income
 - Loan Terms
- Benefits
- Latest Updates



Get Down Payment Assistance



<http://FindDownPayment.car.org>

FindDownPayment.car.org

<https://www.car.org/marketing/clients/downpaymentresource>

Down Payment Resource Directory

Filters Available:

- **PROPERTY INFORMATION**
- **HOUSEHOLD INFORMATION**
- **SPECIAL CIRCUMSTANCES**

- **GENERAL SEARCH – CITY, COUNTY, TOWN, ETC.**
- **ACTUAL PROPERTY SALES PRICE**

- **CURRENTLY OWN A HOME**
- **HOUSEHOLD INCOME**
- **VETERAN**

- **EDUCATOR**
- **LAW ENFORCEMENT**
- **FIREFIGHTER**
- **HEALTHCARE**

- **DISABILITY**
- **MILITARY**
- **ENERGY EFFICIENT**

- **VIDEO**



HOME > MARKETING > CLIENTS > DOWNPAYMENTRESOURCE

[PRINT](#) | [EMAIL](#) | [SAVE](#)

[SHARE](#)

Fill out the following 3-step pre-screening form, in order to find out if you are eligible for any of the 400+ down payment assistance programs available in California. If you are still not sure how to begin, feel free to [watch this video](#).

If you need further assistance with the Down Payment Resource Directory tool, please contact your REALTOR® or [find a local REALTOR® here](#), if you do not have one already.

Property Information

Household Information

Special Circumstances

Enter the Street Address and Zip Code of a specific property

– OR –

Start typing in the General Search field and pick a neighborhood, city or county from the menu.

Street Address (e.g. 123 Main Street)

Zip Code

General Search (start typing for a menu of options)

Rancho Cucamonga (City in San Bernardino County)

Estimated sales price

Is this a Multi-Family Home?

Single-Family Multi-Family

Is the home in foreclosure?

Yes No

Matched Programs

53

[View Programs](#)

[Continue](#)

FindDownPayment.car.org

<https://www.car.org/marketing/clients/downpaymentresource>

Down Payment Resource Directory

HOME > MARKETING > CLIENTS > DOWNPAYMENTRESOURCE

PRINT | EMAIL | SAVE

SHARE

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Estimated sales price

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Single-Family Multi-Family

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Matched Programs

53

View Programs

Continue

Within the C.A.R Tool, you can find:

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 - Special Groups (Teachers, Protectors, etc.)
 - Eligible Properties
 - Maximum Sales Price
 - Eligible Borrowers
 - Maximum Household Income
 - Loan Terms
- Benefits
- Latest Updates



VIDEO LINK ATTACHED – Down Payment Assistance – How to Find and What are the Programs

October 21, 2020

Transaction Rescue
California Association of REALTORS®

Previous
Recording



Lending, Homeownership and Resource Update for Southland Regional Association of REALTORS®

2021 Conforming & High Balance Loan Limits by County for Freddie & Fannie - (As of 1/01/2021)

The Federal Housing Finance Agency's (FHFA) announcement to increase the 2021 conforming loan limits for mortgages acquired by Fannie Mae and Freddie Mac to **\$548,250** on one-unit properties and a cap of **\$822,375** in high-cost areas. The previous loan limits were \$510,400 and \$765,600, respectively. Higher Loan Limits = More Properties Available to Entry Level Buyers

Loan Limit Counties

\$822,375 –	Alameda, Contra Costa, Los Angeles, Marin, Orange San Benito, Santa Clara, Santa Cruz, San Mateo
\$548,250 > < 822.375	San Diego, Ventura, Santa Barbara, San Luis Obispo, Monterey Napa, Sonoma, Yolo, Sacramento, Placer, El Dorado
\$548,250 –	All Remaining Counties for FHLMC/FNMA, FHA are less.

Link to Freddie Mac (FHLMC) / Fannie Mae (FNMA) 2021 Loan Limits

- <https://www.fhfa.gov/DataTools/Tools/Pages/Conforming-Loan-Limits-Map.aspx>

Link to FHA Loan Limits just changed on the 24th of November for 2021 Limits – Conforming \$548,250 max, less in many areas

<https://entp.hud.gov/idapp/html/hicost1.cfm>

Lending Terms / Abbreviations

- **AUS – Automated Underwriting System**
- **LPA – Loan Prospect Advisor (previously – Loan Prospector LP) (Freddie)**
- **DU – Desktop Underwriter (Fannie)**
- **GUS – Government Underwriting System**
- **FICO – Fair Isaac Company (Loan Scoring Model Used By a Majority of Lenders / Investors)**
- **DPA – Down Payment Assistance**
- **MI – Mortgage Insurance**
 - **UFMIP - Up-Front Mortgage Insurance (FHA Loans)**
 - **MMI – Monthly Mortgage Insurance (FHA Loans)**
 - **PMI – Private Mortgage Insurance (Conventional Loans)**
 - **LPMI – Lender Paid Mortgage Insurance**
- **OO - Owner Occupied Borrower / Co-Borrower**
- **NOO – Non-Owner-Occupied Borrower / Co-Borrower**
- **FTHB – First Time Home Buyer**
- **CalHFA – California Housing Finance Agency**
- **GSFA – Golden State Finance Authority (Platinum)**
- **Flipping – Selling within 3 months, with large value increase, may trigger Lender **RED** Flags**
- **Calculations**
 - **DTI – Debt to Income**
 - **LTV – Loan to Value and Combined Loan to Value (CLTV)**
 - **PITIA w/MI – Principal, Interest, Taxes, (Hazard) Insurance, Association Fees, and Mortgage Insurance**



Website Details – All Areas

CAR.ORG

<https://www.car.org>

CALIFORNIA ASSOCIATION OF REALTORS®

TRANSACTION CENTER ▾ LEARN & THRIVE ▾ INDUSTRY 360° ▾ YOUR C.A.R. ▾

SIGN IN SEARCH

C.A.R. COVID-19 UPDATES

C.A.R. encourages all members to stay up to date on the outbreak of COVID-19, which is currently sweeping the globe.

Newest Updates

- REALTOR® Financial Relief
- COVID-19 Legal Documents
- Upcoming COVID Webinars

SUPPORT

ACCESS REALTOR® SECURE TRANSACTION TRANSACTIONS

FIND A REALTOR®

The tools you need. Support you want.

CHECK OUT WHAT'S NEW

ADVERTISING

BOOST YOUR BIZ BAR **BOOST YOUR BIZ BAR** **BOOST YOUR BIZ BAR**

BOOST YOUR BIZ ONCE A MONTH!

 LEARN MORE

SOURCE: California Association of REALTORS®

Meetings & Events on CAR.ORG

<https://www.car.org/> – Learn & Thrive – Meetings & Events - Virtual

← → ↻ car.org/meetings

CALIFORNIA ASSOCIATION OF REALTORS®

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🛒 SIGN IN 🔍 SEARCH

EDUCATION MEETINGS & EVENTS MARKETING TOOLS KNOWLEDGE CENTER

CLOSE ✕

Meetings & Events

Mark your calendars for our yearly meetings and events!

[VIEW MORE](#)

SUPPORT

- C.A.R. Board of Directors and Committees** ➤
The main Business Meetings page includes important links for Directors and Committee Members.
- Tentative Program Meeting Registration**
- NAR Meetings** ➤
NAR meeting information and materials.
- REImagine! Real Estate Conference** ➤
REImagine! Real Estate Conference & Expo is where learning takes center stage and where business solutions and connections are at the forefront of the real estate industry.
- REImagine! 2020 Session Archive**
- Virtual Events** ➤
View C.A.R.'s upcoming and past virtual events.
- Webinars** ➤
Our comprehensive list of C.A.R. webinars you may attend free of charge.
- Legislative Day** ➤
Save the date for Legislative Day 2021! Tuesday, April 27 will be a day filled with talks from our Capitol's most dynamic political leaders and much, much more!

STEPS Conference on CAR.ORG

<https://www.car.org/meetings/stepsconference>

The screenshot shows a web browser window with two tabs: "Transaction Rescue™" and "STEPS Toward Homeownership C...". The address bar displays "car.org/meetings/stepsconference". The website header includes the California Association of Realtors logo, navigation menus for "TRANSACTION CENTER", "LEARN & THRIVE", "INDUSTRY 360°", and "YOUR C.A.R.", along with a shopping cart icon, "HI MARC", and a "SEARCH" button. The main content area features a teal banner with the text "STEPS Toward Homeownership Conference" and a "SUPPORT" label on the left. A vertical menu on the right lists "Education", "Meetings & Events", "Marketing Tools", and "Knowledge Center". Below the banner is a breadcrumb trail: "HOME > MEETINGS & EVENTS > STEPS TOWARD HOMEOWNERSHIP CONFERENCE". There are also links for "PRINT", "EMAIL", "SAVE", and "SHARE". The main text block contains the following text:

The CALIFORNIA ASSOCIATION OF REALTORS® STEPS Toward Homeownership addresses housing affordability from the perspective of financial literacy. Did you know over half of all renters in California thought you needed at least 20% down to purchase a home? The reality is there are programs available that enable a purchase with much lower down payments. This program brings relevant information to our members about credit scores, financial planning, leveraging down payment resources and options for low to moderate income earners so that we can educate our buyers. The CALIFORNIA ASSOCIATION OF REALTORS® supports RESPONSIBLE homeownership.

The logo for "STEPS TOWARD HOMEOWNERSHIP" is displayed below the text.



SOURCE: California Association of REALTORS®

Learn & Thrive on CAR.ORG

<https://www.car.org> – Learn & Thrive – Knowledge Center - Webinars

TRANSACTION CENTER **LEARN & THRIVE** **INDUSTRY 360°** **YOUR C.A.R.** **HI MARC** **SEARCH**

EDUCATION **MEETINGS & EVENTS** **MARKETING TOOLS** **KNOWLEDGE CENTER**

Knowledge Center

Got knowledge? All the info you need on California's housing market, economy, and issues impacting the industry.

For Brokers/Managers
This information is designed for Real Estate Brokers and Office Managers to assist you in supporting your real estate business.

Center for California Real Estate
CCRE's mission is to advance industry knowledge and innovation with an emphasis on convening key experts and influence-makers.

Tax Reform FAQ
Frequently Asked Questions about the Tax Cuts and Jobs Act

Multimedia Library
From webinars to videos and podcasts to blogs, C.A.R. keeps you in the know.

Videos
Webinars
Podcasts

Publications
C.A.R. publishes eight magazine issues and various newsletters throughout the year.

Newsletters
California Real Estate Magazine

SUPPORT

Sign-in on CAR.ORG

<https://www.car.org>

Transaction Rescue™ x Sign In x +

car.org/LogIn?returnUrl=/helplines/transactionrescue

CALIFORNIA ASSOCIATION OF REALTORS®

TRANSACTION CENTER ▾ LEARN & THRIVE ▾ INDUSTRY 360° ▾ YOUR C.A.R. ▾

SIGN IN Q SEARCH

Sign In

Enter your username and password in the boxes below to continue. If you are a C.A.R. member and have never registered on car.org, click the register link to create an account.

SUPPORT

Username

New to CAR.org?

[Register](#)

Password

[Forgot Username or Password?](#)

[SIGN IN](#)

Transaction Rescue Webinars on CAR.ORG

<https://www.car.org/FinWebinars>

The screenshot displays the 'Transaction Rescue™ Webinars' page on the CAR.ORG website. The browser's address bar shows the URL <https://www.car.org/knowledgemultimedialibrary/webinars/financehelpline>. The page header includes the California Association of Realtors logo and navigation links: TRANSACTION CENTER, LEARN & THRIVE, INDUSTRY 360°, and YOUR C.A.R. A search bar and 'HI MARC' button are also present. The main content area features a large teal banner with the title 'Transaction Rescue™ Webinars' and a 'SUPPORT' label on the left. A sidebar on the right, labeled 'EXPLORE LEARN & THRIVE', contains links to Education, Meetings & Events, Marketing Tools, and Knowledge Center. Below the banner, a breadcrumb trail reads: HOME > KNOWLEDGE CENTER > MULTIMEDIA LIBRARY > WEBINARS > FINANCE HELPLINE WEBINARS. The page offers options to PRINT, EMAIL, or SAVE the content, along with a SHARE button. The featured video is titled 'Lending Alternatives w-Mortgage Insurance...' and is dated July 8, 2021. The video player includes a 'PLAY VIDEO' button and a 'SHARE' icon. A blue call-to-action box on the right says 'GET IN ON THE XPERIENCE!'.

Transaction Rescue Webinars on CAR.ORG

<https://www.car.org/knowledge/multimedialibrary/webinars/financehelpline>

Transaction Rescue™

Transaction Rescue™ Webinars

car.org/knowledge/multimedialibrary/webinars/financehelpline

CALIFORNIA ASSOCIATION OF REALTORS®

TRANSACTION CENTER

LEARN & THRIVE

INDUSTRY 360°

YOUR C.A.R.

HI MARC

SEARCH

Lending Alternatives

Lending 101 - An Introduction Towards Homeownership

Housing Affordability

STEPS - LAKIR

The CALIFORNIA ASSOCIATION OF REALTORS® Transaction Rescue™ is proud to present a series of Workshops & Events that will educate and prepare our REALTORS® with first hand knowledgeable insight to the mortgage and housing finance system.

Find out more about the **Transaction Rescue™** and how it can assist you to close a loan transactions faster. Give us a call (213) 739-8383 or email us at **TransactionRescue@car.org**.

UPCOMING WEBINARS:
Transaction Rescue™ - Back to Basics Webinar Series:
Next Lending Webinar, To Be Determined
July 21, 2021

[Register Here](#)

Please join us as one of our Financial Partners share details on Down Payment Assistance and the Programs available throughout the state of California and the Lending process allowing both you and your clients to obtain low down payment loans. This Webinar will be Wednesday, July 21st, 2021 at 1:30 p.m. Throughout our review we will be evaluating and providing Lending options to many potential Homeowners that fall into a slew of different scenarios. Let's look into making it a breakout session review

REImagine!
REAL ESTATE
VIRTUAL CONFERENCE
& EXPO

FREE VIRTUAL EVENT

OCT. 5-7, 2021

REGISTER NOW!

Transaction Rescue Webinars on CAR.ORG

<https://www.car.org/knowledge/multimedialibrary/webinars/financehelpline>

PREVIOUS WEBINAR LIST:

Search this table:

Date/Time	Webinar Title	Categories	Slides	Recordings
2021-06-23	Transaction Rescue™ Webinar - Lending Alternatives with Mortgage Insurance	Loans	PDF Slides	Watch Here
2021-06-23	Transaction Rescue™ Webinar - "Lending 101 - An interactive review of Lending in Homeownership	Loans	PDF Slides	Watch Here
2021-06-17	Transaction Rescue™ - "STEPS Toward Homeownership-Financing the American Dream" - 6-17-21	Loans	Additional Info	Watch Here
2021-05-26	Transaction Rescue™ Webinar - "Housing Affordability Equity - Economics, Best Practices & Some Solutions	Loans	PDF Slides	Watch Here
2021-05-18	Transaction Rescue™ Webinar - Next STEPS Taking a Deeper Dive - A look at unanswered	Loans	PDF Slides	Watch Here



SOURCE: California Association of REALTORS®

Market Data

<https://www.car.org> - Industry 360 / Market Data



TRANSACTION CENTER

LEARN & THRIVE

INDUSTRY 360

YOUR C.A.R.



SIGN IN

SEARCH

MARKET DATA

MLS / PROFESSIONAL STANDARDS

POLITICAL ADVOCACY

LEGAL

CLOSE X

Market Data

Be trendy -- stay current with our latest market forecasts and data analyses.



[VIEW MORE](#)

Housing Market Forecast

The latest market forecast and projection to what lays ahead..

Data & Statistics

View the latest sales and price numbers. Find out where sales will be in upcoming months.

[Current Sales & Price Statistics](#)

[Housing Affordability Index - Traditional](#)

[Historical Housing Data](#)

[Annual Historical Data Summary](#)

Housing Matters Podcast

Your housing hub for market analysis, economic trends, and housing news.

Market Minute

Get a roundup of weekly economic and market news that matters to real estate and your business.

Shareable and Interactive Reports

Gain insights through interactive dashboards and downloadable content.

[Buyer's Guide](#)

[Housing Market Overview](#)

[Market Update Videos](#)

[All Shareable Reports](#)

[All Interactive Dashboards](#)

Speeches & Presentations

Catch up with the latest outreaches and webinars by the Research and Economics team.

Surveys & Reports

Californians are surveyed annually to gain insights on the housing market from their perspective.

Stay Connected

Stay connected with the latest releases by subscribing to the products and services that interest you.



Search on CAR.ORG

<https://www.car.org>

The screenshot shows a web browser window with two tabs: 'Transaction Rescue™' and 'STEPS Toward Homeownership Conference'. The address bar shows 'car.org/meetings/stepsconference'. The website header includes navigation links: 'KNOWLEDGE CENTER', 'LEARN & THRIVE', 'INDUSTRY 360°', and 'YOUR C.A.R.'. There is a shopping cart icon, 'HI MARC', and a search bar with 'legal' entered. A dropdown menu is open, listing 'Education', 'Meetings & Events', 'Marketing Tools', and 'Knowledge Center'. Below the search bar, a dark blue sidebar contains the text 'Are you looking for...' and 'legal Q&A'. The main content area features a teal banner for 'STEPS Toward Homeownership Conference' with a 'SUPPORT' label. Below the banner, there is a breadcrumb trail 'MEETINGS & EVENTS > STEPS TOWARD HOMEOWNERSHIP CONFERENCE', a 'SAVE' button, and a 'SHARE' button. A pink box contains the text 'THE TOOLS YOU NEED. SUPPORT YOU WANT.' Below this, there is a paragraph of text about the STEPS program.

KNOWLEDGE CENTER | LEARN & THRIVE | INDUSTRY 360° | YOUR C.A.R. | HI MARC | Q SEARCH | legal | X | Q | X

Education > | Meetings & Events > | Marketing Tools > | Knowledge Center >

EXPLORE LEARN & THRIVE

MEETINGS & EVENTS > STEPS TOWARD HOMEOWNERSHIP CONFERENCE

SAVE | SHARE

STEPS
TOWARD
HOMEOWNERSHIP

The CALIFORNIA ASSOCIATION OF REALTORS® STEPS Toward Homeownership addresses housing affordability from the perspective of financial literacy. Did you know over half of all renters in California thought you needed at least 20% down to purchase a home? The reality is there are programs available that enable a purchase with much lower down payments. This program brings relevant information to our members about credit scores, financial planning, leveraging down payment resources and options for low to moderate income earners so that we can educate our buyers. The CALIFORNIA ASSOCIATION OF REALTORS® supports RESPONSIBLE homeownership.

THE TOOLS YOU NEED.
SUPPORT YOU WANT.



SOURCE: California Association of REALTORS®

Search on CAR.ORG

<https://www.car.org/en/Search?query=legal%20Q&As>

The screenshot shows a web browser window with the URL [car.org/Search?query=legal%20Q&As](https://www.car.org/en/Search?query=legal%20Q&As). The page header includes the California Association of Realtors logo and navigation menus for Transaction Center, Learn & Thrive, Industry 360, and Your C.A.R. A search bar at the top right contains the text "HI MARC" and a "SEARCH" button. Below the header, a search bar contains the query "legal Q&A". A left sidebar titled "SUPPORT" lists filter categories: Section (Risk Management (31), Meetings & Events (13), Transactions (5), Helplines (5), About Us (4), Marketing Tools (1)), Content Type (Article (80)), and Date (Past Year, Past Month). The main content area shows "SHOWING RESULTS FOR: legal Q&A" and lists three result categories, each with a URL and a right-pointing arrow:

- Legal Q&As**
HTTP://WWW.CAR.ORG/RISKMANAGEMENT/QA
Legal articles, many in question and answer format, are currently available on over 150 subjects in 50-plus categories All Legal Q&As 2020 Q&A Revisions 2020 Q&As 2019 Q&A Revisions 2019 Q&As 2018 Q&A Revisions 2018 Q&As 2017 Q&A
- COVID Legal Documents**
HTTP://WWW.CAR.ORG/RISKMANAGEMENT/COVIDLEGALDOCS
The recent events surrounding the spread of the Covid-19 strain of the coronavirus has led to many questions about the continued enforceability of real estate contracts under the circumstances Rather
- 2013 Q&A Revisions**
HTTP://WWW.CAR.ORG/RISKMANAGEMENT/QA/2013QAREVISIONS
To find the updated and other Legal Q&As, please go to the Navigation Tab on the left click on "All Legal Q&As" and then go to either Legal Articles (By

Legal Q & A's on CAR.ORG

<https://www.car.org/riskmanagement/qa>

The screenshot shows a web browser window with two tabs: 'Transaction Rescue™' and 'Legal Q&As'. The address bar displays 'car.org/riskmanagement/qa'. The website header includes the California Association of Realtors logo and navigation menus for 'TRANSACTION CENTER', 'LEARN & THRIVE', 'INDUSTRY 360°', and 'YOUR C.A.R.'. A search bar and 'HI MARC' button are also present. The main content area has a red background with the text 'Legal Q&As' and a vertical 'SUPPORT' label on the left. A sidebar on the right lists 'Transactions', 'Business Tools', 'Risk Management', and 'Helplines'. Below the header, a breadcrumb trail reads 'HOME > RISK MANAGEMENT > LEGAL Q&AS'. There are links for 'PRINT', 'EMAIL', 'SAVE', and 'SHARE'. The main text states: 'Legal articles, many in question and answer format, are currently available on over 150 subjects in 50-plus categories.' A list of categories follows: 'All Legal Q&As', '2020 Q&A Revisions', '2020 Q&As', '2019 Q&A Revisions', '2019 Q&As', '2018 Q&A Revisions', and '2018 Q&As'. A photo of a woman with a shopping cart is shown, with 'UPS' and 'C.A.R. MEMBER' logos below it.



SOURCE: California Association of REALTORS®

Helplines on CAR.ORG

<https://www.car.org> – Transaction Center – Helplines – Transaction Rescue

TRANSACTION CENTER **LEARN & THRIVE** **INDUSTRY 360°** **YOUR C.A.R.** **SIGN IN** **SEARCH**

TRANSACTIONS **BUSINESS TOOLS** **RISK MANAGEMENT** **HELPLINES**

HELPLINES

SUPPORT

Helplines

Help, I need backup! Whether it's legal or financial help you need, C.A.R.'s got your back with these resources.

Ombudsman Hotline

If you're a member looking to resolve a minor dispute or communication issue with another REALTOR®, a C.A.R. ombudsman may be able to help!

Peer-to-Peer Ethics

C.A.R. REALTOR® volunteers are specifically trained and are available to answer questions from other members about the Code of Ethics, and can provide information and limited counseling concerning its proper interpretation.

Transaction Rescue™

Your lifeline to the lending community formerly known as the Finance Helpline and Mortgage Rescue™. Find contacts and answers to all mortgage related questions, and problems that arise in your real estate transaction. Get assistance today!

Lending Resources

Customer Service

Looking for additional assistance? The Customer Contact Center is looking forward to serving you Monday through Friday between the hours of 8:30 a.m. and 4:45 p.m.

Consumer Mediation

The C.A.R. Real Estate Mediation Center for Consumers has mediators available to assist buyers and sellers (as well as other parties to real estate transactions) in resolving their disputes.

C.A.R. Legal Hotline

Did you know that for zero dollars and zero cents, you can speak with an attorney about your transaction? If you don't believe us, check it out yourself.

Transaction Rescue on CAR.ORG

<https://www.car.org/helplines/transactionrescue> - <http://Mortgage.car.org>

Transaction Rescue™

HOME > HELPLINES > TRANSACTION RESCUE™

[PRINT](#) | [EMAIL](#) | [SAVE](#) [SHARE](#)

We are still seeing a rise in issues related to closing and appraisal timelines, due to the limited access to comparable sales, and rising above list prices. The ever changing low rates, still create rate lock concerns, as well as additional employment status checks pre-closing are the major market issues today. C.A.R.'s Transaction Rescue™ is your free member benefit providing one-on-one assistance with these as well as any other finance related issues in the transaction.

The CALIFORNIA ASSOCIATION OF REALTORS® Transaction Rescue™ is a FREE C.A.R. member benefit, previously known as Mortgage Rescue™, providing both answers and assistance with moving your stalled real estate transactions forward. It provides you with invaluable one-on-one assistance with finding a Lender, Loan Qualifications, Down Payment Assistance, closing transactions, underwriting, short sales, funding, payoffs, REOs, Deeds in Lieu, and overall preparing your Clients for homeownership, for any of your mortgage related questions or issues.

EXPLORE TRANSACTION CENTER

- Transactions
- Business Tools
- Risk Management
- Helplines

THE WORLD'S LEADER IN NATURAL HAZARD DISCLOSURE REPORTS

WE DO THE WORK... YOU GET THE PROTECTION!

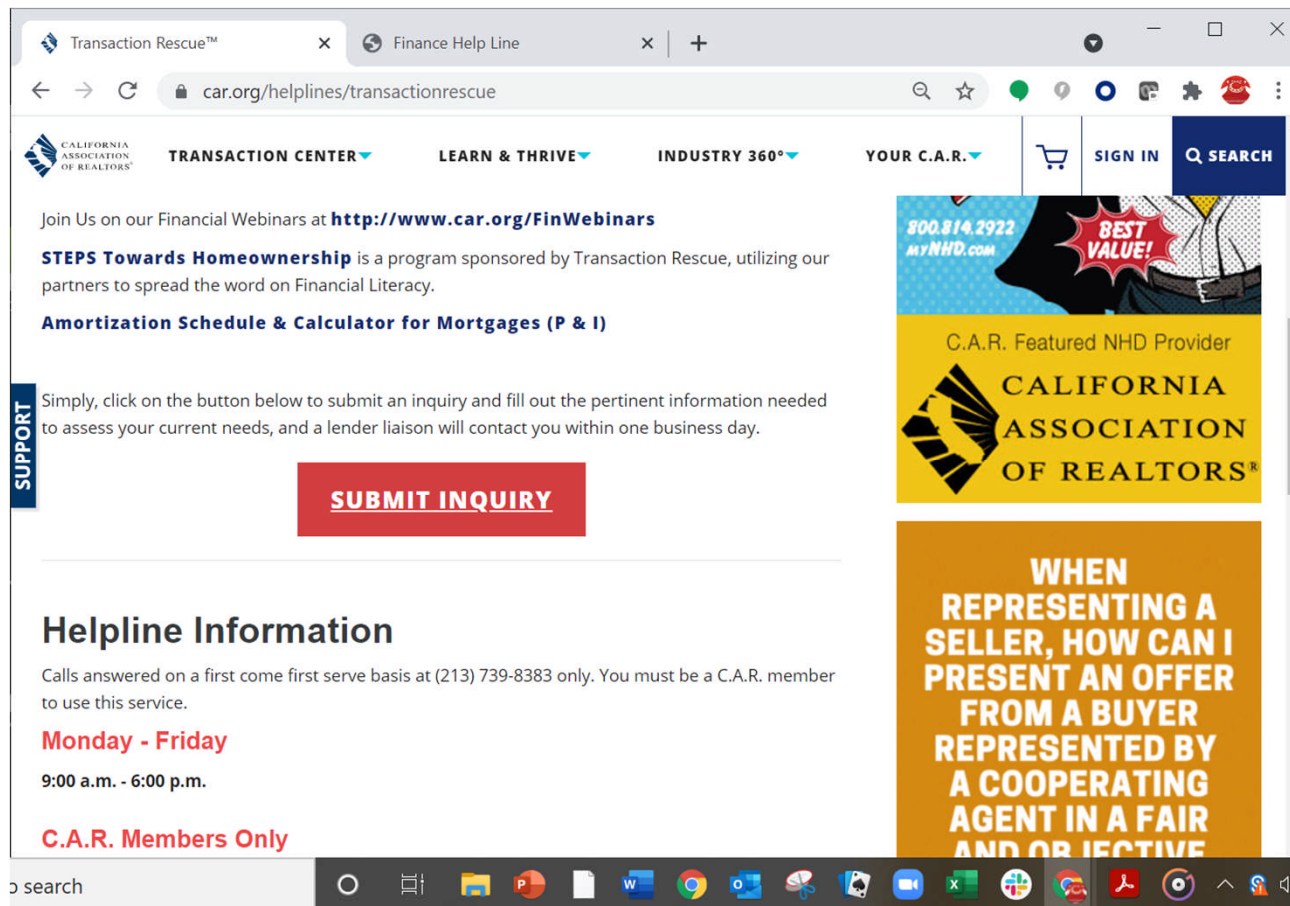
\$10 Million E&O Insured

Don't Close, Don't Pay Guarantee!

myNHD
myNHD.com

Submitting an Inquiry on CAR.ORG

<https://www.car.org/helplines/transactionrescue> - <http://Mortgage.car.org>



The screenshot shows a web browser window with two tabs: "Transaction Rescue™" and "Finance Help Line". The address bar shows "car.org/helplines/transactionrescue". The page header includes the California Association of Realtors logo and navigation links: "TRANSACTION CENTER", "LEARN & THRIVE", "INDUSTRY 360°", "YOUR C.A.R.", "SIGN IN", and "SEARCH".

The main content area features a "SUPPORT" sidebar on the left. The main text reads: "Join Us on our Financial Webinars at <http://www.car.org/FinWebinars>". Below this, it states: "**STEPS Towards Homeownership** is a program sponsored by Transaction Rescue, utilizing our partners to spread the word on Financial Literacy." and "**Amortization Schedule & Calculator for Mortgages (P & I)**".

A red button labeled "SUBMIT INQUIRY" is prominently displayed. Below it, the "Helpline Information" section states: "Calls answered on a first come first serve basis at (213) 739-8383 only. You must be a C.A.R. member to use this service." and lists the hours: "Monday - Friday 9:00 a.m. - 6:00 p.m." and "C.A.R. Members Only".

On the right side, there are two promotional banners. The top one is for "C.A.R. Featured NHD Provider" with the California Association of Realtors logo and the text "BEST VALUE!". The bottom one is a yellow banner with the text: "WHEN REPRESENTING A SELLER, HOW CAN I PRESENT AN OFFER FROM A BUYER REPRESENTED BY A COOPERATING AGENT IN A FAIR AND OBJECTIVE".

The Windows taskbar is visible at the bottom, showing various application icons and the system tray.

Submitting an Inquiry on CAR.ORG

<https://apps.car.org/FinanceHelpLine/>

The screenshot shows a web browser window with two tabs: 'Transaction Rescue™' and 'Finance Help Line'. The address bar shows the URL 'apps.car.org/FinanceHelpLine/?nrdsid=808563634'. The page header includes the California Association of Realtors logo and a 'Go to Dashboard' link. The main heading is 'REALTOR Information - Situation / Short Sale Status - Property / Loan Details'. The form is titled 'REALTOR Information:' and includes a dropdown for 'Case created by:' set to 'REALTOR Requestor'. The form fields are as follows:

*REALTOR NRDS #:	NRDS#
*REALTOR First Name:	Marc
*REALTOR Last Name:	Farfel
*Email Address:	TransactionRescue@car.org
*Work Phone:	213-739-8383
*Cell Phone:	213-739-8383
*What is your relationship as Realtor on this transaction?:	Buyer's Agent
*What is the reason for your inquiry?:	Financing Assistance
Detailed Inquiry:	Fill in Details

At the bottom left of the form is a 'Next' button.



SOURCE: California Association of REALTORS®

Submitting an Inquiry on CAR.ORG

<https://apps.car.org/FinanceHelpLine/>

The screenshot shows a web browser window with two tabs: 'Transaction Rescue™' and 'Finance Help Line'. The address bar shows the URL 'apps.car.org/FinanceHelpLine/?nrdsid=808563634'. The page header includes the California Association of Realtors logo and a 'Go to Dashboard' link. The main heading is 'REALTOR Information - Situation / Short Sale Status - **Property / Loan Details**'. Below this is a section titled 'Property / Loan Details:' with the following fields:

- *Address of the Property Street # and Name:
- *Address of the Property City, State and Zip:
- *Borrowers Names(s) as on the Mortgage(s):
- *Borrowers Military Service:
- Home Value (BPO or Appraisal):
- *Is there or has there been a bankruptcy (BK):
- Latest date of filing or discharge:
- *1st Trust Deed (TD):
- Date first Contacted Lender/Service:
- Lender/Service on 1st TD:
- Lender/Service Name (if other):
- LOAN # on 1st TD:



SOURCE: California Association of REALTORS®

Submitting an Inquiry on CAR.ORG

<https://apps.car.org/FinanceHelpLine/>

Transaction Rescue™ x Finance Help Line x +

apps.car.org/FinanceHelpLine/?nrdsid=808563634

Investor (if other):

Is the Seller/Mortgagor still paying their mortgage?

How delinquent are they on their mortgage?

Was there a Notice of Default Filed, if so on what date?

If the loan is already schedule for Trustee Sale (Foreclosure), for What Date?

Has the Trustee's Sale (Foreclosure) already been postponed, if so how many times?

*2nd Trust Deed (TD):

Date first Contacted Lender/Servicer:

Lender/Servicer on 2nd TD

Lender/Servicer Name (if other):

LOAN # on 2nd TD

Principal Balance (PB) Amount:

Investor on 2nd TD

Investor (if other)

Is the Seller/Mortgagor still paying their mortgage?

Additional Comments:

REALTOR Secure Transaction on CAR.ORG

<https://www.car.org/transactions>

CALIFORNIA ASSOCIATION OF REALTORS®

TRANSACTION CENTER ▲ LEARN & THRIVE ▼ INDUSTRY 360° ▼ YOUR C.A.R. ▼

TRANSACTIONS BUSINESS TOOLS RISK MANAGEMENT HELPLINES

CLOSE X

Transactions

Time to bring it home. Complete transactions and contracts electronically through zipForm®.

REALTOR® Secure Transaction

Realtor® Secure Transaction is your place to discover, access and master the essential tools for a modern, efficient and secure transaction.

Standard Forms

C.A.R. Standard Forms are developed by the C.A.R. Legal Department which gathers input from real estate professionals and attorneys to create user-friendly, comprehensive, and dependable forms.

Transactions - zipForm® Edition

Transaction management and forms software with all the must-have features, including current statewide contracts, local forms, and more.

C.A.R. Home Inspector Certification Program

C.A.R. now offers a list of Certified Home Inspectors for our REALTORS® members. Participants of this program have completed certain background and education

ADVERTISING

BOOST YOUR BIZ ONCE A MONTH! [LEARN MORE](#)

STEPS Towards Homeownership on CAR.ORG

<http://On.car.org/STEPS> - <https://www.car.org/helplines/transactionrescue/financial-literacy>

Transaction Rescue™ x STEPS Toward Homeownership x +

car.org/helplines/transactionrescue/financial-literacy

CALIFORNIA ASSOCIATION OF REALTORS®

TRANSACTION CENTER ▾ LEARN & THRIVE ▾ INDUSTRY 360° ▾ YOUR C.A.R. ▾

HI MARC SEARCH

SUPPORT

STEPS Toward Homeownership

EXPLORE TRANSACTION CENTER

- Transactions >
- Business Tools >
- Risk Management >
- Helplines >

HOME > HELPLINES > TRANSACTION RESCUE™ > STEPS TOWARD HOMEOWNERSHIP

PRINT EMAIL SAVE SHARE

About STEPS

STEPS TOWARD HOMEOWNERSHIP The CALIFORNIA ASSOCIATION OF REALTORS® STEPS Toward Homeownership addresses housing affordability from the perspective of financial literacy. Did you know over half of all renters in California thought you needed at least 20% down to purchase a home (C.A.R. 2019 Renter's Survey)? The reality is there are programs available that enable a purchase with much lower down payments. This program brings relevant information to our members about credit scores, financial planning, leveraging down payment resources and options for low to moderate income earners so that we can educate our buyers. The CALIFORNIA ASSOCIATION OF REALTORS® supports RESPONSIBLE homeownership.

“ THIS TAUGHT ME HOW TO RUN FACEBOOK AND GOOGLE ADS THAT ACTUALLY WORK! 🥳✅ ”

Transaction Rescue on CAR.ORG

<https://www.car.org/helplines/transactionrescue> - <http://Mortgage.car.org>

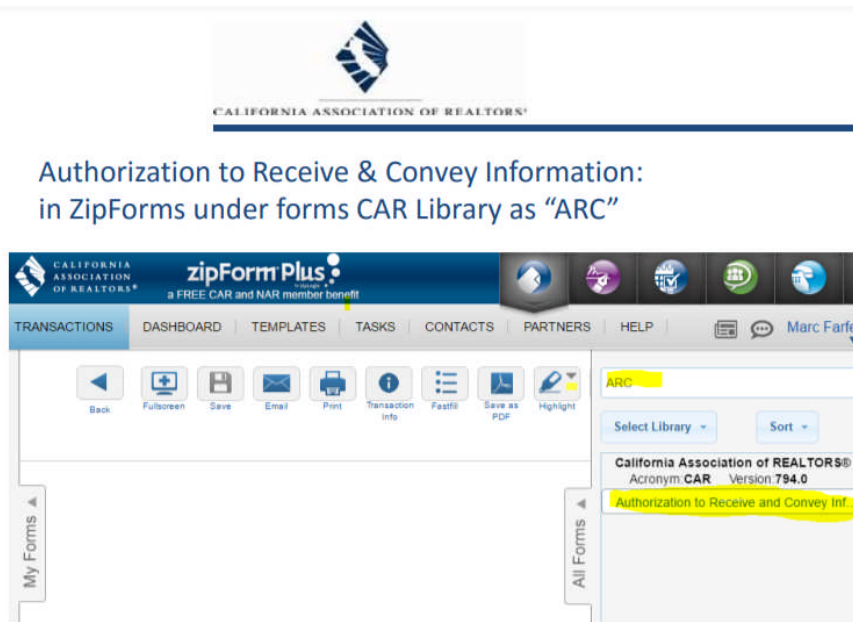
The screenshot shows a web browser window with two tabs labeled 'Transaction Rescue™'. The address bar shows the URL 'car.org/helplines/transactionrescue'. The page header includes the California Association of Realtors logo and navigation links: 'TRANSACTION CENTER', 'LEARN & THRIVE', 'INDUSTRY 360°', 'YOUR C.A.R.', a shopping cart icon, 'HI MARC', and a search bar. The main content area features a large red banner with 'Transaction Rescue™' and a 'SUPPORT' label on the left. Below the banner is a breadcrumb trail: 'HOME > HELPLINES > TRANSACTION RESCUE™'. There are links for 'PRINT', 'EMAIL', and 'SAVE'. The main text discusses rising issues in closing and appraisal timelines and introduces Transaction Rescue™ as a free member benefit. A 'My Account' dropdown menu is open on the right, listing various services and resources such as 'C.A.R. STAFF', 'LOCAL ASSOCIATIONS', and 'AE RESOURCES'. A 'SIGN OUT' button is visible in the dropdown. A pink banner at the bottom right of the page indicates the date 'OCT. 5-7, 2021'.



SOURCE: California Association of REALTORS®

Utilizing an ARC Agreement

<https://www.car.org/-/media/CAR/Documents/Alterian---import/PDF/pdf/financehelpline/Sample-ARC-with-Fields-and-Instuction.pdf>



Sample "ARC" or 3rd Party Authorization Agreement & Key Fields Required

- Broker Name with any and All Associates to be in Contact Lender.
- Current or Prospective Lender Name & Loan # (number)
- Full Address of the Property including City, State & Zip
- Autograph, Name, Contact Information of Client (Borrower) & Seller or Buyer

3rd Party Authorization - CAR

CALIFORNIA ASSOCIATION OF REALTORS®
AUTHORIZATION TO RECEIVE AND CONVEY INFORMATION
(C.A.R. Form ARC, 11/13)

I, _____ ("Broker") is a licensed California real estate broker that provides real estate services on its own or through others working for Broker, including Broker's salespersons, broker-associates, employees, and assistants (collectively, "Associates"). Broker represents me as the Seller, Buyer in the sale/purchase of the following property, _____ or not yet determined. I authorize Broker and its Associates _____ to request, receive and convey information, including TILA-RESPA Integrated Disclosures, and other disclosures from and to the following persons or entities in connection with the representation of me and, if applicable, the sale/purchase of property described above.

Current Insurance Provider: _____ Policy # _____
 Prospective Insurance Provider: _____
 Current Lender: _____ Loan # _____
 Address _____ City _____ State _____ Zip _____
 Telephone _____ Fax _____ Email _____
 Secondary Lender: _____ Loan # _____
 Address _____ City _____ State _____ Zip _____
 Telephone _____ Fax _____ Email _____
 Prospective Lender: _____
 Appraiser: _____
 Inspector(s): _____
 Government Entity(ies): _____
 Utility Provider: _____
 Homeowners' Association: _____
 Other: _____

Buyer Seller _____ Date _____
 Address _____ City _____ State _____ Zip _____
 Telephone _____ Fax _____ Email _____
 Buyer Seller _____ Date _____
 Address _____ City _____ State _____ Zip _____
 Telephone _____ Fax _____ Email _____

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 2. 2013 South Coast Branch, Los Angeles, California 90020

ARC REVISED 11/13 (PAGE 1 OF 1)

CALIFORNIA ASSOCIATION OF REALTORS® 1544 and Los Angeles 90020 Phone: (310) 440-2800 Fax: (310) 440-2800
 www.car.org

Condominium Certifications

[Complex Approvals](#) / [SPOT Approvals](#)



TRANSACTION CENTER ▾

LEARN & THRIVE ▾

INDUSTRY 360° ▾

YOUR C.A.R.

FHA/VA Condo Certification Tool Kit

[HOME](#) ▶ [HELPLINES](#) ▶ [TRANSACTION RESCUE™](#) ▶ [TOOLS YOU CAN USE](#) ▶ [FHA/VA CONDO CERTIFICATION TOOL KIT](#)

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FHA & VA Condominium Certification Education and Outreach Materials

1. **Finance Helpline's Checklist for FHA and VA Condo Certification**
2. **VA Condo Certification Approval Checklist**

[C.A.R. Educational Resources: FHA and VA Condo Certification](#)

- **C.A.R. Branded Brochure****C.A.R. Branded Roadmap**
- C.A.R. Branded FHA & VA Power Point Presentation
FHA & VA Educational Video (found below)



SOURCE: California Association of REALTORS®

[Condominium Approval Update](#)

REALTOR® Resource: A Field Guide to Identifying “Mortgage-Ready” Buyers

	Get answers to these questions from your buyers:	Yes	No
1	Do you have income sources that can be documented with current pay checks, bank statements, W2s and tax returns?		
2	Has it been at least two years since you discharged debts in bankruptcy or three years since a home you owned was foreclosed?		
3	Do you have access to down payment money from sources that can be verified and documented?		
4	Do you have at least two or three open credit accounts in good standing?		
5	Are you a US citizen, permanent resident or do you have a current work authorization card?		

If the response to these question is “yes”, send your buyer to your lender partner for pre-approval. If the answer is “no”, send them to a trusted housing or credit counselor referral partner and stay in touch with them as they resolve their issues.

REALTOR® Resource: A checklist of serious buyer financing challenges (Red Flags)

Buyers with one or more of these issues will find it very difficult to qualify for a conventional or government-insured loan. Realtors should proceed with caution before submitting purchase offers for buyer's with these issues:

- ✓ The buyer has one or more years of unfiled tax returns
- ✓ The buyer is married but the non-buying spouse is not available or unwilling to cooperate with the purchase
- ✓ All of the buyer's income sources are cash and have not been reported for income tax purposes
- ✓ The buyer is self-employed with minimal net business income reported in recent tax years
- ✓ One or more of the buyers will not occupy the property as their principal residence
- ✓ The buyer's assets are all cash and can't be sourced
- ✓ The buyer discharged bankruptcy within the last 24 months or had a foreclosure less than three years ago
- ✓ The buyer's Social Security number is not valid
- ✓ Buyer is a non-citizen and is not a permanent resident (green card holder) and they do not have a valid work authorization card
- ✓ The property the buyer wants to purchase has serious health and safety problems, sub-standard non-permitted improvements and can not be immediately occupied by the buyers

REALTOR® Resource: Tips for Credit-Challenged Buyers

Help your credit-challenged buyers with the **Stop-Start-Fix** credit improvement system

Stop adding new derogatory credit by bringing past-due balances on open accounts current, avoiding new late payments, and reducing revolving credit card balances.

Start building positive credit by having two to three credit accounts using secured credit cards, if necessary, keep the balances low and maintain an on-time payment history.

Fix prior derogatory credit by “selectively” paying off or settling collection and charged-off account, judgements, and liens *as required by the underwriter.*

Helpful referral resource: Credit.org is a non-profit organization that offers a wide range of free credit counseling and financial management services

California Association of REALTORS® - Credit Break-Out Factors

1 - Payment History – 35%

- **How recent** is the most recent delinquency, collection or public record item?
- **How severe** was the worst delinquency—30 days, 90 days?
- **How many** credit obligations have been delinquent?

2 – Debt – 30%

- How much does the consumer owe creditors?
- What percentage of available credit card limits is the consumer using?
- What percentage is outstanding on open installment loans?

3 - Credit History – 15%

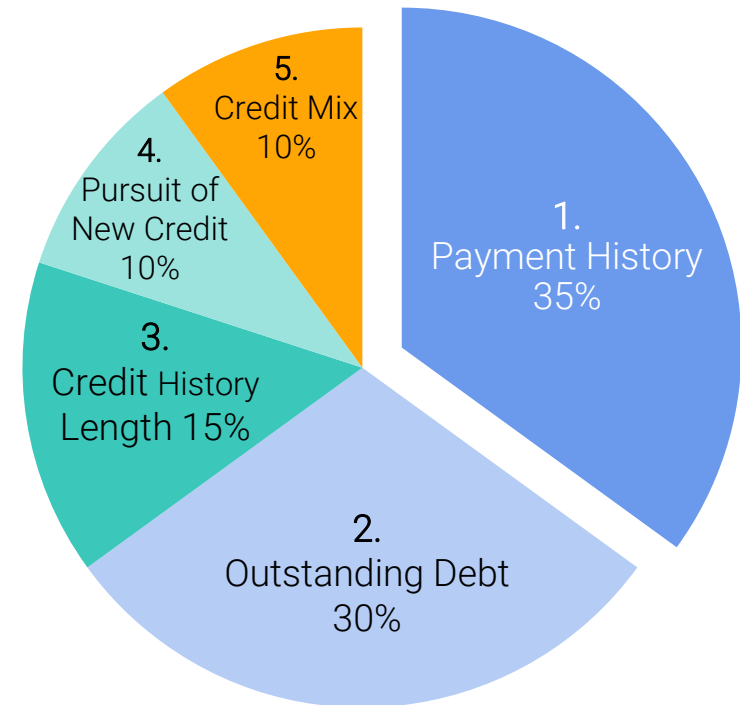
- How long have accounts been established—**average** number of months accounts have been open
- New accounts—number of months since most recent account opening

4 - Pursuit of New Credit – 10%

- Inquiries: Number of recent credit inquiries (12 months)
- New accounts—number of trade lines opened in last year

5 - Credit Mix – 10%

- What is the mix of credit product types?
- Revolving credit—number of bankcard trade lines
- Installment credit—percent of trade lines that are installment loans



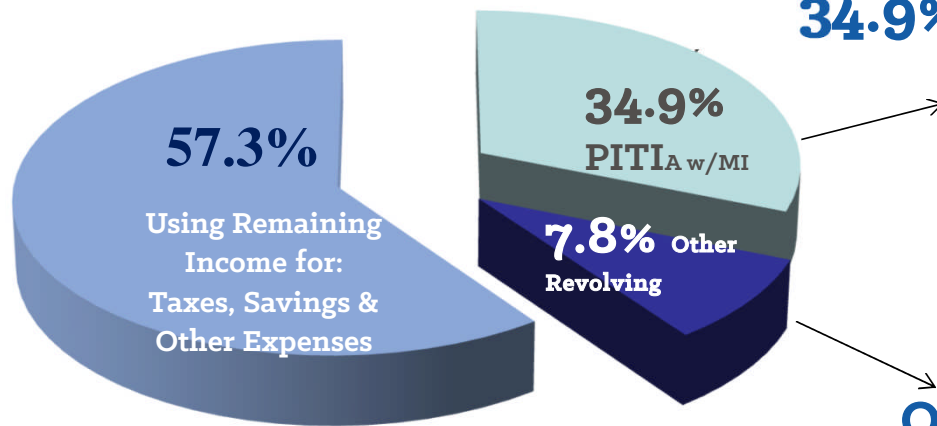
Credit Do's & Don'ts

Top 10 Credit **Do's** and more importantly **Don'ts** during the loan process

1. **DON'T** apply for new credit
2. **DON'T** pay off collections or “Charge Offs”
3. **DON'T** close credit card accounts
4. **DON'T** max out or over charge credit card accounts
5. **DON'T** consolidate your debt
6. **DON'T** do anything that will cause a red flag to be raised by the scoring system
7. **DO** join a credit watch program
8. **DO** stay current on existing accounts
9. **DO** continue to use your credit as normal
10. **DO** call your Mortgage Loan Originator. A knowledgeable, professional Mortgage Loan Originator should be able to provide you with world-class service you need to choose the loan that's right for your client

Key Concept: Debt-to-Income Ratios

Income \$ 11,550



Top (Front-End) Ratio

34.9% = \$4,035 (PITI_{A w/MI}) or House Payment
(Assumes \$200 in Homeowners Association fees)

Bottom (Back-End) Ratio

34.9% + 7.8% = 42.7% **42.7% = \$4,935**
Key DTI Ratio is under 43%

Other Monthly Installment & Revolving Payments 7.8% = \$900

Includes : Car Payments, Student loans, Credit Card payments

Lending, Homeownership and Resource Update for REALTORS® A Look at Loan-to-Value

Loan / Value = LTV

For example, \$400,000 Loan Amount divided by \$500,000 Value Home equals 80% - % LTV

Loan + Down Payment Assistance (DPA) or 2nd Trust Deed (TD) / Value = CLTV or TLTV

For example, \$400,000 1st Loan Amount + 50,000 2nd TD divided by \$500,000 Value Home equals 90% - % CLTV or % TLTV

Lending, Homeownership and Resource Update for REALTORS® A Look at Debt to Income (DTI)

Housing Payments / Gross Income = front end DTI

For example, \$1,000 mortgage divided by \$3,000 income equals 33% front-end DTI

Monthly debts + Housing Payment / Gross Income = Back end ratio

For example, \$400 auto payment + \$100 in Credit Cards + \$1,000 mortgage divided by \$3,000 income equals 50% back-end DTI

*** On Credit Report as a recurring installment debt**

Lending, Homeownership and Resource Update for REALTORS®

Rent-to-Own Comparisons

Market & Rent vs. Buy Los Angeles

Real Estate Report Card
Los Angeles County, CA

Median Home Price
\$606,571

Appreciation
5 yr Gain: \$184,961

Inventory
Homes For Sale: 1
YTD -37%
QTD -4%

Demographics
Age: 18-26 (1,391,377), 27-35 (1,636,642), 36-44 (1,382,044), 45-54 (1,375,711), 55-64 (1,182,213)

10.21M Total Pop.
5.38M Renters
968.47K Renters Who Can Afford To Purchase

***Household Formations** 153.58K
*1st Time Home Purchases To Be Taken From Inventory 72.62K
*Actual Homes Being Built 18.41K

Total Employment in Thousands

Unemployment Rate
National Average: 6.1%

Year	Rate
2021	12.07%
2020	13.74%
2019	4.44%
2018	4.63%

Affordability Index

Median Household Income
Year Area: \$72,204
Nat. Avg.: \$55,909

Powered By MBS Highway

Buying \$610,000 vs. Renting
My Property (Los Angeles County, CA)

Estimated Cashflow

	Buying Yr1	Rent Yr1	Rent Yr9
Monthly P&I	\$2,389	\$2,764	\$3,754
Prop. Tax / Ins.	\$769	\$41	\$56
Maint. & Repairs	\$254	\$0	\$0
Monthly Exp.	\$3,413	\$2,805	\$3,809
Total Cashflow	\$372,006	\$354,003	
Interest Rate	3.250%		
APR	3.680%		
Annual Rental Increase		3.5%	

Cashflow Difference
-\$18,003

Appreciation Gain
\$441,132

Amortization Gain
\$113,035

Cost To Sell
Real Estate Commission: 6%
Based on \$1,051,132 Future Value after 9 Years

Tax Benefit
Standard Deduction \$25,100 in 22% Tax Bracket Benefit Above Standard Deduction after 9 Years

Net Gain by Buying a Home
\$460,896

Initial Closing Costs -\$12,200
Cashflow Difference -\$18,003
Cost To Sell -\$63,068

Appreciation Gain \$441,132
Amortization Gain \$113,035
Tax Benefit \$0



Lending, Homeownership and Resource Update for REALTORS®

Where to Go for Assistance

Transaction Rescue

- Existing Borrowers (Modifications, Short Sales, Trustee Sales)
- Loan Qualifications
- Available Down Payment Assistance Programs
- Escalation of Issues with Lenders, Payoffs Statements, etc.
- Finding Lenders / Questions Regarding Existing Lenders
- Interactive Transactional Assistance with Your Sale
- Education Opportunities – Outreaches, STEPS, Webinars, Connecting with Lending Partners

Lending, Homeownership and Resource Update for REALTORS®

What to Look for in a Lender

Pre-Review Lender

- Reputation in Area
- Experience with similar working partners
- Knowledge of a Multitude of lending and DPA Programs in Area

Lending Entity

- Loan Product Alternatives
- Work with DPA Sources
- Either Direct Endorsed or Evidence of Performance.
- Pre-Approval with TBD Capability
- Loan Officer Access to Underwriter Pre-Approval
- Good Appraisal Network from Within the Area or Knowledgeable on the Area Appraisers

Partnership with C.A.R on Escalations or Sources

Lending, Homeownership and Resource Update for REALTORS® When Buyer Brings Their Own Lender

A How to Get Comfortable Checklist:

- Start Early before House Selection
- Ensure They Will Provide a Conditional Approval Subject to TBD
- Direct Endorsed or Experienced
- Escalation Channels
- Timelines & Expectations Clearly Defined
- Turn-Around Times Clear
- You the REALTOR® are Included Throughout the Process
- The Only Fees They Charge Upfront, Appraisal & Credit (if any?)



Lending Terms & Status

Loan Approval and Closing Steps

<<< Pre-contract stages >>>

Prequalification - Lender provides an estimate of buying power based on unverified information.

Preapproval - Income, asset and credit documents have been reviewed, file scored by AUS and if needed underwriter.

Conditional approval - Underwriter has approved the file with conditions to be satisfied prior to closing

<<< Contract stages >>>

Clear to close - Underwriter has signed-off on all closing conditions prior to release of loan docs.

Funding conditions - Borrower's credit, income, and assets are updated and reviewed prior to funding.

Loan Closes!

Remember, loan approval is a dynamic, ongoing process that takes place up to and including the closing date! Help your buyer stay mortgage-ready through the entire process!

Timeline Expectations –

(5 days) (5-8 Days) (10-15 Days) (1 Day) – 21-29 days

Pre-Contract Stages –

Prequalification & Conditional Approval (TBD)

- Make sure they provide all requested documentation to their Home Lending Advisor (HLA) to prequalify early in the process.
- If not yet ready to work with an HLA, have them check their credit through a service that will not impact their score, and address any potential issues.
- Encourage them to sign up for e-consent and let them know about potential Digital Income and Appraisal Waiver options.
- Have complex client submitted to underwriting for **Conditional Approval** without property.

Loan approval and closing steps

<<< Pre-contract stages >>>

<<< Contract stages >>>

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Prequalification vs Preapproval

- **Prequalification**

- Lender has evaluated your credit and possibly income documentation such as paystubs, W2s, and Tax Returns and issues letter stating the borrower qualifies.
- Not a promise to lend – it is typically based solely on the information you give the lender. It gives the buyer an idea of what they might qualify for.
- Information might be old and not up to date. Credit balances might have changed, and income might be different.

- **Preapproval**

- Underwriter has reviewed income, asset and credit documents and have issued a loan approval & is contingent only on valid appraisal of the home, provided that nothing changes in your financial situation before closing.

Prequalification vs Preapproval (cont.)

Preapproved clients can typically compete with cash buyers in a competitive market!

- Many Cash buyers typically bargain hunters and thus low ball offers.
- Preapproved clients can close escrow quicker as most of the legwork has been completed on the loan. Only items missing are valid appraisal, preliminary title report, and escrow instructions.
- Address the seller's time concerns – Buyers with financing should make their contingency periods as short as possible to compete with cash offers.
- Give the seller what they want – Try to accommodate the seller (limit on how much you will ask sellers to fix, title, escrow, possession date, closing date, inclusions such as fixtures).
- Personalize your offer – Yes it's cheesy but it can work! Write a heart-felt letter to seller as they might have an emotional attachment to the property especially if they have lived at the property for an extended period of time and if the seller knows that the property is going to a great family, that could seal the deal

Timeline Expectations –

(5 days) (5-8 Days) (10-15 Days) (1 Day) – 21-29 days

Contract Stages –

Conditional Approval, Clear to Close, Funding Conditions, Closes

- Confirm appraisal order or waiver information with HLA.
- Introduce Escrow Officer to HLA. Creating a team for the transaction is key!
- Schedule weekly base touch with client and HLA to ensure everything is on track, and to provide any updates to contract, etc...
- Ensure your client understands the importance of opening the Closing Disclosure (CD) in order to avoid any potential closing delays.

Loan approval and closing steps

<<< Pre-contract stages >>>

<<< Contract stages >>>

Prequalification - Lender provides an estimate of buying power based on unverified information.

Conditional Approval (TBD) - Income, asset and credit documents have been reviewed, file scored by AUS and if needed underwriter.

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Loan Closes!

Remember, loan approval is a dynamic, ongoing process that takes place up to and including the closing date! Help your buyer stay mortgage-ready through the entire process!

Mortgage Application Checklist

Purchasing a home can be a complex process. However, knowing what you need before you apply for a mortgage loan can help make the process smooth and stress-free. Here's what you will need to have available when applying for a mortgage loan:

- ID
 - Driver's license or passport
- Residency
 - Complete address for each residence you've resided in the past 24 months
- Purchase contract
 - Sales contract (all addendums) with original signatures, along with copy of the earnest money check
- Employment
 - Name, address and phone numbers of all employers for the past two years
 - Relocation: Copy of employer relocation agreement
- Income
 - Last 2 years W-2 or 1099 forms
 - Last 30 days pay stubs (including bonus &/or commissions)
 - Last 2 years tax returns (all schedules)
- Assets
 - Last 2 months bank statements (all pages) on all checking, savings, investment accts
- Divorced or Separated
 - Complete divorce petition, recorded final decree &/or separation agreement
- Rental properties
 - Copies of current leases and tax returns
- VA loans
 - Copy of DD214 and certificate of eligibility

Engage in the process early to insure a smooth closing.



Mortgage Application Checklist

Purchasing a home can be a complex process, but knowing what you need before you apply for your mortgage loan can help make the process smooth and stress-free. Here's what you will need to have available when applying for a mortgage loan:

- Driver's License and Social Security Card
- For Home Purchase Loans:
 - Sales contract (all addendums) with original signatures, along with a copy of the earnest money check
- For Refinance Loans:
 - A copy of the warranty deed and any current mortgage and/or bill payoff information (copies of last statements)
 - A copy of the current tax and home insurance policy
- Credit Card for Payment on Appraisal
- Residency:
 - Complete address for each residence you've resided at during the past 24 months
 - For Renters: Landlord information (name, address, and phone)
- Employment:
 - Name(s), address(es), and phone numbers of all employers for the past two years and dates worked
 - Relocation: Copy of employer's relocation agreement
- Income:
 - Past two years W-2 or 1099 forms
 - Last 30 days pay stubs (including bonus and/or commission pay)
 - Past two years complete tax returns (all schedules)
 - Self-Employed: Year-to-date profit and loss statement and business tax returns (all schedules)
- Assets:
 - Two months original bank statements (all pages) on all checking, savings, credit union, and investment accounts (including retirement)
- Divorced or Separated Persons:
 - Complete divorce petition, signed, recorded final decree, and/or separation agreement
- Rental Properties:
 - Copies of current leases and tax returns
- VA Loans:
 - Copy of DD214's and certificate of eligibility

Contact me today for a complimentary mortgage consultation or to get started on your mortgage application! Whether you are looking to buy or refinance, I am here to help.



Abel Fregoso, Jr

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Temecula, CA 92591
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Abel.Fregoso@homebridge.com
<https://www.HomeBridge.com/AbelFregoso>



Getting to the Loan Estimate (LE) - What Constitutes a Valid Loan Application?

1. Name
 2. Income
 3. Social Security Number
 4. Property Address
 5. Estimated Value of Property
 6. Mortgage Loan Amount Sought
- Once these 6 items of information are submitted, Lender MUST supply a Loan Estimate (LE) within 3 business days.

Common Additional items that may be needed based on the AUS/DU/LP initial automated review:

- 4506 & ADDITIONAL DISCLOSURES
- DIVORCE DECREE
- PROFIT & LOSS
- BK DISCHARGE
- ANY NON-DISCLOSED ITEMS, CALLED OUT FROM AUS OR NOTED ON CREDIT REPORTS
- ADDITIONAL BANK STATEMENTS
- EXPLANATIONS OF LARGE DEPOSITS
- EXPLAINING EMPLOYMENT GAPS
- EXPLAINING BONUS, COMMISSION, OVERTIME

Lending, Homeownership and Resource Update for REALTORS®

Best Practices for Communication & Closing Timely

THE FOLLOWING STEPS ARE USED TO ENSURE SMOOTH COMMUNICATION THROUGHOUT THE PROCESS:

DOCUMENTED EMAILS OR LETTERS

CONSISTENT COMMUNICATION THROUGHOUT (WEEKLY/TWICE A WEEK/AT THE END OR WHEN NEEDED DAILY!

HONEST/UPFRONT/STRAIGHT FORWARD & REVIEW IF ANY CONFUSION

PARTNER LENDER/REALTOR® OR TRANSACTION COORDINATOR TO ENSURE MESSAGE HEARD SAME WAY

FOLLOW UP AND CLOSURE OF REQUESTS

THEY ARE ALSO UPDATED AT EVERY MILESTONE:

- **LOAN STARTED**
- **LOAN SUBMITTED TO PROCESSING**
- **LOAN SUBMITTED TO UNDERWRITER**
- **LOAN APPROVED**
- **LE OUT**
- **CD OUT**
- **DOCS ORDERED**
- **DOC OUT**
- **WIRE REQUESTED**
- **LOAN FUNDED**

General things to be aware of

- Knowledge – How to prepare, starting early, asking for help, no bad questions, No Rush, and most of all know, We Are Here for You and Your Clients.
- Credit
 - Score, Tradelines, Depth
 - Derogatory Items (collections, charge offs, judgements, BK, Foreclosure)
- Capital
 - Checking, Savings, Retirement, Gifts
- Capacity
 - Wages, Self Employment, Rental Income
 - Social Security, Disability, Pension
 - Asset Depletion
- Collateral
 - Value/Price, Property Condition, Occupancy



General things to be aware of - Misconceptions of Qualifying

- Up to 4 people can be on a loan
- Co-borrower' and Cosigners can own other property
- Gifts can be from Family or close friends
- Employers, Charities, Seller and Real Estate agent can contribute
- Non-Occupant coborrowers are allowed
- 2 years at current employer not required
- More than 1 employer is ok
- Permanent Residents are acceptable
- Some Work Permits are acceptable
- Social Security Income is acceptable
- Self Employed and 1099 Income acceptable
- SSI for children can be used
- Disability can be used
- Ok if NBS doesn't have a social security number



General things to be aware of: Coborrower vs. cosigner

- Co-borrower
 - On loan and on title
- Co-signer
 - On loan but NOT on title
- Non-Occupant
 - Will not reside in subject
- How coborrowers and cosigners are affected



General things to be aware of - Challenges

- Opportunities for Loan Education
 - HUD Counselors and Loan Officer Assistance
 - Don't Ask, Irrelevant Data, Never Bad ?
 - Language Barriers (Loan Docs only in English)
 - Provide Comfort - Find Help, Concern Fraud
- Not Technology Savvy
 - Unable to complete Application online
 - No email (initial disclosures)
 - No Printer (wet signatures)
 - No Bank or payroll logins (EMD)
- Insufficient documentation
 - Missing Pages
 - Not legible
 - Can't remember employer info



DON'T FALL VICTIM TO WIRE FRAUD

Scammers are stealing down payments via wire fraud and getting more clever every day. Be sure you don't fall victim to wire fraud by following these three steps.



- 1 Pay attention to how wire instructions are sent. It is best to only accept instructions that are secure and encrypted.



- 2 Before wiring funds to an individual or company, call to verify the wire instructions independently with the title company.



- 3 Be very watchful of any changes. Wire instructions rarely change. If you receive an email saying that any wiring instructions have changed, call your REALTOR® or title company immediately to confirm.

Source: REALTOR® Magazine, FBI, and Realty Executives International



Communications Wire Warnings

Language and general letter contact:

- **WIRE FRAUD IS ON THE RISE. PROTECT YOUR FUNDS. Do not wire funds based on an email request, without verbal confirmation. (Lender Name) will NEVER request that borrowers wire funds in connection with their transaction.**
 - Lender Name Example

Focus on Good Lending Partners

- When working with your Clients, C.A.R, Lenders and our Members are focused on **Responsible Lending and Achieving Sustainable Homeownership**
- Recognize that lending this time around, may require additional communication & support throughout the process.
- Specifically, that C.A.R & our Lenders will provide:
 - Support to ensure our Clients know what it takes to Qualify.
 - Loan selection is based on “Best for Client”.
 - Clients have “Alternatives”, even if not from just one lender.
 - Full Education available, especially before utilizing Reverse Mortgage or **Higher Risk Products**, that WILL have “higher interest rates & costs”, as it is based on “higher risk”
 - Familiarity with Down Payment Assistance (DPA) Products.
 - Working with “Experienced Lending Professionals”.

Homebuying Team

- **REALTOR®**
- **Lender**
- **Attorney**
- Escrow Officer
- **Title Insurance Officer**
- Housing Inspector
- **Appraiser**
- Surveyor
- Insurance Agent
- **Housing Counselor**



How you The REALTOR® or Transaction Coordinator can Assist your Client & Lender Throughout the Process

- Engage Early
- Set Expectations Timelines & Responses
- Set Weekly Status Meetings with Client & When Applicable include the Home Loan Advisor
- Understand the Different Elements of the Lending Process (LE/CD/Conditional Approvals)
- Know & be Upfront about the Property Condition & Value
- Be Familiar with Loan and Down Payment Assistance Options/Products
- Either Comfortable Discussing Basics on Lending with the Borrower on their Financial & Credit Position or Ability to Use the “Mortgage Ready Checklist”
- When Property or Document Issues Exist, REALTOR® Needs to Stay Involved and Actually Control the Situation Over Repair Completion, Oversee Borrower Provides Any Additional Required Documents Timely and Both Agents are Familiar with HERO/PACE Issues.
 - Both Buyer & Selling REALTOR® Should be Familiar to Identify and Resolve Many of These Items:
 - Access, Documents Delivery, Repair Status, Clear Title, HERO / PACE (energy or solar liens)
- Understanding the Partnership, that Both Roles /People Only Get Paid, When the Deal Closes, so Resolving Issues Together are Both Lender & REALTOR® Responsibilities.

Escalating an Issue

C.A.R – TransactionRescue@car.org 213-739-8383

<http://Mortgage.car.org>

- Relationship with Direct Lenders and their Sr. Management, as well as familiar with their requirements

Lenders & Partners

- Assistance or Support Team
- Branch Manager or Regional (based on the Lender you utilize)
- Supervisor on Correspondence
- Introduce Title & Escrow Officer to Home Lending Advisor
- Creating a Team for the Transaction is Key!
- Valuation Issues
- Staying Involved, Understanding the Key Stages, and Where the Lender Language and Our Real Estate Language Connect Relating to the Checklist, Appraisal, and Subject To Expectations
- Ensure You & Your Client Understands the Importance of Reviewing and Understanding the Loan Estimate (LE) & Closing Disclosure (CD) in Order to Avoid Any Potential Closing Delays.



Life Cycle Of A Transaction

- Preapproval
- Offer
- Open Escrow
- Update Docs
- Appraisal
- Conditional Approval
- Loan Docs
- Funding
- Recording



Preapproval

- Loan Application
- Review Income/Assets/Credit
- Fully Underwritten Approval
- Zoom Meeting to Review Numbers
- Email to Borrower & Realtor



Making Offer

- Preapproval Letter
- Loan Terms
- Loan Timing
- Contingencies?



Conditional Approval

- All Loans Have Conditions
- Time to Remove Loan Contingency
- Need all docs within 24 hours
- Closing Disclosure (CD) sent at approval
- Need Agent Terms



Loan Docs

- CTC
- Cash to Close Wired
- Docs Prepped
- Balance With Escrow
- Release Loan Docs to Escrow
- Escrow Arranges Signing



Funding

- Closing Package Scanned to Funding Department
- Docs Reviewed
- Wire Ordered
- Funding cutoff is 1:30pm

Types of Loans

- Conventional/Conforming
- FHA
- VA
- Jumbo
- Expanded Guidelines

What is TRID & What Our REALTORS® Should Know

Lenders must comply with very strict consumer disclosure requirements mandated by the Truth-In Lending RESPA Integrated Disclosure rules. TRID imposes specific time frames for issuing the Loan Estimate and Closing Disclosures. Most loan changes will require re-disclosures and a new waiting period. Buyers often have questions about the TRID disclosure documents, REALTORS® can familiarize themselves with these documents at www.consumerfinance.gov/owning-a-home/

FICUS BANK
4321 Random Boulevard • Somerscity, ST 12340

Save this Loan Estimate to compare with your Closing Disclosure.

Loan Estimate

DATE ISSUED 2/15/2013
APPLICANTS Michael Jones and Mary Stone
123 Anywhere Street
Anytown, ST 12345
PROPERTY 456 Somewhere Avenue
Anytown, ST 12345
SALE PRICE \$180,000

LOAN TERM 30 years
PURPOSE Purchase
PRODUCT Fixed Rate
LOAN TYPE Conventional FHA VA
LOAN ID # 123456789
RATE LOCK NO YES, until 4/16/2013 at 5:00 p.m. EDT
Before closing, your interest rate, points, and lender credits can change unless you lock the interest rate. All other estimated closing costs expire on 3/14/2013 at 5:00 p.m. EDT

Loan Terms	Can this amount increase after closing?	
Loan Amount	\$162,000	NO
Interest Rate	3.875%	NO
Monthly Principal & Interest <small>See Projected Payments below for your Estimated Total Monthly Payment</small>	\$761.78	NO
Prepayment Penalty	YES - As high as \$3,240 if you pay off the loan during the first 2 years	
Balloon Payment	NO	

Projected Payments	Years 1-7	Years 8-30
Principal & Interest	\$761.78	\$761.78
Mortgage Insurance	+ 82	+ —
Estimated Escrow <small>Amount can increase over time</small>	+ 206	+ 206
Estimated Total Monthly Payment	\$1,050	\$968

Estimated Taxes, Insurance & Assessments \$206 a month
Amount can increase over time

This estimate includes:
 Property Taxes
 Homeowner's Insurance
 Other:
See Section 6 on page 2 for escrowed property costs. You must pay for other property costs separately.

In escrow?
YES
YES
NO

Costs at Closing	Includes Closing Costs. See Calculating Cash to Close on page 2 for details.	
Estimated Closing Costs	\$8,054	Includes 55,672 in Loan Costs + \$2,382 in Other Costs - \$0 in Lender Credits. See page 2 for details.
Estimated Cash to Close	\$16,054	Includes Closing Costs. See Calculating Cash to Close on page 2 for details.

Visit www.consumerfinance.gov/mortgage-estimate for general information and tools.

LOAN ESTIMATE PAGE 1 OF 3 • LOAN ID # 123456789

Closing Disclosure This form is a statement of final loan terms and closing costs. Compare this document with your Loan Estimate.

Closing Information	Transaction Information	Loan Information
Date Issued 4/15/2013 Closing Date 4/15/2013 Disbursement Date 4/15/2013 Settlement Agent Epsilon Title Co. File # 123456 Property 456 Somewhere Ave Anytown, ST 12345 Sale Price \$180,000	Borrower Michael Jones and Mary Stone 123 Anywhere Street Anytown, ST 12345 Seller Steve Cole and Amy Doe 321 Somewhere Drive Anytown, ST 12345 Lender Ficus Bank	Loan Term 30 years Purpose Purchase Product Fixed Rate Loan Type <input checked="" type="checkbox"/> Conventional <input type="checkbox"/> FHA <input type="checkbox"/> VA <input type="checkbox"/> Loan ID # 123456789 MIC # 000654321

Loan Terms	Can this amount increase after closing?	
Loan Amount	\$162,000	NO
Interest Rate	3.875%	NO
Monthly Principal & Interest <small>See Projected Payments below for your Estimated Total Monthly Payment</small>	\$761.78	NO
Prepayment Penalty	YES - As high as \$3,240 if you pay off the loan during the first 2 years	
Balloon Payment	NO	

Projected Payments	Years 1-7	Years 8-30
Principal & Interest	\$761.78	\$761.78
Mortgage Insurance	+ 82.35	+ —
Estimated Escrow <small>Amount can increase over time</small>	+ 206.13	+ 206.13
Estimated Total Monthly Payment	\$1,050.26	\$967.91

Estimated Taxes, Insurance & Assessments \$356.13 a month
Amount can increase over time. See page 4 for details.

This estimate includes:
 Property Taxes
 Homeowner's Insurance
 Other: Homeowner's Association Dues
See Escrow Account on page 4 for details. You must pay for other property costs separately.

In escrow?
YES
YES
NO

Costs at Closing	Includes Closing Costs. See Calculating Cash to Close on page 3 for details.	
Closing Costs	\$9,712.10	Includes \$4,694.05 in Loan Costs + \$5,018.05 in Other Costs - \$0 in Lender Credits. See page 2 for details.
Cash to Close	\$14,147.26	Includes Closing Costs. See Calculating Cash to Close on page 3 for details.

CLOSING DISCLOSURE PAGE 1 OF 5 • LOAN ID # 123456789

Negative Credit (or Life Events) & Corresponding Waiting Periods

Buying a House After	Conventional Fannie Mae Loan	Conventional Freddie Mac Loan	FHA Loan	VA Loan	USDA Rural Loan	Jumbo Loans
Foreclosure	7 Years from completion date 3 Years with extenuating circumstances – 90% Max LTV 4 Years if included in BK	7 Years from completion date	3 Years from completion date	2 Years from completion date	3 Years from completion date	5-7 Years from completion date
Short Sale	4 Years with no LTV restrictions 2 Years with extenuating circumstances and no LTV restrictions	4 Years from completion date	3 Years from completion date *Per FHA ML 09-52, FHA financing can be obtained in less than 3 years under certain conditions.*	2 Years from completion date *If no mortgage lates in the 12 months leading up to the short sale, a VA loan may be obtained in less than 2 years.*	3 Years from completion date	2-7 Years from completion date
Deed in Lieu	4 Years with no LTV restrictions 2 Years with extenuating circumstances and no LTV restrictions	4 Years from completion date	3 Years from completion date	2 Years from completion date	3 Years from completion date	2-7 Years from completion date
CH. 7 Bankruptcy	4 Years from discharge or dismissal date 2 Years with extenuating circumstances	4 Years from discharge or dismissal date	2 Years from discharge date	2 Years from discharge date	3 Years from discharge date	4-7 Years from completion date
CH. 13 Bankruptcy	2 Years from discharge date 4 Years from dismissal date 2 Years from dismissal date with extenuating circumstances	2 Years from discharge date	1 Year of the payout must elapse & payment performance must be satisfactory; buyer must receive permission from the court to enter into a mortgage	1 Year of the payout must elapse & payment performance must be satisfactory; buyer must receive permission from the court to enter into a mortgage	1 Year of the payout must elapse & payment performance must be satisfactory; buyer must receive permission from the court to enter into a mortgage	4-7 Years from completion date

How to Help Your Buyer Get Their Dream Home

The FHA 203k loan program allows buyers to finance the purchase and rehabilitation (upgrade and repair) of homes through one loan.

For Realtors the FHA 203k loan program expands the inventory of homes they can list and sell by offering buyers the opportunity to purchase homes that would otherwise not qualify for a low-cost government insured loan.

Insider tip: find a loan officer that is experienced with FHA 203k loans because it requires special knowledge and training.

Feature	203k Standard	203k Streamlined
Occupancy	Owner-occupied	Owner-occupied
Property types	SFRs, PUDs, condos, town homes, 1-4 units, manufactured homes	SFRs, PUDs, condos, town homes, 1-4 units, manufactured home
Max repair amount	No Limit	\$35,000
Allowed repairs	Structural and non-structural	Non-structural
Building additions	Yes	No
Mold and lead paint abatement	Yes	Yes
Tear down / rebuild	Yes	No
Foundation work	Yes	No
Time to complete	6 months	6 months

California Association of REALTORS®

CAR Resources:

<http://on.car.org/STEPS>

<http://www.car.org/FinWebinars>

<http://mortgage.car.org>



California Association of REALTORS® Free Member Benefit:

Loan Education:

- FHLMC – Freddie Mac - <http://www.freddiemac.com/creditsmart/>
- FNMA - Fannie Mae - <https://www.frameworkhomeownership.org/get-started/homebuyer-education>

Down Payment Assistance (DPA) programs

- GSFA Materials:
 - https://wholesale.lhfs.com/download/GSFA_Gov_FHA_Select.pdf
 - <https://www.eprmg.net/guidelines/NHF-GSFA%20Platinum%20FHA.pdf>
- CalHFA
 - <https://www.calhfa.ca.gov/homeownership/bulletins/index.htm>
 - <https://www.calhfa.ca.gov/homeownership/materials/index.htm>
 - <https://www.calhfa.ca.gov/homeownership/programs/myhome.pdf>

HUD Counselor Selection Options

Loan Limits:

Conventional Loan Limits

FHA Loan Limits



California Association of REALTORS® Free Member Benefit:

- **Transaction Rescue™**
 - Assist you with Communication & Escalations with Your Lender
 - Property Concerns with Valuations, Title, & Vesting.
 - Provide Insights to Lender & Down Payment Assistance

Website <http://Mortgage.car.org>

- **Email** TransactionRescue@car.org
- **Hotline** (213) 739-8383
- **Webinars** <http://car.org/FinWebinars>

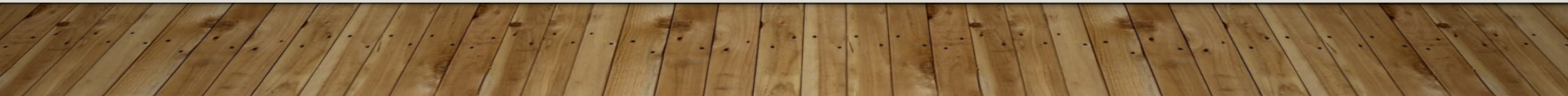
<https://www.amortization-calc.com/> - amortization schedule for mortgages to show how much is going toward principal & interest.

<https://www.calculator.net/amortization-calculator.html> - another site that I use to show amortization schedule along with figuring out mortgage P&I

Thank You



QUESTIONS???



MISCELLANEOUS RPA ISSUES

NEIL KALIN

-
- TRAINING AND MATERIALS
 - FIRE HARDENING AND DEFENSIBLE SPACE
 - BROKER AND LOCAL FORMS
 - TRANSACTION COORDINATOR EMAIL ADDRESS
 - TRANSACTION COORDINATOR FEES

UPCOMING RPA CLASSES

Date/ Time	Course	Credit	Registration
11/02/2021 9 a.m. - 1 p.m.	NEW California Residential Purchase Agreement (RPA) with Gov Hutchinson	CE	Store.car.org
11/10/2021 9 a.m. - 5 p.m.	Certified Forms Trainer with Jana Gardner		Store.car.org
11/11/2021 1 p.m. – 4p.m.	Lone Wolf Transactions – zipForm Edition Certified Training With Ed Charboneau		Store.car.org
11/12/2021 9 a.m. - 1 p.m.	NEW California Residential Purchase Agreement (RPA) with Gov Hutchinson	CE	Store.car.org

UPCOMING RPA WEBINARS

MONDAY, NOVEMBER 1st 11:00AM-12:00PM



RPA Spotlight Series
Pages 5-6 | Paragraphs 7-9C
Monday, November 1st | 11am-12pm

REGISTER NOW >

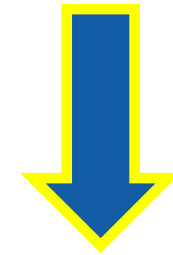
MONDAY, NOVEMBER 8th 11:00AM-12:00PM



RPA Spotlight Series
Pages 7-9 | Paragraphs 10-13
Monday, November 8th | 11am-12pm

REGISTER NOW >

Previous and
future RPA
SPOTLIGHT
webinars



<https://www.car.org/riskmanagement/live>

Fire Hardening and Defensible Space Legal and Contractual Requirements

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

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

- (1) Seller shall, within the time specified in **paragraph 3N(1)**, Deliver to Buyer: unless exempt, fully completed disclosures or notices required by §§ 1102 et. seq. and 1103 et. seq. of the Civil Code ("Statutory Disclosures"). Statutory Disclosures include, but are not limited to, a Real Estate Transfer Disclosure Statement (C.A.R. Form TDS), Natural Hazard Disclosure Statement ("NHD"), notice or actual knowledge of release of illegal controlled substance, notice of special tax and/or assessments (or, if allowed, substantially equivalent notice regarding the Mello-Roos Community Facilities Act of 1982 and Improvement Bond Act of 1915) and, if Seller has actual knowledge, of industrial use and military ordnance location (C.A.R. Form SPQ or ESD), and, if the Property is in a high or very high fire hazard severity area, the information, notices, documentation, and agreements required by §§ 1102.6(f) and 1102.19 of the Civil Code (C.A.R. Form FHDS).



CALIFORNIA
ASSOCIATION
OF REALTORS®

**FIRE HARDENING AND DEFENSIBLE SPACE ADVISORY,
DISCLOSURE, AND ADDENDUM**
(C.A.R. Form FHDS, 6/21)

This is an advisory, disclosure, and addendum to the Purchase Agreement, OR Other _____ ("Agreement"),
dated _____, on property known as _____ ("Property"),
in which _____ is referred to as Buyer,
and _____ is referred to as Seller.

1. FIRE HARDENING AND DEFENSIBLE SPACE ADVISORY:

A. LAW APPLICABILITY:

- (1) **Fire Hardening Disclosure:** The disclosures specified in paragraph 3 are only required for sellers of residential properties: (i) that contain one to four units, (ii) that are constructed before January 1, 2010, and (iii) if the seller is required to complete a Real Estate Transfer Disclosure Statement (C.A.R. Form TDS); and (iv) that are located in either a **high or very high** fire hazard severity zone.
 - (2) **Defensible Space Compliance:** The disclosures and requirements specified in paragraph 4 are only required for sellers of residential properties: (i) that contain one to four units and (ii) if the seller is required to complete a Real Estate Transfer Disclosure Statement (C.A.R. Form TDS); and (iii) that are located in either a **high or very high** fire hazard severity zone.
 - (3) **Inspection Report including Fire Hardening/Defensible Space Compliance:** The disclosure of a final inspection report obtained under the specifications in paragraph 5 is only required for sellers of residential properties improved with one to four units if the seller is obligated to complete a Real Estate Transfer Disclosure Statement (C.A.R. Form TDS). Any seller may be required to provide a copy of such a final inspection report pursuant to a contractual or voluntary disclosure or as a material fact.
- B. WHERE TO LOCATE INFORMATION:** Seller has the obligation to determine if compliance with the fire hardening and defensible space requirements are applicable to Seller and the property. It may be possible to determine if a property is in a **high or very high** fire hazard severity zone by consulting with a natural hazard zone disclosure company or reviewing the company's report. This information may also be available through a local agency where this information should have been filed.
- C.** Even if the Property is not in either of the zones specified above, or if the Seller is unable to determine whether the Property is in either of those zones, if the Property is in or near a mountainous area, forest-covered lands, brush covered lands, grass-covered lands or land that is covered with flammable material, a Seller may choose to make the disclosures below because a buyer might consider the information material. A seller may voluntarily make the disclosures in paragraphs 3B and 4, even if not mandated by law.

2. FIRE SEVERITY ZONE:

- A.** The home is in a high or very high fire hazard severity zone.
- OR B.** The home is NOT in a high or very high fire hazard severity zone. Seller is providing this form as an advisory and, if paragraph 3B is completed below as a voluntary disclosure.

3. FIRE HARDENING DISCLOSURE (only required to be completed if criteria in 1A(1) are met):

- A. FIRE HARDENING STATUTORY NOTICE:** "THIS HOME IS LOCATED IN A HIGH OR VERY HIGH FIRE HAZARD SEVERITY ZONE AND THIS HOME WAS BUILT BEFORE THE IMPLEMENTATION OF THE WILDFIRE URBAN INTERFACE BUILDING CODES WHICH HELP TO FIRE HARDEN A HOME. TO BETTER PROTECT YOUR HOME FROM WILDFIRE, YOU MIGHT NEED TO CONSIDER IMPROVEMENTS. INFORMATION ON FIRE HARDENING, INCLUDING CURRENT BUILDING STANDARDS AND INFORMATION ON MINIMUM ANNUAL VEGETATION MANAGEMENT STANDARDS TO PROTECT HOMES FROM WILDFIRES, CAN BE OBTAINED ON THE INTERNET WEBSITE [HTTP://WWW.READYFORWILDFIRE.ORG](http://www.readyforwildfire.org)".
- B. FIRE HARDENING VULNERABILITIES:** Seller is aware of the following features that may make the home vulnerable to wildfire and flying embers (check all that apply):
- (1) Eave, soffit, and roof ventilation where the vents have openings in excess of one-eighth of an inch or are not flame and ember resistant.
 - (2) Roof coverings made of untreated wood shingles or shakes.
 - (3) Combustible landscaping or other materials within five feet of the home and under the footprint of any attached deck.
 - (4) Single pane or non-tempered glass windows.
 - (5) Loose or missing bird stopping or roof flashing.
 - (6) Rain gutters without metal or noncombustible gutter covers.

4. **DEFENSIBLE SPACE REQUIREMENTS** (only required to be completed if criteria in 1A(2) are met):
- A. **DEFENSIBLE SPACE ADVISORY:** Public Resources Code § 4291 requires that, in order to minimize the risk of fire affecting a building or structure on the Property, a defensible space around the improvement be maintained within 100 feet of the improvement. Many local governments have enacted a local vegetation management ordinance for that same purpose. (Collective, "defensible space laws.") Effective July 1, 2021, Civil Code § 1102.19 requires disclosures regarding compliance with defensible space for certain specified properties.
- B. **DEFENSIBLE SPACE COMPLIANCE** ((1) applies unless (2), (3), or (4) is checked):
- (1) **NO LOCAL ORDINANCE, BUYER** shall obtain documentation of compliance with the State defensible space law: **No local ordinance:** There is no local ordinance requiring proof of compliance with defensible space laws. Buyer shall obtain documentation of compliance within one year of Close Of Escrow. This requirement only applies if there is a state or local agency, or other governmental entity, or qualified non-profit entity in the jurisdiction where the Property is located that is authorized to inspect the Property and provide documentation of compliance ("Authorized Inspector").
- OR (2) **NO LOCAL ORDINANCE. SELLER** within the previous 6 months has already obtained documentation of compliance with the State defensible space law: There is no local ordinance requiring Seller to provide proof of compliance with defensible space laws, but Seller voluntarily obtained documentation within the last 6 months, from an Authorized Inspector. Seller shall deliver documentation to Buyer within 7 Days after Acceptance.

- OR (3) **LOCAL VEGETATION MANAGEMENT OR OTHER DEFENSIBLE SPACE ORDINANCE IN EFFECT** which permits compliance after Close of Escrow. **BUYER** shall obtain documentation of compliance with the defensible space law: There is a local ordinance requiring proof of compliance with defensible space laws that does not require compliance to be obtained prior to Close Of Escrow. Buyer shall comply with the requirements of the ordinance after Close Of Escrow.
- OR (4) **LOCAL VEGETATION MANAGEMENT OR OTHER DEFENSIBLE SPACE ORDINANCE IN EFFECT** which requires compliance prior to Close of Escrow. **SELLER** shall provide documentation that Property is in compliance with defensible space law: There is a local ordinance requiring Seller to provide proof of compliance with defensible space laws prior to Close Of Escrow. If Seller has already obtained documentation, Seller shall deliver documentation to Buyer within 7 Days after Acceptance. If Seller has not yet obtained documentation, Seller shall deliver documentation to Buyer 5 days prior to Close Of Escrow.
- (5) If (2) or (4) is checked, the local agency from which a copy of the documentation may be obtained is _____, which may be contacted at _____.

5. (If checked) **FINAL INSPECTION REPORT** (only required to be completed if criteria below and in 1A(3) are met): Seller has obtained a final inspection report that includes compliance with certain defensible space and home hardening requirements pursuant to Government Code § 51182. A copy of the report is attached, or a copy may be obtained at _____.

Either buyer or seller has to agree to bring property into compliance.
Since Def. Space is also a disclosure, B can cancel.
If no signature, seller can cancel. See 11G.

Broker and Local Forms

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RPA # 4

Property Address: _____ Date: _____

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

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

- Probate Agreement Purchase Addendum (C.A.R. Form PA-PA)
- Manufactured Home Purchase Addendum (C.A.R. Form MH-PA)
- Tenant Occupied Property Addendum (C.A.R. Form TOPA) (Should be checked whether current tenants will remain or not.)
- Tenancy in Common Purchase Addendum (C.A.R. Form TIC-PA)
- Stock Cooperative Purchase Addendum (C.A.R. Form COOP-PA)
- Other _____

B. OTHER ADDENDA: This Agreement is subject to the terms contained in the Addenda checked below:

<input type="checkbox"/> Addendum # _____ (C.A.R. Form ADM)	<input type="checkbox"/> Short Sale Addendum (C.A.R. Form SSA)
<input type="checkbox"/> Back Up Offer Addendum (C.A.R. Form BUO)	<input type="checkbox"/> Court Confirmation Addendum (C.A.R. Form CCA)
<input type="checkbox"/> Septic, Well, Property Monument and Propane Addendum (C.A.R. Form SWPI)	<input type="checkbox"/> Buyer Intent to Exchange Addendum (C.A.R. Form BXA)
<input type="checkbox"/> Other _____	<input type="checkbox"/> Seller Intent to Exchange Addendum (C.A.R. Form SXA)

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

<input checked="" type="checkbox"/> Buyer's Inspection Advisory (C.A.R. Form BIA)	<input checked="" type="checkbox"/> Fair Housing and Discrimination Advisory (C.A.R. Form FHDA)
<input checked="" type="checkbox"/> Wire Fraud Advisory (C.A.R. Form WFA)	<input checked="" type="checkbox"/> Cal. Consumer Privacy Act Advisory (C.A.R. Form CCPA)
<input type="checkbox"/> Wildfire Disaster Advisory (C.A.R. Form W DFA)	(Parties may also receive a privacy disclosure from their own Agent.)
<input type="checkbox"/> Trust Advisory (C.A.R. Form TA)	<input type="checkbox"/> Statewide Buyer and Seller Advisory (C.A.R. Form SBSA)
<input type="checkbox"/> REO Advisory (C.A.R. Form REO)	<input type="checkbox"/> Short Sale Information and Advisory (C.A.R. Form SSIA)
<input type="checkbox"/> Other: _____	<input type="checkbox"/> Probate Advisory (C.A.R. Form PA)
	<input type="checkbox"/> Other _____

SBSA # G

G. Local Disclosures and Advisories

1. LOCAL ADVISORIES OR DISCLOSURES (IF CHECKED):

The following disclosures or advisories are attached:

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

Buyer and Seller are encouraged to read all 14 pages of this Advisory carefully. By signing below, Buyer and Seller acknowledge that each has read, understands and received a copy of all 14 pages of this Advisory.

Designated Electronic Delivery Address / Authorized Agent

- J. "Day" or "Days" means calendar day or days. However, delivery of deposit to escrow is based on business days.
- K. "Deliver", "Delivered" or "Delivery" of documents, unless Otherwise Agreed, means and shall be effective upon personal receipt of the document by Buyer or Seller or their Authorized Agent. Personal receipt means (i) a Copy of the document, or as applicable, link to the document, is in the possession of the Party or Authorized Agent, regardless of the Delivery method used (i.e. e-mail, text, other), or (ii) an electronic Copy of the document, or as applicable, link to the document, has been sent to any of the designated electronic delivery addresses specified in the Real Estate Broker Section on page 16. After Acceptance, Agent may change the designated electronic delivery address for that Agent by, in writing, Delivering notice of the change in designated electronic delivery address to the other Party. Links could be, for example, to DropBox or GoogleDrive or other functionally equivalent program. If the recipient of a link is unable or unwilling to open the link or download the documents or otherwise prefers Delivery of the documents directly, Recipient of a link shall notify the sender in writing, within 3 Days after Delivery of the link (C.A.R. Form RFR). In such case, Delivery shall be effective upon Delivery of the documents and not the link. Failure to notify sender within the time specified above shall be deemed consent to receive, and Buyer opening, the document by link.

- B. "Agent" means the Broker, salesperson, broker-associate or any other real estate licensee licensed under the brokerage firm identified in paragraph 2B.
- C. "Agreement" means this document and any counter offers and any incorporated addenda or amendments, collectively forming the binding agreement between the Parties. Addenda and amendments are incorporated only when Signed and Delivered by all Parties.
- D. "As-Is" condition: Seller shall disclose known material facts and defects as specified in this Agreement. Buyer has the right to inspect the Property and, within the time specified, request that Seller make repairs or take other corrective action, or exercise any contingency cancellation rights in this Agreement. Seller is only required to make repairs specified in this Agreement or as Otherwise Agreed.
- E. "Authorized Agent" means an individual real estate licensee specified in the Real Estate Broker Section.

Property Address: _____

Date: _____

REAL ESTATE BROKERS SECTION:

1. **Real Estate Agents are not parties to the Agreement between Buyer and Seller.**
2. **Agency relationships are confirmed as stated in paragraph 2.**
3. **Cooperating Broker Compensation:** Seller's Broker agrees to pay Buyer's Broker and Buyer's Broker agrees to accept, out of Seller's Broker's proceeds in escrow, the amount specified in the MLS, provided Buyer's Broker is a Participant of the MLS in which the Property is offered for sale or a reciprocal MLS. If Seller's Broker and Buyer's Broker are not both Participants of the MLS, or a reciprocal MLS, in which the Property is offered for sale, then compensation must be specified in a separate written agreement (C.A.R. Form CBC). Declaration of License and Tax (C.A.R. Form DLT) may be used to document that tax reporting will be required or that an exemption exists.
4. **Presentation of Offer:** Pursuant to the National Association of REALTORS® Standard of Practice 1-7, if Buyer's Agent makes a written request, Seller's Agent shall confirm in writing that this offer has been presented to Seller.
5. **Agents' Signatures and designated electronic delivery address:**

A. Buyer's Brokerage Firm _____

Lic. # _____

By _____

Lic. # _____

Date _____

By _____

Lic. # _____

Date _____

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

Designated Electronic Delivery Address(es):

Email _____

Text # _____

Alternate: _____

- if checked, Delivery shall be made to the alternate designated electronic delivery address only.

Address _____

City _____

State _____

Zip _____

B. Seller's Brokerage Firm _____

Lic. # _____

By _____

Lic. # _____

Date _____

By _____

Lic. # _____

Date _____

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

Designated Electronic Delivery Address(es):

Email _____

Text # _____

Alternate: _____

- if checked, Delivery shall be made to the alternate designated electronic delivery address only.

Address _____

City _____

State _____

Zip _____

Transaction Coordinator Fees



Risks of putting in contract:

- Buyer-seller agreement, not principal broker agreement
- NAR Code of Ethics prohibits using offer or counter to negotiate commission
- Potential RESPA violation but law unclear
- Concealment/Inconsistent with fiduciary duty to use RPA for that purpose

Stronger Legal Practice:

- Include in listing or buyer representation agreement
- Have separate compensation addendum

Allocation of Costs				
Q	Paragraph #	Item Description	Who Pays (if Both is checked, cost to be split equally unless Otherwise Agreed)	Additional Terms
Q(1)	10A, 11A	Natural Hazard Zone Disclosure Report, including tax information	<input type="checkbox"/> Buyer <input type="checkbox"/> Seller <input type="checkbox"/> Both	<input type="checkbox"/> Environmental <input type="checkbox"/> Other <input type="checkbox"/> Provided by: _____
Q(2)		Report	<input type="checkbox"/> Buyer <input type="checkbox"/> Seller <input type="checkbox"/> Both	
Q(3)		Report	<input type="checkbox"/> Buyer <input type="checkbox"/> Seller <input type="checkbox"/> Both	
Q(4)	10B(1)	Smoke alarms, CO detectors, water heater bracing	<input type="checkbox"/> Buyer <input type="checkbox"/> Seller <input type="checkbox"/> Both	
Q(5)	10A 10B(2)(A)	Government Required Point of Sale inspections, reports	<input type="checkbox"/> Buyer <input type="checkbox"/> Seller <input type="checkbox"/> Both	
Q(6)	10B(2)(A)	Government Required Point of Sale corrective/remedial actions	<input type="checkbox"/> Buyer <input type="checkbox"/> Seller <input type="checkbox"/> Both	
Q(7)	19B	Escrow Fees	<input type="checkbox"/> Buyer <input type="checkbox"/> Seller <input type="checkbox"/> Both <input type="checkbox"/> Each to pay their own fees	Escrow Holder: _____
Q(8)	13	Owner's title insurance policy	<input type="checkbox"/> Buyer <input type="checkbox"/> Seller <input type="checkbox"/> Both	Title Company (if different from Escrow Holder): _____
Q(9)		Buyer's Lender title insurance policy	Buyer	Unless Otherwise Agreed, Buyer shall purchase any title insurance policy insuring Buyer's lender.
Q(10)		County transfer tax, fees	<input type="checkbox"/> Buyer <input type="checkbox"/> Seller <input type="checkbox"/> Both	
Q(11)		City transfer tax, fees	<input type="checkbox"/> Buyer <input type="checkbox"/> Seller <input type="checkbox"/> Both	
Q(12)	11K(2)	HOA fee for preparing disclosures	Seller	
Q(13)		HOA certification fee	Buyer	
Q(14)		HOA transfer fees	<input type="checkbox"/> Buyer <input type="checkbox"/> Seller <input type="checkbox"/> Both	Unless Otherwise Agreed, Seller shall pay for separate HOA move-out fee and Buyer shall pay for separate move-in fee. Applies if separately billed or itemized with cost in transfer fee.
Q(15)		Private transfer fees	Seller, or if checked, <input type="checkbox"/> Buyer <input type="checkbox"/> Both	
Q(16)		fees or costs	<input type="checkbox"/> Buyer <input type="checkbox"/> Seller <input type="checkbox"/> Both	
Q(17)		fees or costs	<input type="checkbox"/> Buyer <input type="checkbox"/> Seller <input type="checkbox"/> Both	
Q(18)	10C	Home warranty plan: _____	<input type="checkbox"/> Buyer <input type="checkbox"/> Seller <input type="checkbox"/> Both <input type="checkbox"/> Buyer waives home warranty plan	Cost not to exceed \$ _____ Issued by: _____
R	OTHER TERMS: _____			



QUESTIONS???
