



If you are interested in making an offer on **715 San Conrado Terrace #6, Sunnyvale**, below are a few things you should be aware of.

- ❖ Agency Relationships
- ❖ PRDS Real Estate Purchase Contract- Sent in by 12:00 PM on February 6, 2014
- ❖ "As Is" Addendum
- ❖ Preapproval letter from Wells Fargo Bank
- ❖ Proof of funds from Wells Fargo Bank
- ❖ Copy of deposit
- ❖ A letter from the Buyers

**Offer Summary:**

Buyer's name(s) [REDACTED]

Purchase price offered: \$530,000

Deposit \$15,900 Down Payment \$104,100 Loan Amount \$410,000

Loan /Appraisal Contingency Removal date (if any) 7 Days

Other Contingency Removal date (please specify what they are, if any) 0

As is Addendum signed by Buyer yes X no         

Close of Escrow date 21 Days from acceptance

Agent Yamei Lee BRE# 01162230 Phone (650) 315- 4470

Company Midtown Realty, Inc. Date February 6, 2014

Remarks:

**Thank you very much!**



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

FORM NEEDS TO BE COMPLETED AND PROVIDED AS FOLLOWS:

- a) Listing Agent to the Seller before entering into a listing agreement;
b) Buyer's Agent to the Buyer as soon as practicable before signing an offer;
c) Buyer's Agent to the Seller before presenting an offer;
d) Listing Agent, when acting as a dual agent, to the Buyer as soon as practicable before the Buyer signs an offer.

SELLER'S AGENT

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

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

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

BUYER'S AGENT

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

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

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

AGENT REPRESENTING BOTH SELLER AND BUYER

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

In a dual agency situation, the agent has the following affirmative obligations to both the Seller and the Buyer: (a) A fiduciary duty of utmost care, integrity, honesty, and loyalty in the dealings with either the Seller or the Buyer; (b) Other duties to the Seller and the Buyer as stated above in their respective sections.

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

The above duties of the agent in a real estate transaction do not relieve a Seller or Buyer from the responsibility to protect his or her own interests. You should carefully read all agreements to assure that they adequately express your understanding of the transaction.

Throughout your real property transaction you may receive more than one disclosure form, depending upon the number of agents assisting in the transaction. The law requires each agent with whom you have more than a casual relationship to present you with this disclosure form.

This disclosure form includes the provisions of Section 2079.13 to 2079.24, inclusive, of the Civil Code set forth on the reverse side hereof. Read it carefully.

If the transaction involves one-to-four dwelling residential property(s), including a mobile home, this Disclosure form must be provided in a listing, sale, exchange, installment land contract, or lease over one year.

I/WE ACKNOWLEDGE RECEIPT OF A COPY OF THIS DISCLOSURE.

Date 2-1-14 Time 6pm [checked] BUYER [ ] SELLER [ ] TENANT [Redacted Signature] (Print)

Date [ ] Time [ ] [ ] BUYER [ ] SELLER [ ] TENANT [Redacted Signature] (Print)

Date 2/1/14 Time 6pm AGENT (COMPANY) Midtown Realty License # 191000383 (Print)

By Yamei Lee License # 01162230 (Associate Licensee or Broker-Signature) (Print)

Date [ ] Time [ ] [ ] BUYER [ ] TENANT AGENT (COMPANY) Midtown Realty License # [ ] (Print)

By Yamei Lee License # [ ] (Associate Licensee or Broker-Signature) (Print)

Date [ ] Time [ ] [ ] SELLER [ ] OWNER [ ] (Signature before presentation of offer) (Print)

Date [ ] Time [ ] [ ] SELLER [ ] OWNER [ ] (Signature before presentation of offer) (Print)

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

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

2079.14 Listing agents and selling agents shall provide the seller and buyer in a real property transaction with a copy of the disclosure form specified in Section 2079.16, and, except as provided in subdivision (c), shall obtain a signed acknowledgment of receipt from that seller or buyer, except as provided in this section or Section 2079.15, as follows:

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

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

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

Example Only \_\_\_\_\_ is the agent of (check one):  
 (Name of Listing Agent) \_\_\_\_\_ Example Only \_\_\_\_\_ is the agent of (check one):  
 (Name of Selling Agent if not the same as the Listing Agent)

the seller exclusively, or  
 both the buyer and the seller  
 the buyer exclusively, or  
 the seller exclusively, or  
 both the buyer and the

- (d) The disclosures and confirmation required by this section shall be in addition to the disclosure required by Section 2079.14.
- 2079.18 No selling agent in a real property transaction may act as an agent for the buyer only, when the selling agent is also acting as the listing agent in the transaction.
- 2079.19 The payment of compensation or the obligation to pay compensation to an agent by the seller or buyer is not necessarily determinative of a particular agency relationship between an agent and the seller or buyer. A listing agent and a selling agent may agree to share any compensation or commission paid, or any right to any compensation or commission for which an obligation arises as the result of a real estate transaction, and the terms of any such agreement shall not necessarily be determinative of a particular relationship.
- 2079.20 Nothing in this article prevents an agent from selecting, as a condition of the agent's employment, a specific form of agency relationship not specifically prohibited by this article if the requirements of Section 2079.14 and Section 2079.17 are complied with.
- 2079.21 A dual agent shall not disclose to the buyer that the seller is willing to sell the property at a price less than the listing price, without the express written consent of the seller. A dual agent shall not disclose to the seller that the buyer is willing to pay a price greater than the offering price, without the express written consent of the buyer. This section does not alter in any way the duty or responsibility of a dual agent to any principal with respect to confidential information other than price.
- 2079.22 Nothing in this article precludes a listing agent from also being a selling agent, and the combination of these functions in one agent does not, of itself, make that agent a dual agent.
- 2079.23 A contract between the principal and agent may be modified or altered to change the agency relationship at any time before the performance of the act which is the object of the agency with the written consent of the parties to the agency relationship.
- 2079.24 Nothing in this article shall be construed to either diminish the duty of disclosure owed buyers and sellers by agents and their associate licensees, subagents, and employees or to relieve agents, and their associate licensees, subagents, and employees from liability for their conduct in connection with acts governed by this article or for any breach of a fiduciary duty or a duty of disclosure.



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PRDS® REAL ESTATE PURCHASE CONTRACT
(THIS IS INTENDED TO BE A LEGALLY BINDING CONTRACT. READ IT CAREFULLY.)



The undersigned [redacted] ("Buyer") hereby offers to purchase, for the sum of \$ [redacted] ("Purchase Price"), the real property located at 715 San Conrado Terr, #6, City of Sunnyvale, Santa Clara, California ("Property"), on the terms contained in this Real Estate Purchase Contract ("Contract"), dated 2/1/14 (for reference purposes only). Buyer and Seller are collectively referred to as the "Parties":

1. AGENCY DISCLOSURE AND AGENCY CONFIRMATION: BUYER AND SELLER ACKNOWLEDGE THEIR PRIOR RECEIPT OF AGENCY DISCLOSURE FORMS.

AGENCY CONFIRMATION: The following agency relationships are hereby confirmed for this transaction: Listing Agent: Coldwell Banker (print company name) is the agent of (check one): [X] Seller exclusively; or [ ] both Buyer and Seller. Selling Agent: Midtown Realty (print company name) (if not the same as the Listing Agent) is the agent of (check one): [X] Buyer exclusively; or [ ] Seller exclusively; or [ ] both Buyer and Seller

2. FINANCING TERMS:

A. \$ 15,900.00 DEPOSIT, in the form of personal check, [ ] electronic transfer or [ ] \_\_\_\_\_, shall be deposited by Buyer with the Escrow Holder identified in Paragraph 17 on or before three (or [ ] \_\_\_\_\_) Business Days from Acceptance of this Contract.

B. \$ [X] ADDITIONAL DEPOSIT, in the form of personal check, [ ] electronic transfer or [ ] \_\_\_\_\_, shall be deposited by Buyer with the Escrow Holder upon Buyer's removal of all contingencies in this Contract or [ ] \_\_\_\_\_. If Liquidated Damages (Paragraph 28A) has been initiated by all Parties, Buyer and Seller shall sign and Deliver a PRDS® Receipt for Increased Deposit (Liquidated Damages), or equivalent form, at the same time the Additional Deposit is deposited with the Escrow Holder.

C. \$ 104,100.00 BALANCE OF DOWN PAYMENT shall be deposited by Buyer with the Escrow Holder in sufficient time to close the Escrow.

D. \$ 410,000 LOAN (Conventional or [ ] FHA [ ] VA): Buyer intends to obtain a loan in the amount indicated for no fewer than \_\_\_\_\_ years secured by a first deed of trust payable to lender, including: principal and interest (or [ ] interest only) at an initial rate of not more than \_\_\_\_\_% per annum, which shall be [ ] fixed [ ] adjustable [ ] initial fixed rate and adjustable thereafter.

E. \$ [X] OTHER FINANCING: PRDS® Other Financing Addendum must be submitted as provided for in Paragraph 6.

F. \$ [X] SELLER FINANCING: PRDS® Seller Financing Addendum must be submitted as provided for in Paragraph 6.

G. \$ 530,000 TOTAL PURCHASE PRICE, not including closing costs.

H. BUYER'S LOAN OBLIGATIONS: If Buyer intends to obtain any type of financing, Buyer shall secure a lender's or mortgage broker's letter stating that, based upon a review of Buyer's application and credit report, Buyer is pre-approved for the loan(s) identified in this Contract. That letter is Delivered with this Contract or [ ] Buyer shall, within five (or [ ] \_\_\_\_\_) days of Acceptance, Deliver that letter to Seller. If that letter is not Delivered to Seller within the time frame specified, Seller may cancel this Contract.

I. FINANCING CONTINGENCY: If a time frame is entered in Paragraph 8A, this Contract is contingent upon Buyer's obtaining written lender commitment(s) for the loan amount(s) and the financing terms specified in Paragraphs 2D, 2E and/or 2F. Buyer's right to exercise the Financing Contingency to cancel this Contract is dependent upon Buyer's making a timely, good faith application for the actual loan(s) specified in Paragraphs 2D, 2E and/or 2F. Lender commitments are based upon criteria which may include, but are not limited to, the value and condition of the Property; if a written lender commitment as specified herein cannot be obtained, Buyer has the right to cancel this Contract. Buyer may attempt to obtain alternative financing; however, Buyer may not use Buyer's inability to obtain alternative financing as an excuse to not perform Buyer's obligations specified in this Contract. Buyer should not remove the Financing Contingency without first personally verifying all of the terms and conditions of the loan(s) directly with the Buyer's lender(s).

3. APPRAISAL: If a time frame is entered in Paragraph 8B, this Contract is contingent upon Buyer's obtaining an appraisal of the Property at or above the Purchase Price, whether or not Buyer (a) is actually seeking a loan or (b) receives lender's written commitment for the financing specified in Paragraph 2. In exercising this contingency right, Buyer shall rely on an appraisal from an independent licensed or certified appraiser. If a time frame is also entered in Paragraph 8A (Finance Contingency), however, Buyer shall rely solely on the appraisal obtained by Buyer's lender.

Buyer's Initials ([redacted]) (\_\_\_\_\_)

Seller's Initials (\_\_\_\_\_) (\_\_\_\_\_)

**4. BUYER'S FUNDS:** Buyer represents that all funds, including but not limited to any deposits, balance of down payment, and closing costs, shall be readily available as "good funds" as determined by Escrow Holder at the time the funds are deposited with Escrow Holder. Obtaining any or all of these funds is not a contingency of this Contract. Buyer shall Deliver to Seller written verification of these funds within five (or  \_\_\_\_\_) days from Acceptance. If that verification is not Delivered to Seller within the time frame specified, Seller may cancel this Contract.

**5. FIXTURES, FITTINGS AND PERSONAL PROPERTY:**

**A. ITEMS INCLUDED IN THE SALE:** Buyer's purchase of the Property shall include **ALL EXISTING** fixtures and fittings attached to the Property and shall be deemed to include, but not be limited to, all of the following: electrical, attached lighting, plumbing and heating fixtures, fireplace inserts and attached fireplace equipment, solar systems and equipment, built-in appliances, screens, awnings, shutters, window coverings and related hardware, hanging/affixed bathroom mirrors, attached floor coverings, satellite dishes and related equipment, integrated telephone systems, all audio/video and technology wiring, air coolers/conditioners, pool/spa equipment, water softeners, smoke and carbon monoxide detectors, security systems/alarms, keys to all exterior locks, garage door openers/remote controls, mailbox, and in-ground landscaping. **NOTE:** These items and any additional items listed in **Paragraph 5B** (collectively referred to as "Included Items") are included in the Purchase Price only owned by Seller.

**B. ADDITIONAL ITEMS INCLUDED IN THE SALE:** The following items are included if checked in the chart below. The Parties agree that the **Included Items** are transferred in the same general condition as of time of Acceptance. Seller shall Deliver to Buyer all existing warranty documents at or before Close of Escrow. Seller shall, within five (or  \_\_\_\_\_) days of Acceptance, identify what, if any, of the **Included Items** are **not owned by Seller** (e.g., leased or licensed equipment) and shall Deliver to Buyer all documents (leases, contracts, terms of use, etc.) related to those non-Seller-owned items.

Included	Item	Notes	Included	Item	Notes
<input type="checkbox"/>	Refrigerator		<input type="checkbox"/>	Trash Compactor	
<input type="checkbox"/>	Freezer		<input type="checkbox"/>	TVs affixed to wall or built in	
<input type="checkbox"/>	Stove/Range		<input type="checkbox"/>	TV mounting brackets	
<input type="checkbox"/>	Microwave		<input type="checkbox"/>	Speakers affixed to wall or built in	
<input checked="" type="checkbox"/>	Washer		<input type="checkbox"/>	Speaker mounting brackets	
<input checked="" type="checkbox"/>	Dryer		<input type="checkbox"/>	Other	
<input type="checkbox"/>	Wine Cooler		<input type="checkbox"/>	Other	

**C. ITEMS EXCLUDED FROM SALE:** \_\_\_\_\_

**Note:** If TV (and/or other) mounting brackets are **EXCLUDED** from sale, Seller shall, upon removal thereof, bring affected surfaces as close to original condition as is reasonable and practical.

**D. CAUTION:** Items depicted in oral or written representations, statements or photographs in fact sheets, advertisements, Multiple Listing Service ("MLS") documents or the **Transfer Disclosure Statement** are **NOT INCLUDED IN THIS SALE** unless specifically set forth, in writing, in this Contract.

**6. ADDITIONAL CONTRACT DOCUMENTS:** The following addenda are made a part of this Contract **if checked below, submitted with this offer and Delivered to and signed by the Parties:**

- A.** PRDS® Seller Financing Addendum
- B.** PRDS® Other Financing Addendum
- C.** PRDS® Common Interest Development Addendum
- D.** PRDS® Seller Occupancy After Sale Addendum
- E.** PRDS® Sale of Buyer's Property Addendum
- F.** Other: \_\_\_\_\_

**7. OTHER TERMS AND CONDITIONS:** \_\_\_\_\_

**8. CONTINGENCIES:** THIS CONTRACT IS **NOT** CONTINGENT on any of the following referenced paragraphs unless a specific number of days is entered below next to each contingency intended to be included in this Contract. A "zero" or a "blank line" shall mean that the contingency is not included and is not part of this Contract. The time frames for removal of any contingencies in the addenda specified in Paragraph 6 or elsewhere are controlled by the terms of those addenda.

- A.** ~~8~~ 7 Days from Acceptance for removal of **Financing Contingency (Paragraphs 2D, 2E and/or 2F)**
- B.** ~~7~~ 7 Days from Acceptance for removal of **Appraisal Contingency (Paragraph 3)**
- C.** ~~8~~ 7 Days from Acceptance for removal of **Property Condition Contingency (Paragraph 14A)**
- D.** ~~8~~ 8 Days from Acceptance for removal of **Lead-Based Paint Contingency (Paragraph 15)**
- E.** ~~8~~ 8 Days from Acceptance for removal of **Title Contingency (Paragraph 17)**

**9. CLOSE OF ESCROW, POSSESSION AND OCCUPANCY:**

**A. CLOSE OF ESCROW:** Recordation of the deed ("**Close of Escrow**") and Delivery of keys shall occur on (date) \_\_\_\_\_ (or  21 days from Acceptance). If the date set for Close of Escrow falls on other than a Business Day (Paragraph 27K), recordation shall occur on the following Business Day. Possession shall be Delivered to Buyer by no

Buyer's Initials ( [REDACTED] ) ( \_\_\_\_\_ )

Seller's Initials ( \_\_\_\_\_ ) ( \_\_\_\_\_ )

later than 5:00 p.m. (or  \_\_\_\_\_  a.m.  p.m.) on the same date, or  \_\_\_\_\_ (“Possession Date”) subject to the provisions of a signed Occupancy Agreement. If Seller retains possession after Close of Escrow, a minimum of one set of keys shall be given to Buyer at Close of Escrow.

**B. INTENT TO OCCUPY:** Buyer does (or  does not) intend to occupy the Property as Buyer’s residence.

**10. REAL ESTATE TRANSFER DISCLOSURE STATEMENT (“TDS”), PRDS SUPPLEMENTAL SELLER CHECKLIST (“SSC”), NATURAL HAZARD DISCLOSURE STATEMENT (“NHDS”), LEAD-BASED PAINT HAZARD DISCLOSURE (“Lead Disclosure”):** (a) Unless Seller is exempt by statute, Seller shall fully complete a TDS, NHDS and, if the Property was built before 1978, a Lead Disclosure. If a TDS is legally required, Seller shall also fully complete the SSC. Those documents required by this Paragraph (collectively referred to as “the Disclosure Documents”) shall be Delivered to Buyer within five (or  \_\_\_\_\_ ) days of Acceptance. (b) Buyer represents and affirms that Buyer has already received, read and signed prior to Acceptance the following **fully completed** Disclosure Documents:  TDS  SSC  NHDS  **Lead Disclosure**, and has Delivered each of them to Seller with this offer.

A “fully completed TDS” shall have (1) all questions answered and signed by Seller in Section II, (2) a response and signature by Listing Agent, if any, in Section III, and (3) a response and signature by Selling Agent, if any, in Section IV. A “fully completed” Lead Disclosure and/or SSC shall have all questions answered and signed by Seller.

If any of the required Disclosure Documents are delivered to Buyer after Acceptance, Buyer shall have the right to cancel this Contract by Delivering a **written notice to Seller** within three (3) days after personal Delivery of the Disclosure Documents (or five days after Delivery by mail). Buyer shall sign and Deliver to Seller the required Disclosure Documents within five (or  \_\_\_\_\_ ) days after Delivery of the Disclosure Documents to Buyer. If Buyer fails to sign and Deliver any of the required Disclosure Documents within the time frames specified, Seller may cancel this Contract.

**CAUTION: Whether or not the Seller is exempt by statute** from completing and Delivering any of the Disclosure Documents, Seller is legally obligated to disclose to Buyer all known material facts which may impact the value or desirability of the Property. Seller is obligated to disclose all known additions and alterations to the Property including, but not limited to, the status of any permits and final approvals. Where Buyer has been given timely notice that construction of any aspect of the Property has been made without necessary permits or approvals, Buyer shall assume all of the legal and financial risks and obligations if the Property is required to be brought into legal compliance at any time after the Close of Escrow.

**11. PROPERTY DISCLOSURES (ENVIRONMENTAL, NATURAL HAZARD, EARTHQUAKE QUESTIONNAIRE, TAX ASSESSMENT AND TAX STATUS REPORTS, EARTHQUAKE/ENVIRONMENTAL BOOKLET); COMPLIANCE STATEMENTS:** Seller shall pay for and Deliver to Buyer the following documents: Environmental Disclosure Report (limited to filed governmental reports), Natural Hazards report and required information about any Mello-Roos and/or 1915 Special Assessments. Five (or  \_\_\_\_\_ ) days prior to the close of escrow, Seller shall either (1) fully complete, sign and Deliver to Buyer a declaration of federal and California tax status (“FIRPTA”) or (2) **submit the Seller’s Social Security or Taxpayer Identification Number directly to a Qualified Substitute (the Escrow Holder), who shall then be required to satisfy all of the FIRPTA tax identification requirements.** Seller shall also Deliver to Buyer a copy of the current California Earthquake Safety and Environmental Hazard booklet (including a fully completed Residential Earthquake Hazards Report [questionnaire], if the Property was built before 1960), and smoke detector, carbon monoxide, water heater and any government-mandated, point-of-sale compliance statements if those compliance statements are not included in a fully completed TDS. **NOTE:** By law, certain exemptions may apply to some of the foregoing.

**12. GOVERNMENT-MANDATED REPORTS, RETROFIT REQUIREMENTS AND COMPLIANCE STATEMENTS:** Unless exempt or otherwise agreed in writing, Seller, at Seller’s expense, shall (prior to close of escrow):

- A. Install smoke detector(s), carbon monoxide detector(s), and code-complying water heater bracing.
- B. Comply with all government-mandated inspections, reports, or retrofits of the Property.
- C. Deliver to Buyer all compliance statements relating to the above.

**13. BUYER’S DUTY OF CARE:** Buyer understands and acknowledges that Buyer has a legal duty to exercise reasonable care to protect him or herself, including those facts that are known to or within the diligent attention or observation of Buyer.

**14. PROPERTY CONDITION:** Buyer shall have the right to personally evaluate, inspect, investigate, and/or retain appropriate, qualified and/or licensed professionals of Buyer’s choice and at Buyer’s expense to evaluate, the past, present and future value, use, desirability, condition and/or development of the Property.

**A. INSPECTION CONTINGENCY:** If a time frame is specified in **Paragraph 8C**, this Contract is contingent upon Buyer’s approval of all conditions, disclosures, factors and circumstances relating to the Property: all physical and non-physical aspects of the Property and any other matter, on- or off-site, that materially affects the value and/or desirability of the Property including, but not limited to, any and all matters contained in the **PRDS SAN MATEO/SANTA CLARA COUNTIES ADVISORY**. Included within the scope of this Property Condition Contingency are Buyer’s approvals of (1) **the Property Disclosure Documents and Compliance Statements** identified in **Paragraphs 10 and 11** and (2) the cost and/or availability of **Homeowner’s** (i.e., fire and liability) **Insurance Coverage**.

**B. CONSEQUENCES OF FAILING TO INSPECT:** Any failure by Buyer to fully conduct inspections and investigations is against the advice of the real estate licensees. Buyer understands, acknowledges and agrees that Buyer is

Buyer’s Initials (  ) (  )

Seller’s Initials (  ) (  )

assuming all of the risk of Buyer's decision not to conduct any and all inspections. Even if this Contract is not contingent upon the Buyer's approval of the Property condition (Paragraph 8C), Buyer still retains the right to conduct inspections and investigations of the Property (within a reasonable time frame from Acceptance), but solely for Buyer's own information and without cancellation rights.

NOTE: Buyer acknowledges that past reports and disclosures received by Buyer, if any, may or may not reflect the current condition of the Property.

C. **STRUCTURAL PEST CONTROL ("SPC") INSPECTIONS OR ISSUES DURING PROPERTY CONDITION CONTINGENCY:** If Paragraph 19 ("Structural Pest Control") is not part of this Contract and no agreement exists as to allocating SPC repairs, Buyer shall still be entitled to inspect and evaluate all issues including, but not limited to, SPC issues raised in any inspection or report during Buyer's Property Condition Contingency time frame. If exercising these rights results in an SPC operator's identifying further inspections which Buyer undertakes, Buyer shall be responsible for all related entry and closure costs in compliance with Paragraph 22; Buyer's obligation to pay these costs shall survive termination of this Contract.

D. **INVASIVE/DESTRUCTIVE TESTING:** Unless otherwise agreed to in this Contract or required by law, neither Buyer nor anyone acting on Buyer's behalf shall be authorized to undertake any invasive or destructive testing without securing prior written approval from Seller.

E. **SELLER/BUYER OBLIGATIONS:** Seller shall make the Property reasonably available for all Buyer inspections and shall have all utilities turned on for those inspections. Buyer shall not request or schedule any inspections by any building department inspector or other government employee without the prior written consent of Seller. Buyer shall Deliver to Seller, at no cost, copies of any and all written reports regarding the Property that are obtained by Buyer. Buyer shall (1) repair all damage to the Property arising out of or resulting from any of Buyer's inspections, (2) keep the Property free of liens, and (3) indemnify Seller from and against any liability, claim or damage arising out of Buyer's inspections. Buyer's obligations contained in this paragraph shall survive the cancellation of this Contract.

15. **LEAD-BASED PAINT CONTINGENCY:** If a Lead Disclosure is (1) legally required because the Property was built before 1978 or (2) not legally required, but a lead inspection is a contingency of this Contract by specification of a time frame in Paragraph 8D, Buyer shall complete all testing for lead-based paint within the time frame specified in Paragraph 8D.

16. **SELLER'S DOCUMENTS:** Seller has five (or  \_\_\_\_\_) days of Acceptance within which to deliver to Buyer all reports, disclosures and information for which Seller is responsible under the terms of this Contract.

17. **TITLE INSURANCE AND PRELIMINARY TITLE REPORT:**  Buyer  Seller shall pay escrow fees and the cost of an ALTA or CLTA homeowner's policy of title insurance issued by or through CORNERSTONE TITLE CO. ("Escrow Holder"). If a lender's title policy is required, Buyer shall pay its cost. Buyer shall obtain and review a current preliminary (title) report. Seller shall Deliver title free of all monetary liens not expressly assumed by Buyer, and property taxes shall be prorated as specified in Paragraph 26B. Subject to the foregoing and to Buyer's title contingency rights, if any, Buyer shall take title to the Property subject to all existing easements, restrictions, claims and other exceptions to title, whether or not of record or referenced in the preliminary report. **If a time frame is specified in Paragraph 8E, this Contract shall be contingent upon Buyer's approval of a current preliminary report and the status of title of the Property.** NOTE: A preliminary report is only an offer by the title insurance company to provide title insurance; it is not a representation of the actual condition of title, and may not identify every issue affecting title. The type and cost of title insurance coverage can vary. Buyer is advised to contact a title officer regarding the cost and availability of different title insurance products that can provide enhanced protections.

18. **OPTIONAL "AS-IS" PROVISION:** Only if checked here , it is agreed that Buyer is purchasing the Property in its present (i.e., as of the time of Acceptance), "AS-IS" condition, including and subject to the following:

- A. Seller acknowledges a continuing obligation to (1) make full disclose to Buyer (see Paragraph 10), (2) comply with smoke detector, water heater and all other government-mandated requirements, (3) install carbon monoxide detector(s), (4) maintain the Property (see Paragraph 23);
- B. Buyer retains the right to inspect and investigate all matters detailed in Paragraph 14 but retains only those contingency rights expressly elected in Paragraph 8C and made part of this Contract;
- C. Paragraph 19 ("STRUCTURAL PEST CONTROL") and Paragraph 20 ("SELLER'S OBLIGATION TO REPAIR OR CORRECT") are deleted from this Contract;
- D. There are **NO EXCEPTIONS** to this "AS-IS" provision unless one or both of the EXCEPTIONS below are checked:
  - 1.  Paragraph 19 is included in this Contract
  - 2.  Other: \_\_\_\_\_

19. **STRUCTURAL PEST CONTROL ("SPC") INSPECTION AND CERTIFICATION:** If checked here  and/or if Paragraph 18D is checked, this Paragraph creates a contractual obligation for the Parties; however, if Paragraph 18C applies, all of Paragraph 19 is deleted from this Contract.

AS IS

A. Buyer shall accept as the "Operative Report" the current SPC inspection report that Buyer acknowledges having previously received from Seller or, (if checked)  Buyer  Seller shall, within five (or  \_\_\_\_\_) days of Acceptance, pay for and hire a licensed SPC operator to issue a current inspection report of the primary dwelling and (if checked)  decks (attached or otherwise),  detached garage(s)/carport(s), and the following other structures on the Property: \_\_\_\_\_  
That inspection report shall thereupon be accepted as the "Operative Report". Unless otherwise agreed in writing,

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Seller's Initials ( \_\_\_\_\_ ) ( \_\_\_\_\_ )

the "Operative Report" shall control as to all findings, recommendations, and types of treatment/remediation and shall supersede any other SPC reports obtained by any of the Parties at any time.

- B. Seller shall pay for all "Section 1" work described in the Operative Report and shall, prior to Close of Escrow, Deliver a certification from the SPC operator that generated the Operative Report (or from another licensed SPC operator, if agreed in writing) that the Property is free from active infestation or infection as described as Section 1 in the Operative Report. The cost of any Section 2 items shall be the responsibility of Buyer unless otherwise agreed in writing. Seller shall not be responsible for (1) Section 1 items that are the responsibility of any Homeowner's Association ("HOA") pursuant to Covenants, Conditions Restrictions (CC&Rs) and/or rules and regulations (see Common Interest Development documentation).
- C. If inspection of inaccessible areas is recommended in the Operative Report and if, within five (or  \_\_\_\_\_ ) days of receipt of the Operative Report, Buyer Delivers to Seller a written request for such inspection, Buyer shall have the right to retain a SPC operator to (1) inspect the identified inaccessible areas and (2) issue a supplemental report ("Supplemental Report") of findings. Buyer's failure to act with the time frame specified in this paragraph shall constitute a waiver of this inspection right. Upon timely receipt of Buyer's written notice, Seller shall cooperate with the SPC operator to make the identified inaccessible areas accessible. Seller's failure to cooperate shall be deemed a default within the meaning of **Paragraph 28C**.
- D. If additional Section 1 work is noted in the Supplemental Report, Seller shall pay for the cost of issuing the Supplemental Report and all entry and closure costs. However, if the Supplemental Report notes no additional Section 1 findings than were noted in the Operative Report, then the cost of the Supplemental Report and all entry and closure costs shall be paid by Buyer (Paragraph 22 shall apply). Buyer's obligation to pay these costs shall survive the termination of this Contract.
- E. If fumigation is required by the Operative Report and if the Parties agree that Seller shall be responsible for that fumigation (whether before or after Close of Escrow), Seller shall comply with the fumigation contractor's written guidelines ("Written Guidelines") including those relating to landscape preservation. The Parties acknowledge that damage to landscaping may be caused by the fumigation process even if Seller has complied with the Written Guidelines, and Buyer agrees to accept the Property subject to such damage. The Parties further acknowledge that, even if the fumigation process is conducted with care and within professional standards, damage to tile or other roof coverings frequently occurs. Seller shall be responsible for the cost to repair and, if necessary, replace roof coverings damaged in the fumigation process. Upon completion of the fumigation process, Seller shall ensure that all utilities and services (e.g., electric, gas and water) on the Property are fully restored and rendered operational. If the Parties agree that fumigation is to be scheduled after Close of Escrow, the fumigation process shall be completed as soon as practicable. Buyer shall have 15 days from completion of the fumigation process to Deliver a written claim to Seller for roof damage caused by the fumigation process. Buyer's failure to Deliver a written claim to Seller within the time frame specified in this paragraph shall constitute a waiver of Buyer's right to make such a claim.

**20. SELLER'S OBLIGATION TO REPAIR OR CORRECT:** Unless this Contract includes the "AS IS" provision (see **Paragraph 18**), Seller shall make repairs or corrections as set forth in this paragraph. Seller's repair or correction obligations shall be limited to deficiencies **known by Seller or discovered before Close of Escrow**. Disclosure of defects and deficiencies made by Seller in the Disclosure Documents or elsewhere do not relieve Seller of any agreed-upon or statutorily required repair obligations. Subject to any Risk of Loss (as specified in **Paragraph 27J**), Seller shall Deliver the Property at Close of Escrow in the following condition (1) Roof/skylights (not including gutters) shall be free of leaks; (2) Built-in appliances, plumbing, heating, air conditioning, electrical, solar, landscaping sprinklers, sewer/septic, and pool/spa systems, if any, shall be Operable ("**Operable**" shall mean that the appliance or system meets its basic intended function but may not operate as if new or may not satisfy current building codes); (3) Plumbing systems, shower pans, and shower enclosures shall be free of leaks; (4) Chimneys and fireplaces, including dampers, shall be operative and free of structural defects; (5) All broken or cracked glass (excluding seal-failure of multi-paned windows/skylights) shall be replaced by Seller.

**21. CONTINGENCY REMOVAL; CONTRACTUAL OBLIGATIONS; CANCELLATION RIGHTS:** The contingency removal mechanism provided for in this Contract is "**ACTIVE CONTINGENCY REMOVAL**." Contingencies in this Contract continue in full force and effect unless and until the holder of the contingency delivers to the other party either (1) a written contingency removal or (2) a written Notice of Cancellation. The removal **or waiver** of a contingency shall mean that the holder of the contingency is fully satisfied as to its subject matter and is expressly eliminating that contingency as a precondition to the Close of Escrow.

**CAUTION: REGARDING CONTINGENCY REMOVAL/TIME FRAMES:** Failure to remove any contingency by the holder of that contingency or perform a contractual obligation within the time frames specified in **Paragraph 8** or elsewhere in this Contract (individually and collectively referenced as "**the Time Frames**") shall make this Contract subject to cancellation by the other Party. Any attempt to cancel this Contract requires compliance with the Notice to Perform paragraph below.

**CAUTION: REGARDING CONTRACTUAL OBLIGATIONS:** Failure of either Party to perform any act required by this Contract ("**Contractual Obligations**"), other than close of escrow, in a timely fashion shall make this Contract subject to cancellation by the other Party, but only after the times specified in a Notice to Perform have elapsed. Any attempt to so cancel this Contract requires compliance with the Notice to Perform Paragraph below.

**A. Notice to Perform:** Enforcement of Time Frames and Contractual Obligations in this Contract requires that a written **Notice to Perform** signed by the Party seeking enforcement first be delivered to the other Party, who shall have two days to either remove the designated contingency, perform the designated Contractual Obligations, or cancel this Contract. However, if the last day of that notice period is not a Business Day (as defined in **Paragraph 27K**), the

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recipient of the **Notice to Perform** shall have until the following Business Day to perform. A **Notice to Perform** is not required to enforce close of escrow obligations. The **Notice to Perform** may be Delivered to a Party two or more days prior to the Time Frames or the date for performance of any Contractual Obligations; however, the **Notice to Perform** shall not be used by either Party to shorten the Time Frames specified for any contingency or the time for performance of any Contractual Obligations. Whether or not a **Notice to Perform** is issued, **Paragraph 21B** shall remain in full force and effect.

- B. Request For Repairs or Other Action:** If, within a Time Frame that is part of this Contract and prior to contingency removal, Buyer Delivers to Seller a written request that Seller make repairs, corrections or take any other action not otherwise agreed to in this Contract relating to that contingency, Seller shall have three (or  \_\_\_\_\_) days from Seller's receipt of Buyer's request within which to respond to Buyer in writing. If Seller agrees in writing to all of Buyer's requests, Buyer shall, upon receipt of such writing, promptly remove the contingency upon Buyer's receipt of Seller's Acceptance of the request. If Seller's response indicates that Seller is unwilling or unable to repair or correct any or all of Buyer's requests, or if Seller does not respond within the Time Frame specified in this Paragraph, Buyer shall have three (or  \_\_\_\_\_) days from either (1) Buyer's receipt of Seller's response or (2) the expiration of the time for Seller to respond (whichever occurs first) to either remove the contingency or cancel this Contract. If Buyer does not cancel, or fails to remove any contingency within its respective Time Frame, Seller shall have the right to cancel this Contract.
- C. Buyer Cancellation Rights:** If Buyer determines, in good faith, that any conditions or circumstances relating to any of Buyer's contingencies in **Paragraph 8** or elsewhere in this Contract are unacceptable to Buyer, Buyer shall be entitled to cancel this Contract within the Time Frames or prior to the expiration of a Notice to Perform by Delivery of a written Notice of Cancellation to Seller and Buyer shall be entitled to a refund of Buyer's deposited funds, less any non-reimbursable fees and costs. The Parties agree to sign mutual escrow instructions to facilitate the terms and conditions of the cancellation as specified in this paragraph. **CAUTION:** If Seller unreasonably refuses to cooperate in the release to Buyer of Buyer's deposited funds, Seller may be exposed to monetary sanctions and attorney's fees under Civil Code Section 1057.3.
- D. Seller Cancellation Rights:** If Seller determines, in good faith, that any conditions or circumstances relating to any of Seller's contingencies in this Contract are unacceptable to Seller, Seller shall be entitled to cancel this Contract within the Time Frames for those contingencies or prior to the expiration of a Notice to Perform by Delivery of a written Notice of Cancellation to Buyer; Buyer shall be entitled to a refund of Buyer's deposited funds, if any, less any non-reimbursable fees and costs. The Parties agree to sign mutual escrow instructions to facilitate the terms and conditions of the cancellation as specified in this paragraph.

**22. REPAIRS:** Unless otherwise agreed in writing, all repairs required in this Contract shall be undertaken by a **licensed contractor** using materials of **comparable quality** and subject to local ordinances. All repairs shall be done in workmanlike fashion and in compliance with all applicable **building codes and permit requirements**, and shall be completed by the responsible Party no later than two (or  \_\_\_\_\_) days prior to the date scheduled for Close of Escrow. Written documentation related to these repairs shall be Delivered to all Parties promptly upon completion of the repairs.

**23. SELLER'S OBLIGATION TO MAINTAIN PROPERTY DURING ESCROW:** During the time period between Acceptance and Close of Escrow, Seller shall maintain the Property, including landscaping and all Included Items (**Paragraph 5**), in the same general condition as at time of Acceptance. (**NOTE:** Seller is advised to consider obtaining a "Seller's Coverage" home protection plan to cover various aspects of the Property during pre-Close of Escrow time frames.) Fixtures, fittings and/or personal property that are not included in the sale (**Paragraph 5C**) and all debris shall be removed by Seller prior to the date Seller Delivers possession of the Property to Buyer. The Property shall be delivered to Buyer in no less than "broom clean" condition.

**24. "WALK THROUGH" INSPECTION:** Buyer shall also be entitled to a "walk-through" inspection of the Property no later than two (or  \_\_\_\_\_) days prior to Close of Escrow, not as a contingency of sale, but solely to confirm that all repairs have been completed and/or that the Property, including landscaping, is in no less than the same general condition as of the date of Acceptance. Seller shall assure that, through such time period as is reasonably necessary for said "walk-through," all utilities and services remain connected and active.

**25. HOME PROTECTION PLAN:** A home protection plan shall be ordered by  Buyer  Seller or  is waived. Such plan shall be at a cost not to exceed \$ \_\_\_\_\_ and shall be paid for by  Buyer  Seller  Buyer (50%) / Seller (50%) or  \_\_\_\_\_. Options shall be selected by the Party ordering the plan.  **Options shall include:**  premium upgrades,  refrigerator,  washer,  dryer,  pool,  spa,  air-conditioning  other \_\_\_\_\_.

**26. ESCROW INSTRUCTIONS, TAXES AND PRORATIONS:**

**A. ESCROW INSTRUCTIONS:** This Contract, including all counter offers and addenda, shall constitute joint escrow instructions from the Parties to Escrow Holder. The Parties shall execute such additional escrow instructions requested by Escrow Holder that are not inconsistent with the provisions of this Contract. In the event of any alleged failure of performance of either Buyer or Seller, nothing in this paragraph shall require Escrow Holder to interpret or enforce this Contract or to make any determination as to the ownership of, or interest in, any deposited funds. Funds deposited with the Escrow Holder shall not be released unless agreed to in writing by both Parties or pursuant to court or arbitrator's order.

**B. PROPERTY TAX, OTHER PRORATIONS:** Currently assessed property taxes (as well as supplemental taxes) shall be paid as follows: (1) for periods prior to Close of Escrow, by Seller, and (2) for periods after Close of Escrow, by Buyer.

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At Buyer's request, Seller shall Deliver a copy of Seller's most recent tax bill. Interest on any loan assumed by Buyer, as well as any Homeowners Association dues, rents, and premiums on insurance assumed by Buyer, shall be prorated as of the Close of Escrow. Seller shall pay the cost of county real property transfer tax. Buyer and Seller shall equally divide and pay the cost of any city transfer tax and transfer fee imposed by a municipality.

- C. **PUBLIC IMPROVEMENT BONDS, ASSESSMENTS, PROPERTY TAXES:** Bonds and assessments (e.g., Mello-Roos, 1915 Improvement Bonds) levied by special assessment districts now a lien shall be paid current by Seller; payments not yet due shall be assumed by Buyer.

## 27. LEGAL NATURE OF THIS CONTRACT:

- A. **ENTIRE AGREEMENT; ADDENDA; SIGNATURES:** This Contract is intended by the Parties to be the full and final expression of their agreement and shall not be contradicted by evidence of any prior written agreement or any oral agreement. The captions in this Contract are for reference purposes only. **This Contract may not be amended, modified, altered or changed in any respect whatsoever except by a further written agreement, such as an addendum signed by and Delivered to the Parties.** All Contract documents and any documents required by this Contract that are transmitted by personal Delivery and documents Delivered by email or facsimile shall be deemed valid substitutes for original documents. Electronic signatures shall be deemed acceptable if in compliance with all applicable laws. If inked signatures are required by third parties (e.g., lender), all Parties agree to cooperate.
- B. **FORMS:** Whenever specific PRDS forms are referenced, the Parties may agree to use other, comparable forms.
- C. **PARTIES:** The term "Parties" shall collectively mean Buyer and Seller only; the term "Party" shall reference one of the Parties. Buyer and Seller understand, acknowledge and agree that the real estate licensees identified in this Contract are not Parties to this Contract and are thus not responsible or liable for any inability or failure by either Buyer or Seller to fully perform any or all of the terms and conditions of this Contract before or after Close of Escrow.
- D. **ACCEPTANCE and DELIVERY:** As used in this Contract, "**Acceptance**" (alternatively "**Accept**") shall mean (1) the mutual signing of all written Contract document, including mutually consistent initialing of all paragraphs that require initials by the Parties and (2) "**Delivery**" (alternatively "**Deliver**" or "**Delivers**") to the Parties or their authorized real estate licensees. Delivery can be effectuated in person and/or transmitted by facsimile, electronic or digital means (or  the acceptable means of Delivery is limited to \_\_\_\_\_). Paragraphs 30 and 34 identify the Parties (or their authorized real estate licensees) who can receive those transmissions for the purposes of effectuating "Delivery." Acceptance requires, and is only effective upon, personal receipt by the Parties and/or their authorized real estate licensees as specified in Paragraphs 31 and 35. If Broker has received from Buyer any deposit checks, Broker is authorized to arrange for delivery of said deposit checks to the escrow holder.
- E. **BINDING AGREEMENT; ASSIGNMENT:** This Contract is binding upon the heirs, executors, administrators, successors and assigns of Buyer and Seller and shall survive Close of Escrow. Neither of the Parties may assign any rights hereunder without the prior written consent of the other Party. Seller hereby conveys to Buyer such assignable rights of action as Seller may have against any and all providers of materials or services relating to the Property and/or Included Items. Seller shall, within the time frame specified in Paragraph 16, Deliver to Buyer any and all documents in Seller's possession which relate to those assignable rights.
- F. **ATTORNEYS' FEES:** In the event of any legal action, arbitration, or other proceeding between Buyer and Seller arising out of this Contract, the prevailing Buyer or Seller shall be awarded reasonable attorneys' fees and all court or arbitration costs in addition to any other judgment or award against the non-prevailing Buyer or Seller.
- G. **DISSEMINATION OF INFORMATION:** In the event the Property is listed on the Multiple Listing Service ("**MLS**"), information concerning status, price, terms, and nature of financing of this transaction shall be disseminated to the MLS (subject to applicable MLS rules and regulations), and may enter the public domain or otherwise become accessible to the public.
- H. **LEGAL AND OTHER PROFESSIONAL ADVICE:** The Parties understand, acknowledge and agree that the real estate licensees identified in this Contract are providing **real estate advice only** and cannot provide any advice that is beyond the scope of their real estate licenses. If any of the Parties want or need legal, tax, title, or other professional advice, those Parties must consult the appropriate professionals.
- I. **GOVERNING LAW:** This Contract and all other documents referenced in this Contract shall be governed by, and shall be construed according to, the laws of the State of California. The exclusive venue for any disputes relating to or arising from this Contract shall be the county in which the Property is situated.
- J. **RISK OF LOSS:** If the Property's land or improvements are materially damaged prior to Close of Escrow, Buyer shall have the right to Cancel this Contract and recover all of Buyer's deposited funds. If Buyer does not cancel and closes escrow, Buyer shall be entitled to an assignment from Seller of any and all insurance proceeds covering the damage.
- K. **TIME:** Time is of the essence in this Contract. Any extensions of Time Frames specified in this Contract must be in writing, signed by the Parties and Delivered to the Parties. Except as otherwise expressly stated, the word "**days**" shall mean calendar days; "**Business Days**" shall be defined as Monday through Friday, legal holidays excepted.

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Seller's Initials ( \_\_\_\_\_ ) ( \_\_\_\_\_ )

- L. **EQUAL HOUSING OPPORTUNITY:** The Property is sold in compliance with all federal, state, and local anti-discrimination laws.
- M. **MEGAN'S LAW (Sex Offender Database):** Notice: Pursuant to Section 290.46 of the Penal Code, information about specified registered sex offenders is made available to the public via an Internet Website maintained by the Department of Justice at [www.meganslaw.ca.gov](http://www.meganslaw.ca.gov). Depending on an offender's criminal history, this information will include either the address at which the offender resides or the community of residence and ZIP Code in which he or she resides.
- N. **NOTICE REGARDING GAS AND HAZARDOUS LIQUID TRANSMISSION PIPELINES:** This notice is being provided simply to inform you that information about the general location of gas and hazardous liquid transmission pipelines is available to the public via the National Pipeline Mapping System (NPMS) Internet Web site maintained by the United States Department of Transportation at <http://www.npms.phmsa.dot.gov/>. To seek further information about possible transmission pipelines near the property, you may contact your local gas utility or other pipeline operators in the area. Contact information for pipeline operators is searchable by ZIP Code and county on the NPMS Internet Web site.
- O. **CAPACITY OF PARTIES AND AUTHORITY TO ACT:** One or more of the individuals signing this Contract may be acting on behalf of the actual Party under the terms of a Power of Attorney, or because the Party is an estate, conservatorship, guardianship or a trust. If any of the boxes are checked in **Paragraph 31** and/or **Paragraph 35**, the Parties understand, acknowledge and agree that the signature or initials of that individual signing this Contract or any other transaction documents is not acting in their individual capacity unless expressly specified otherwise. If any of the individuals signing this Contract are acting on behalf of any of the Parties, that individual must deliver to escrow proof of their authority to act on behalf of the designated Parties within 3 (or  if checked ) business days of the Acceptance of this Contract.

**28. LIQUIDATED DAMAGES; DEFAULT AND REMEDIES:**

- A. **LIQUIDATED DAMAGES:** By placing their initials here, Buyer (  /  ) and Seller (  /  ) agree that, in the event failure to complete this purchase is due to Buyer's breach of the Contract and not by reason of a default by Seller, (a) Seller is released from the obligation to sell to Buyer, (b) Seller shall retain Buyer's Deposit paid as Seller's only recourse, and (c) if the Property contains one to four units, one of which Buyer intends to occupy, then any Deposit retained by Seller shall not exceed 3% of the Purchase Price, with any excess promptly returned to Buyer. Each increase in Deposit shall be accompanied by a separately signed Liquidated Damages Provision (PRDS Receipt for Increased Deposit).
- B. **BUYER'S DEFAULT:** Should escrow not close due to a default by Buyer, Seller's right to seek damages from Buyer shall be limited pursuant to **Paragraph 28A** if that paragraph has been initialed by all Parties. If **Paragraph 28A** is not initialed by all of the Parties, Seller's right to seek damages from the Buyer may not be limited and Buyer may be liable for additional damages including, but not limited to, consequential damages. Regardless of whether the Parties initial **Paragraph 28A**, the defaulting Buyer may be liable for payment of the brokerage fee.
- C. **SELLER'S DEFAULT:** Should escrow not close due to a default by Seller, or if Seller does not otherwise perform under this Contract, Seller may be subject to a claim for specific performance and/or be liable for Buyer's damages including, but not limited to, consequential damages (e.g., temporary housing arrangements, storage costs, etc.) and for payment of the brokerage fee.
- D. **OTHER NON-PERFORMANCE:** If either Buyer or Seller fails to perform any aspect of this Contract, the defaulting Party may be liable for the other Party's damages (e.g., consequential damages including, but not limited to, out-of-pocket losses).

**29. DISPUTE RESOLUTION:**

- A. **MEDIATION:** Buyer and Seller agree to mediate any disputes between them concerning and/or arising out of this Contract prior to initiating any court action or arbitration. Mediation is a **non-binding** process in which the Parties (either on their own or represented by an attorney) meet with a neutral mediator. The Parties or their attorneys shall select the mediator. If the Parties cannot agree on a mediator, the Superior Court shall appoint one. Mediation fees shall be paid equally by the Parties. A Buyer or Seller who initiates a lawsuit or arbitration before mediation and/or who refuses or resists mediation shall not be entitled to recover prevailing party attorneys' fees as otherwise allowed in **Paragraph 27F**. The real estate licensees are not required to participate in mediation.
- B. **ARBITRATION OF DISPUTES:** By initialing **Paragraph 29B on Page 9**, Buyer and Seller agree to submit any disputes between them concerning and/or arising out of this Contract to binding arbitration if those disputes are not resolved by mediation. Arbitration is a dispute resolution process in which the Parties, either on their own or represented by their attorney, submit disputes to a neutral arbitrator. The arbitrator shall be a retired Superior Court judge or a licensed California attorney with at least five years' real estate experience. If the Parties cannot agree on an arbitrator, the Superior Court shall appoint the arbitrator. By agreeing to arbitration, the Parties give up their rights to a trial by judge or jury. The decision of the arbitrator is final and the Parties are giving up their right to appeal, except as provided by California law. Arbitration shall be conducted pursuant to Title 9 of the California Code of Civil Procedure including, but not limited to, the right of discovery under Section 1283.05. **The decision of the arbitrator is final and binding on all Parties to the arbitration agreement. The real estate licensees are not required to arbitrate. The Parties are advised to consult with an attorney before agreeing to binding arbitration.**

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

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

Buyer's Initials ( [redacted] ) ( [redacted] )

Seller's Initials ( [redacted] ) ( [redacted] )

C. EXCEPTIONS: The mediation and/or arbitration provisions do not apply to pursuit of the following procedures and/or remedies: (1) Filing a lawsuit for the purpose of recording a Notice of Pending Action (lis pendens); (2) Seeking an order of attachment, receivership, injunction, or other provisional remedy; (3) Filing or enforcing mechanics liens; (4) Enforcing of rights under a deed of trust; (5) Seeking eviction (Unlawful Detainer) and (6) Requesting relief in Probate Court, Small Claims or Bankruptcy Court. The filing of any of these procedures shall not constitute a waiver of the mediation or arbitration rights.

D. PARTICIPATION OF REAL ESTATE LICENSEES: Although the real estate licensees are not required to participate in mediation or arbitration, the real estate licensees may opt to participate in any mediation and/or arbitration with the Parties if the real estate licensees choose to do so when there is a potential claim against the real estate licensees and a demand is made in writing by one or both Parties for the real estate licensees to participate.

30. OFFER: This is an offer from the Buyer to purchase the Property. Unless this offer is Accepted by Seller and a signed copy is received by Buyer or by YAMEI LEE, Agent, who is authorized to receive it, by [redacted] at [redacted] a.m. [redacted] p.m., this offer shall be deemed revoked and the deposit shall be returned. Buyer has read, understands and acknowledges receipt of a copy of this offer. This Contract may be signed in counterpart. The Selling Agent designated below is (or [redacted] is not) authorized to receive documents on behalf of Buyer.

Date: 2-5-2014 Time: 7:00pm Buyer: [redacted] Signature: [redacted]  
(print name)

Date: \_\_\_\_\_ Time: \_\_\_\_\_ Buyer: \_\_\_\_\_ Signature: \_\_\_\_\_  
(print name)

31. DESIGNATION OF BUYER'S CAPACITY:

Buyer is taking title in the name of a Trust identified as \_\_\_\_\_ and the individual(s) signing the transaction documents is the Trustee or the Substituted Trustee of that Trust.

Buyer has authorized \_\_\_\_\_ ("Attorney-In-Fact") to act on behalf of Buyer pursuant to a valid Power of Attorney dated \_\_\_\_\_ which enables the Attorney-In-Fact to buy and/or sell real estate on behalf of \_\_\_\_\_ (name of individual who has signed the Power of Attorney).

Buyer is an estate, conservatorship or guardianship identified as \_\_\_\_\_ and the individual signing the transactions documents is legally authorized to act on behalf of that estate, conservatorship or guardianship.

Selling Agent is authorized to accept Delivery on behalf of the Buyer by means of any of the contact information below unless otherwise specified in Paragraph 27D.

Date: 2/5/2014 Selling Office: Midtown Realty DRE/BRE License no: 01900986

Address: [redacted]

TEL: \_\_\_\_\_ FAX: \_\_\_\_\_

Selling Agent: Yamei Lee Signature: [redacted] DRE/BRE License no: 01162230

TEL: [redacted] FAX: \_\_\_\_\_ Email: [redacted]

Buyer's Initials ( [redacted] ) ( [redacted] )

Seller's Initials ( [redacted] ) ( [redacted] )

**32. BROKERAGE FEE:** Listing Broker shall assign to Selling Broker commission compensation in the amount specified in the Multiple Listing Service ("MLS"), provided Selling Broker is a participant of the MLS in which the Property is offered for sale or a reciprocal MLS or,  (if checked), as provided in a separate commission agreement executed by Listing and Selling Brokers. Seller irrevocably assigns to Listing Broker the entirety of the brokerage fees provided for in this transaction. The Parties irrevocably instruct Escrow Holder to disburse said fees to the respective Brokers from the proceeds of the sale at the Close of Escrow. Compensation instructions can be amended or revoked only with the written consent of Listing and Selling Brokers.

**33. ACCEPTANCE SUBJECT TO COUNTER OFFER:** If Seller initials this paragraph (\_\_\_\_\_/\_\_\_\_\_) and if Seller signs in Paragraph 34, Seller's Acceptance is made conditional upon Buyer's Acceptance of the attached counter offer.

**34. ACCEPTANCE:** Seller Accepts Buyer's offer and agrees to sell the Property to Buyer on the terms and conditions of this Contract. Seller acknowledges receipt of a copy hereof and authorizes Listing Agent to Deliver a signed copy to Buyer. All paragraphs with spaces provided for initials by Buyer and Seller are incorporated into and made a part of this Contract only if the spaces are initialed by all Parties or by some other written agreement. If one Party initials and the other Party does not, there is no agreement between the Parties unless and until a counter offer resolving the inconsistency is executed by the Parties. The Listing Agent designated below is (or  is not) authorized to receive documents on behalf of Seller.

Date: \_\_\_\_\_ Time: \_\_\_\_\_ Seller: \_\_\_\_\_ Signature: \_\_\_\_\_  
(print name)  
Date: \_\_\_\_\_ Time: \_\_\_\_\_ Seller: \_\_\_\_\_ Signature: \_\_\_\_\_  
(print name)

**35. DESIGNATION OF SELLER'S CAPACITY:**

Title to the Property is held in Trust identified as \_\_\_\_\_ and the individual(s) signing the transaction documents is the Trustee or the Substituted Trustee of that Trust.

Seller has authorized \_\_\_\_\_ ("Attorney-In-Fact") to act on behalf of Seller pursuant to a valid Power of Attorney dated \_\_\_\_\_ which enables the Attorney-In-Fact to buy and/or sell real estate on behalf of \_\_\_\_\_ (name of individual who has signed the Power of Attorney).

Seller is an estate, conservatorship or guardianship identified as \_\_\_\_\_ and the individual signing the transactions documents is legally authorized to act on behalf of that estate, conservatorship or guardianship.

**Listing Agent, whose contact information is below, and on behalf of Seller, is authorized to accept Delivery, which can be effectuated in person and/or transmitted by facsimile, electronic or digital means (or  the acceptable means of Delivery is limited to \_\_\_\_\_).**

Date: \_\_\_\_\_ Listing Office: \_\_\_\_\_ DRE/BRE License no: \_\_\_\_\_

Address: \_\_\_\_\_

TEL: \_\_\_\_\_ FAX: \_\_\_\_\_

Listing Agent: \_\_\_\_\_ Signature: \_\_\_\_\_ DRE/BRE License no: \_\_\_\_\_  
(print name)

TEL: \_\_\_\_\_ FAX: \_\_\_\_\_ Email: \_\_\_\_\_

**36. NON-ACCEPTANCE:** If Seller initials this paragraph (\_\_\_\_\_/\_\_\_\_\_), Seller affirms that the foregoing offer has been received, considered and not accepted. Date: \_\_\_\_\_.



" AS IS "

This "AS-IS" Addendum is entered into between \_\_\_\_\_ ("Buyer")  
and those Sellers ("Seller") who are parties to that Real Estate Purchase Contract ("Contract"), dated Feb. 5, 2014,  
relating to 715 San Conrado Terrace, #6 ("Property").

1. In further consideration of the price and terms of sale of the Property, it is agreed that **Buyer is purchasing the Property in its present (i.e., as of time of Acceptance of the Contract), "AS-IS" condition, and without warranty from Seller.**
2. This "AS-IS" Addendum supersedes and renders without force or effect:
  - (a) any provision in the Contract that would have otherwise made Seller responsible for inspections, certifications or work relating to structural pest control issues affecting the Property, and
  - (b) any provision (e.g., "maintenance clause") under which Seller would have specifically warranted that certain designated components, systems, appliances and/or other enumerated features of the Property shall be operative, in working order, or free from damage or defect at Close of Escrow.

**(NOTE:** The "AS-IS" nature of this addendum does require, however, that the Property and all its components, appliances and systems, including landscaping, be delivered at Close of Escrow **in no less than the same general condition as at time of Acceptance**, unless otherwise agreed in writing. Accordingly, Seller is advised to consider obtaining a "Seller's Coverage" home warranty to cover various aspects of the Property during pre-Close of Escrow time frames.)

3. Seller acknowledges the obligation of furnishing to Buyer all reasonably available reports and other information (of which Seller is reasonably aware) bearing on value and desirability of the Property *and*, unless the transaction is exempt, of furnishing to Buyer a completed Transfer Disclosure Statement ("TDS") and a completed PRDS Supplemental Seller Checklist. This means that even personal representatives of decedents' estates, as well as other TDS-exempt sellers, have a common law obligation to disclose information (of which they are aware) negatively bearing on value and desirability of the Property.
4. Buyer retains full rights to secure (and acknowledges the importance of and takes responsibility for securing) full and comprehensive inspections of the Property by competent contractors, inspectors and other qualified professionals, and shall retain all contingency rights (including property condition contingency rights) provided for in the Contract.
5. Seller shall comply with smoke detector, water heater and all other government-mandated "point-of-sale" seller requirements. Seller shall remove all personal property and debris from the Property prior to Close of Escrow, unless otherwise agreed in writing.
6. Buyer and Seller agree and affirm that there are NO EXCEPTIONS made to this "AS-IS" Addendum or, if checked here , EXCEPTIONS AS FOLLOWS:

Date: 2-5-2014 Date: \_\_\_\_\_  
 Buyer: \_\_\_\_\_ Seller: \_\_\_\_\_  
 Buyer: \_\_\_\_\_ Seller: \_\_\_\_\_