

CONTRA COSTA ASSOCIATION OF REALTORS®

# THE BIG EVENT

GENERAL MEMBERSHIP MEETING



# WELCOME & INTRODUCTIONS

TANGIE LEVERETT, 2020 CCAR PRESIDENT

# 3 FEATURED SPEAKERS

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**Jeanne Radsick**  
2020 C.A.R. President

**C.A.R. Update**



**Joel Singer**  
C.A.R. CEO & State Secretary

**2021 Housing Market  
Update**



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

**Real Estate Legal  
Update**



# CCAR BOARD OF DIRECTORS

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**Tangie Leverett**  
President



**Greg Souza**  
President-Elect



**Rachael Hand**  
Past President



**Judy Myers**  
Treasurer



**Mary Beall-Neighbor**  
Director-at-Large



**Henry Giovannetti**  
Director-at-Large



**Marc Guzman**  
Director-at-Large



**Debi Mackey**  
Director-at-Large



**Peter MacLennan**  
Director-at-Large



**Joe Norton**  
Director-at-Large



**David Schubb**  
Director-at-Large



**Tyra Wright**  
Director-at-Large



**Glenna Nickerson**  
Affiliate Liaison



**Sheiren Diaz**  
Chief Executive Officer



**Bruce Adams**  
Chief Operations Officer



# 2020 C.A.R. DIRECTORS

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Darnella Aulani  
(Region 5 Chair)

Rob Baldwin  
(Asst. Region 5 Chair)

Chuck Lamb  
(C.A.R. Past-President)

Clark Anderson

Jack Burns

Marilyn Cunningham

Robin Dickson

Michael Gordon

Marc Guzman

Rachael Hand

Tangie Leverett

Debi Mackey

Leslie Manzone

Michele Manzone

Eric Meyers

Ron Mintz

Judy Myers

Greg Souza

Larry Spiteri

Tyra Wright

Barry Zwahlen

Sereta Churchill  
(Director for Life)

Carylon Dopp  
(Director for Life)

Ed Herold  
(Director for Life)

Jeff Sposito  
(Director for Life)

Murrey Kehrlein  
(Mentee)

David Schubb  
(Mentee)



# THANK YOU ANNUAL SPONSORS!

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**BANK OF AMERICA**



**BERKSHIRE  
HATHAWAY**  
HomeServices  
Drysdale Properties

**J. ROCKCLIFF**  
REALTORS®

**LeadHax™**





# C.A.R. UPDATE

JEANNE RADSICK, 2020 C.A.R. PRESIDENT



# REALTOR<sup>®</sup> ACTION FUND (RAF)

NANCY D'ONOFRIO, RAF COMMITTEE

# REALTOR<sup>®</sup> ACTION FUND

The REALTOR<sup>®</sup> Action Fund (RAF) is a vital service for YOU and YOUR business. 30% of RAF contribution supports local issues that affect your livelihood.

Members who contribute help to protect private property rights through C.A.R.'s lobbying efforts, and local issues and candidate campaigns.

## Did you know that contributions to RAF have stopped:

1. Point of sale mandates that could have cost the homeowner \$1,000s of dollars reducing their equity or may have even prevented the sale from going through.
2. Direct taxing of REALTOR<sup>®</sup> commissions and other services related to the transaction.
3. Political candidates who are against building housing and against REALTOR<sup>®</sup> issues.



Our 2020 Goal: 21%

+236

More Members



RAF-O-METER





# MLS UPDATE:

PARAGON CONNECT

GEOGRAPHY

PRODUCTS

JARED WHITE, CCAR DIRECTOR OF MLS SERVICES

# PARAGON CONNECT

## Welcome to the Future!

### FEATURES & FUNCTIONS

Paragon Connect is more than a way to access data on the go. It is a feature rich application offering commonly used workflows and functionality. Work where you want, how you want, when you want.



Track Buyer Activity

Seller Statistics

Create Tasks

Create Notes

Full Map Search

Default Search Templates

Mobile Responsive Reports

Power Search

Property History

Third Party Integrations

Community Reports

Google Street View

Find My Location Search

Text Messaging

View and Add Comments

Enable Sell Side Notifications

Change Theme Colors

Email Responsive Reports



# MLS GEOGRAPHY (NOW)



## ACCESS TO INPUT & SEARCH:

Paragon  
BAREIS  
MetroList  
SFAR  
MLSListings

## ACCESS TO SEARCH:

CRMLS  
Sandicor  
iMLS

## KEY ACCESS:

BAREIS (Co-Op)  
MetroList (Co-Op)  
SFAR (Automatic)  
MLSListings (Automatic)



# MLS GEOGRAPHY ( AS OF JAN 19, 2021 )



MLS users will be able to access the data from multiple MLSs within their home MLS system.

## NORCAL MLS ALLIANCE:

CCAR  
Bay East  
bridgeMLS  
BAREIS  
MetroList  
SFAR  
MLSListings

## ACCESS TO SEARCH:

CRMLS  
Sandicor  
iMLS

## KEY ACCESS:

BAREIS (Co-Op)  
MetroList (Co-Op)  
SFAR (Automatic)  
MLSListings (Automatic)





# UPDATE: MLS PRODUCTS & SERVICES

## SHOWINGTIME APPOINTMENT CENTER

- Make it easy for agents to schedule showings
- Mobile access provides easy-to-use, one-tap features for agents on the go
- Request showings, confirm requests, manage feedback, and more
- Deep MLS Integrations: listing scheduling link, action menu link, listing maintenance schedule creation link

## LISTTRAC

- Holistic reporting of where, when and how buyers are interacting with listings
- Measure user engagement data
- Determine an effective syndication plan for your listing content

COMING SOON:  
MEMBER  
BENEFITS!





# UPDATE: MLS PRODUCTS & SERVICES

## CLOZIO *(50% discount for CCAR Members)*

- Manage and control all your activities from one place.
- Includes: Transaction Calendar, Mobile App, Custom Branding, Powerful Analytics, & Concierge Support

## PRIVY *(30% discount)*

- Real Estate Investment (REI) tool that helps you build a more complete understanding of the market
- Get the inside scoop on what truly works for investors

## CREXI *(Up to a 35% discount)*

- Commercial listing cross-pollination
- PRO members' listings will always appear higher in search results
- Auction Platform

COMING SOON:





# CCAR LEADERSHIP

GREG SOUZA, 2020 CCAR PRESIDENT-ELECT



# WE NEED YOU!

**NOMINATE** an exemplary REALTOR®,  
**Affiliate and Community Service Volunteer!**

Submission deadline Nov 6<sup>th</sup>: [ccartoday.com/about-ccar-awards](http://ccartoday.com/about-ccar-awards)

**JOIN** a **CCAR committee!**

Affiliate & Events | Budget & Finance | Forms | Grievance (*if qualified*)  
Helping Hands | Local Government Relations | MLS & Technology  
Professional Standards (*if qualified*) | Young Professionals Network (YPN)

[members.ccartoday.com/app/committees](http://members.ccartoday.com/app/committees)





# 2021 HOUSING MARKET UPDATE

JOEL SINGER, C.A.R. CEO & STATE SECRETARY

# 2020-2021 Housing Market Outlook

Contra Costa Association of REALTORS®  
October 21, 2020

Joel Singer  
C.A.R. CEO







# **Economic Update**

# Coronavirus update – better for California now but fall resurgence continues in many other states

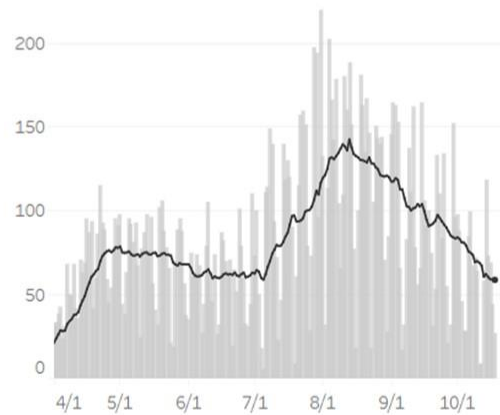
Total cases in California

**870,791** positive cases  
3,474 new cases  
0.4% increase from the previous day



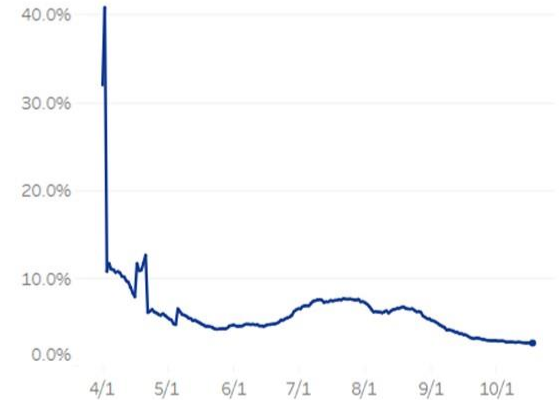
Total deaths in California

**16,970** total deaths  
27 new deaths  
0.2% increase from the previous day



Positivity rate in California

**2.5%** test positivity (14-day average)  
-0.2% change from 14 days ago

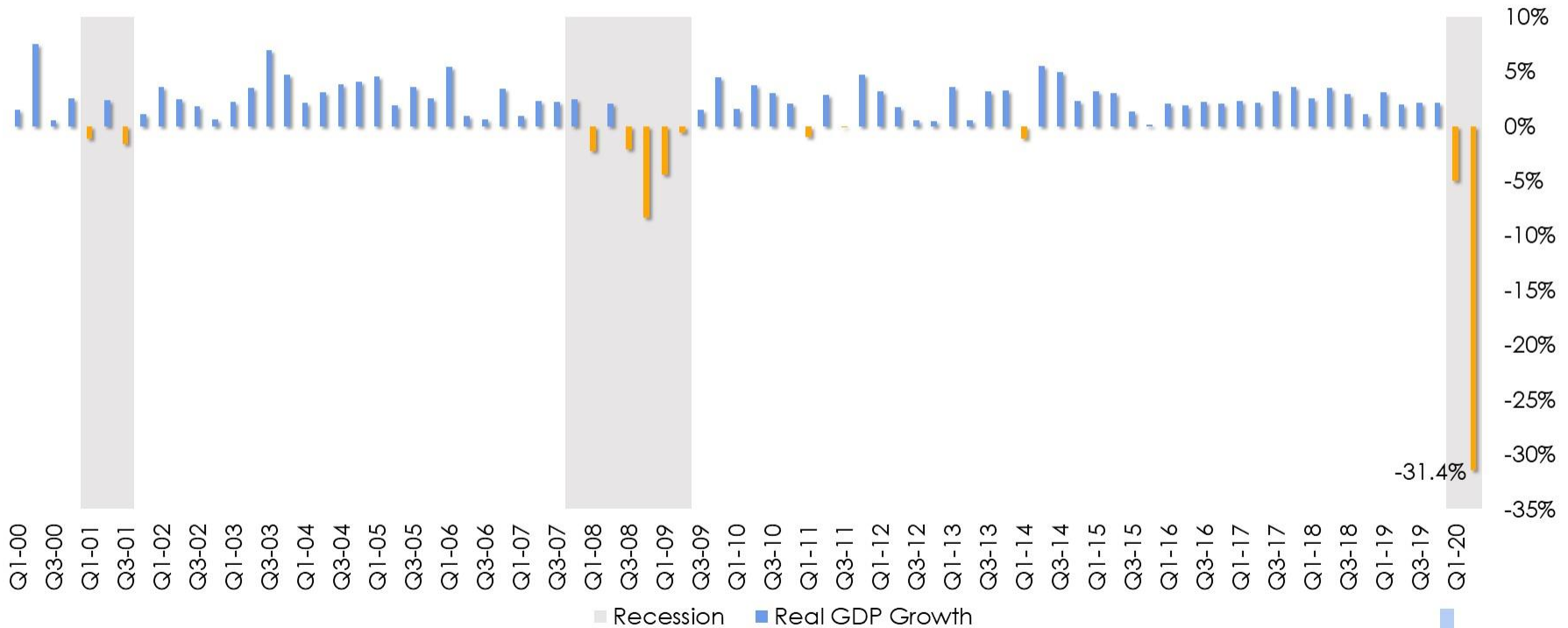


\* Updated as of 10/19/2020

SOURCE: State of California (<https://update.covid19.ca.gov/>)

# U.S. economy contracted at the sharpest rate on record

Real GDP Growth



## Sharp bounce back expected in Q3

### 2020-2021 GDP Forecasts

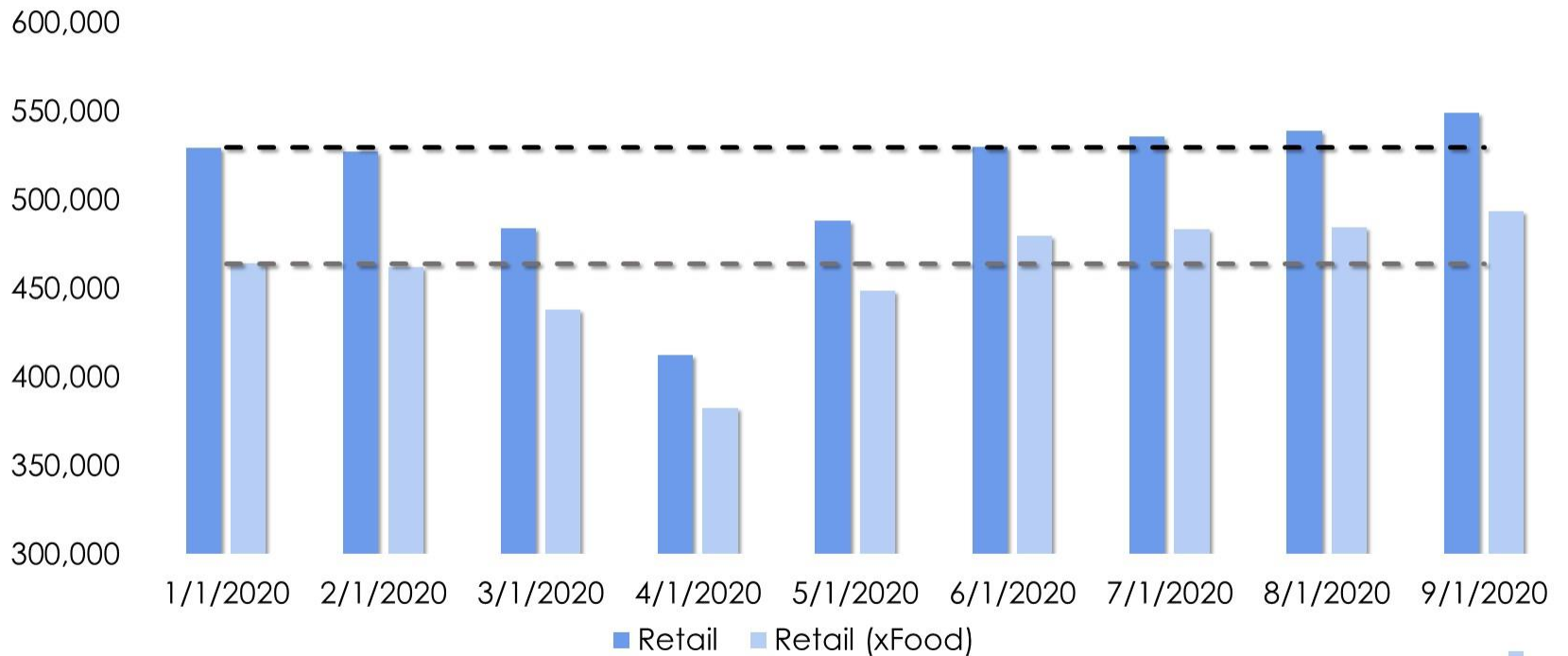
	Q120	Q220	Q320	Q420	2020	2021
Bank of the West	-5.0%	-31.4%	30.6%	3.1%	-3.5%	3.6%
Fannie Mae	-5.0%	-31.4%	30.4%	6.2%	-2.6%	3.4%
Mortgage Bankers Association	-5.0%	-31.4%	28.1%	3.6%	-3.7%	3.3%
NAR	-5.0%	-31.4%	20.0%	8.0%	-6.0%	4.0%
UCLA	-5.0%	-31.4%	28.3%	1.2%	-4.2%	3.5%
Wells Fargo	-5.0%	-31.4%	28.6%	6.1%	-3.8%	4.4%

\* Latest updates as of 10/12/2020



# Retail sales hits all-time highs in September

U.S. Retail Sales





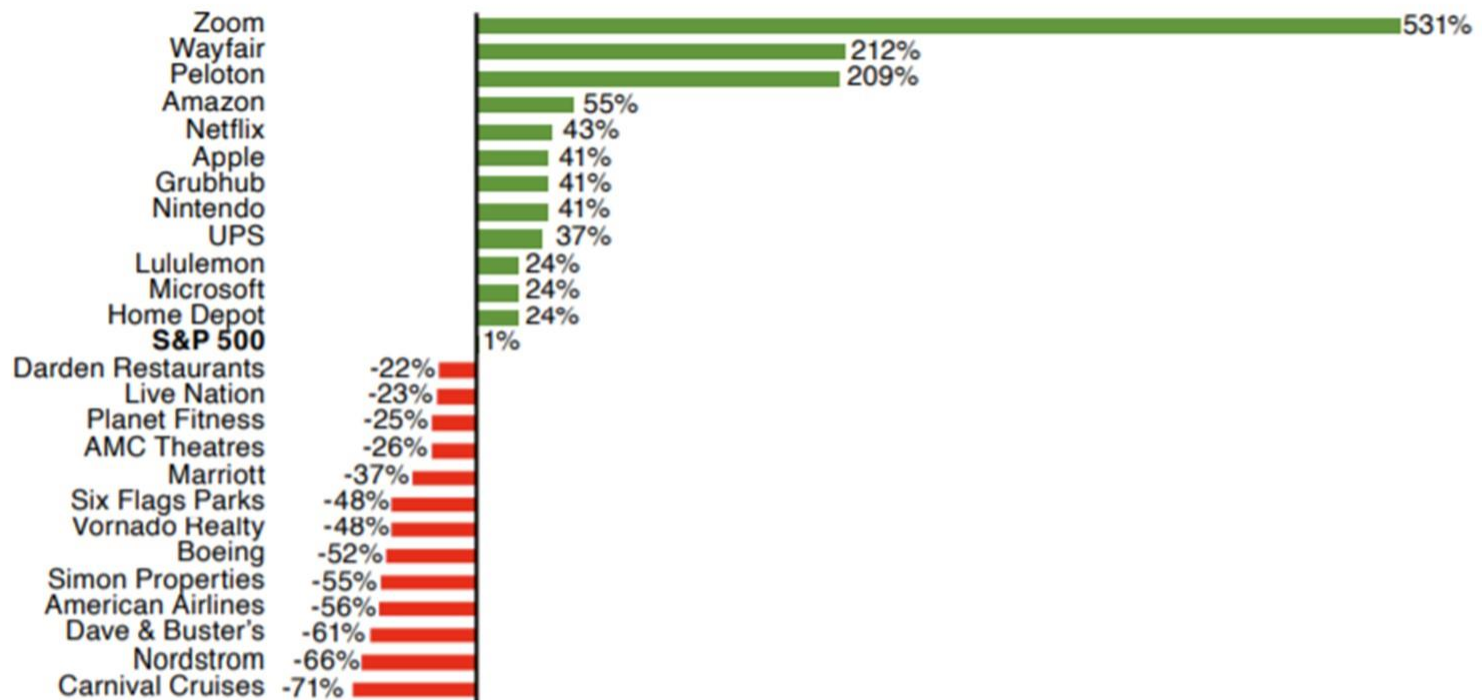
## Retail recovery: Not all sectors out of the wood though



SOURCE: UCLA

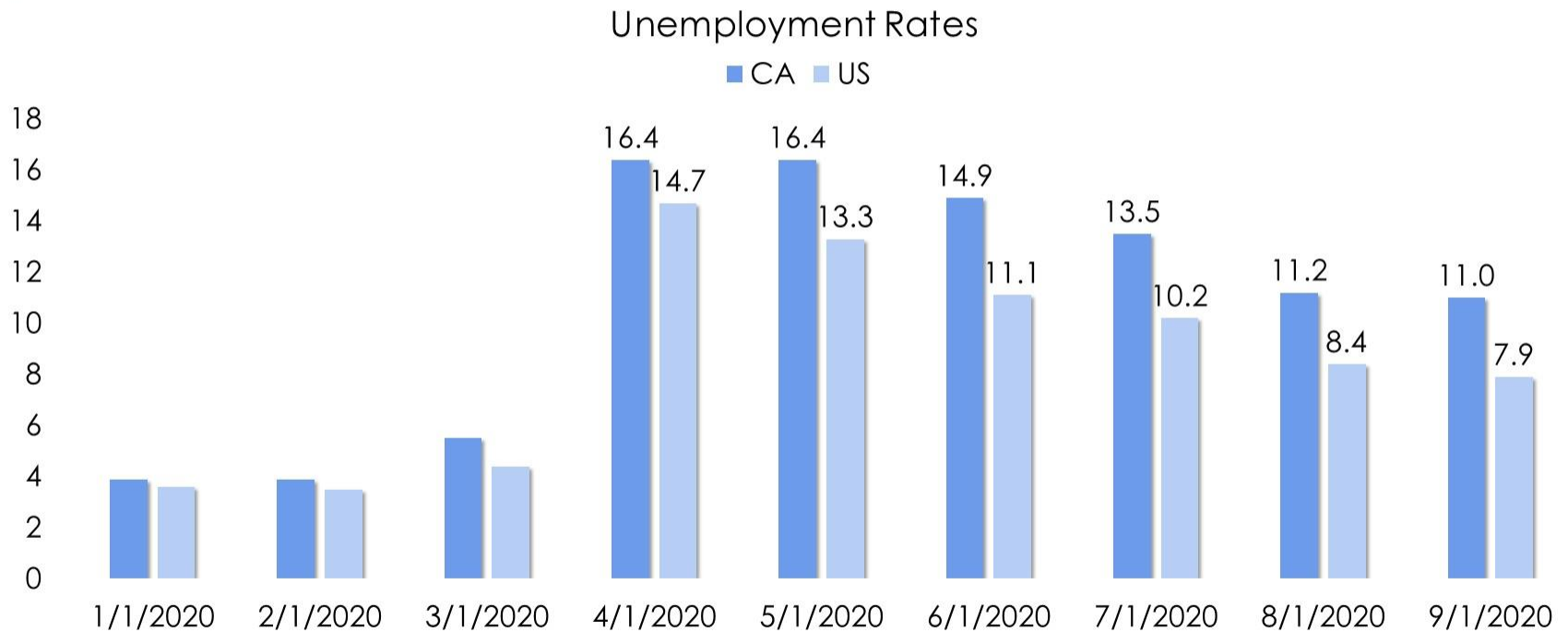
# Leaders and laggards of the economic recovery

% change in stock prices (1/2/2020 to 9/21/2020)



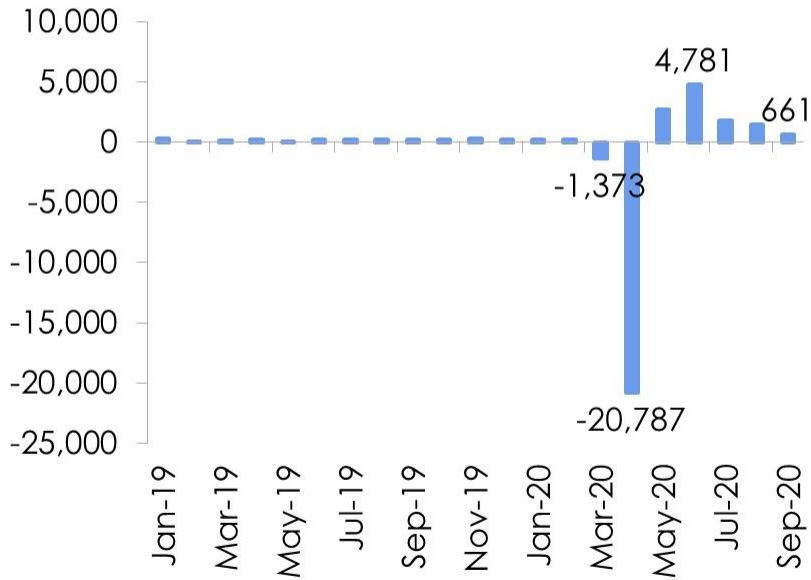
SOURCE: Yahoo Finance, UCLA

# Unemployment rate **improves** but remains elevated

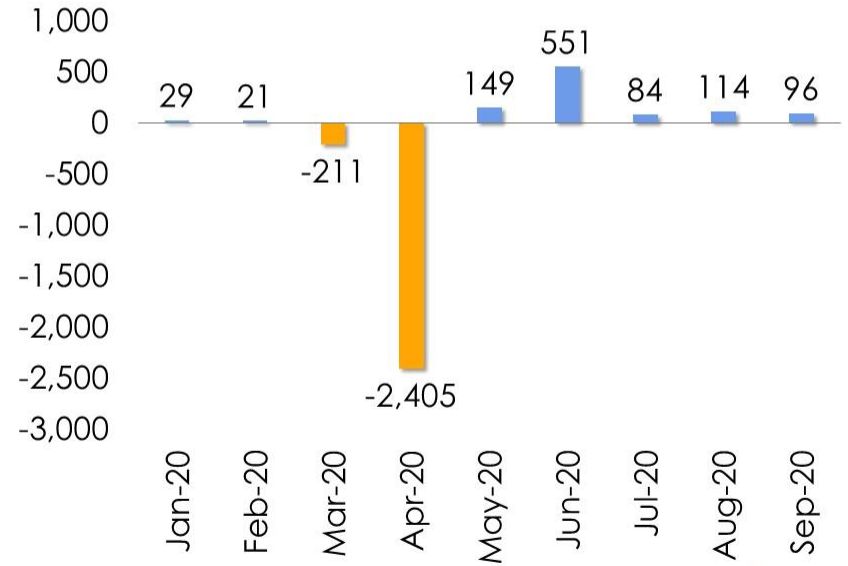


# Employment: Recovery continues but pace moderates

U.S. Nonfarm Job Growth (thousand)

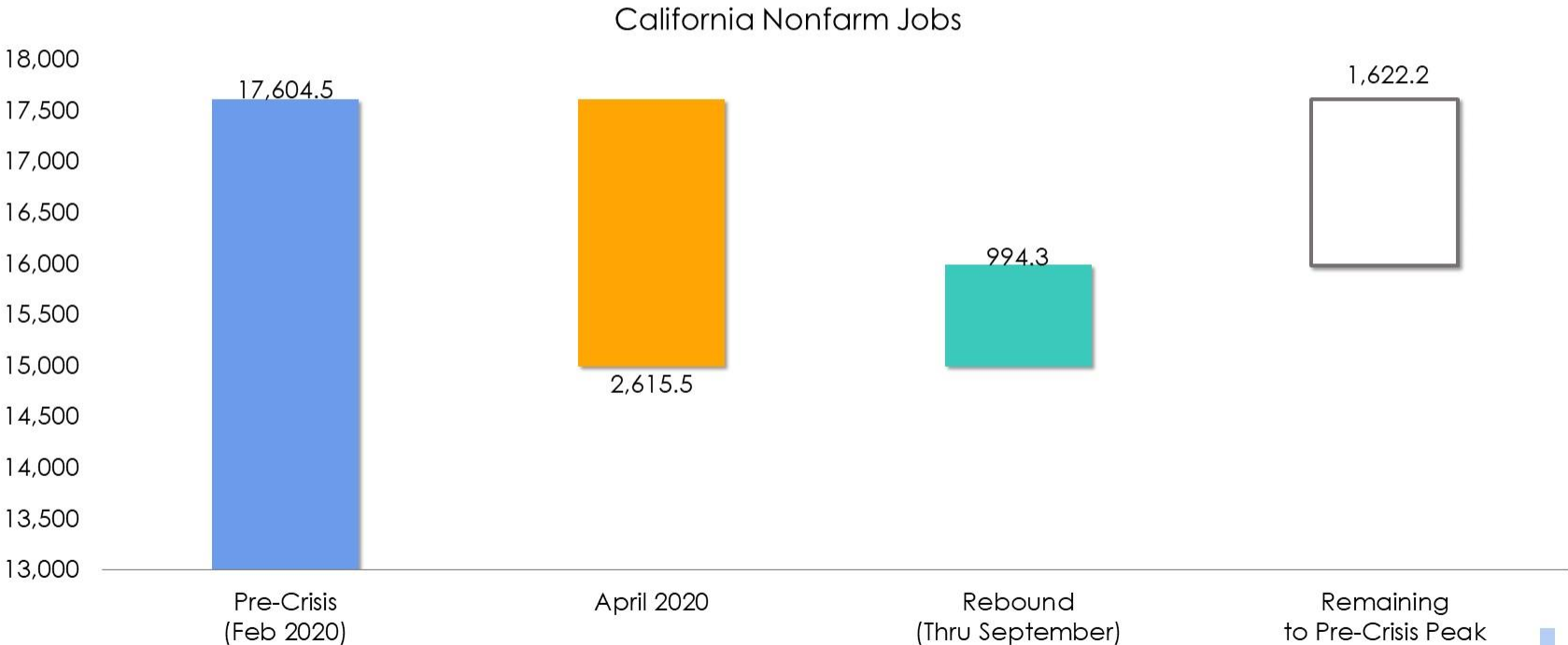


California Nonfarm Job Growth (thousand)



SERIES: Chg. in Nonfarm Employment  
SOURCE: St. Louis Fed

# Snapshot of California labor markets





# Market Update



# California housing market: sales up, price set new record, supply lowest in years

September 2020

489,590 | Existing Home Sales  
+21.2% YTY | -3.7% YTD | % change



Price

\$712,430  
+17.6% Y2Y



Unsold  
Inventory Index

2.0 months  
-44.4% Y2Y



Median Days  
on Market

11 days  
-54.2% Y2Y



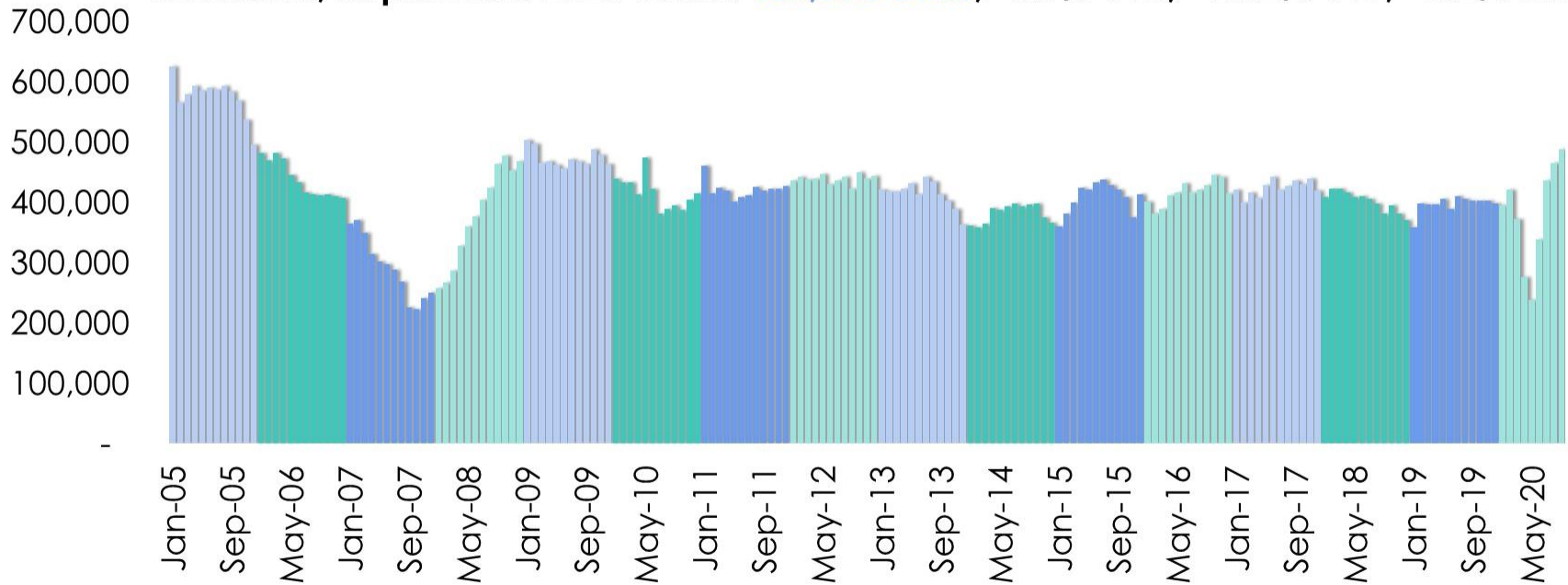
Sales Price to  
List Price Ratio

100.0%  
+1.5% Y2Y



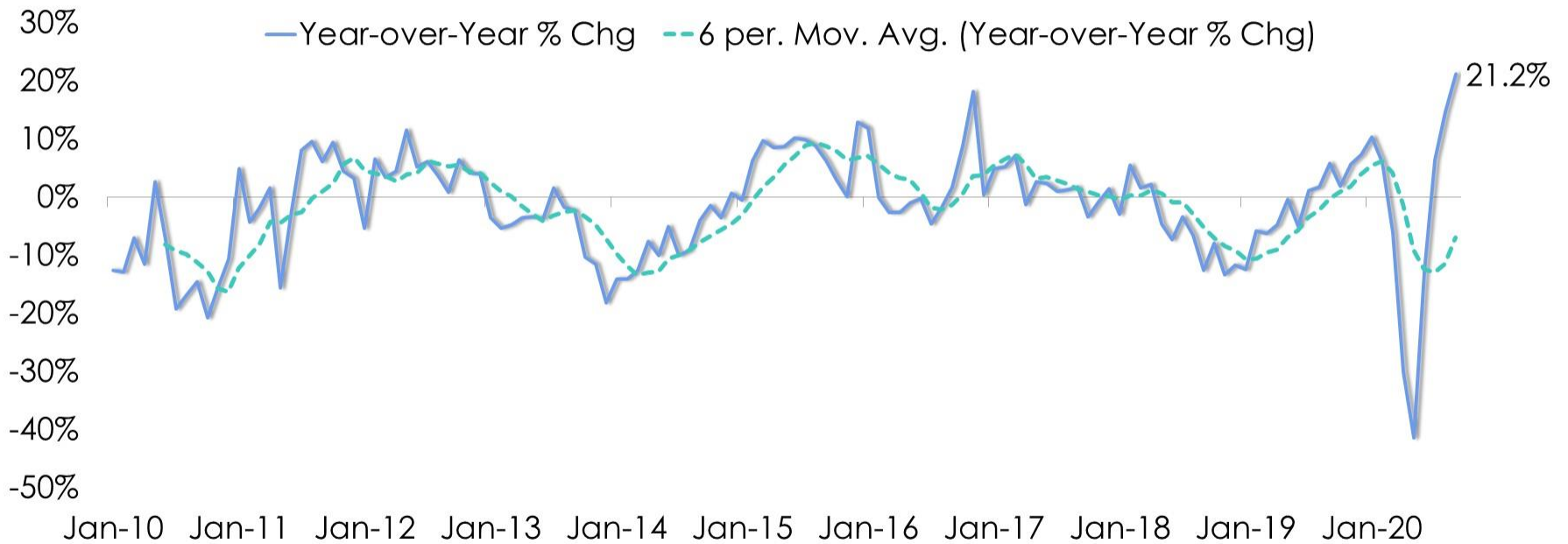
# Sales gained momentum and grew to a level not seen in over 10 years.

California, September 2020 Sales: **489,590 Units**, -3.7% YTD, +21.2% YTY, +5.2% MTM



SERIES: Sales of Existing Single Family Homes  
SOURCE: CALIFORNIA ASSOCIATION OF REALTORS®

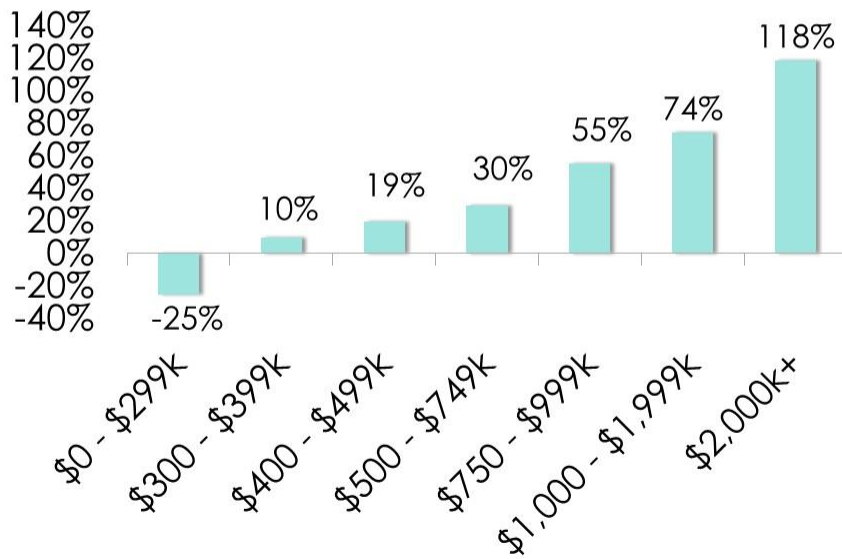
# California home sales experienced V-shaped recovery



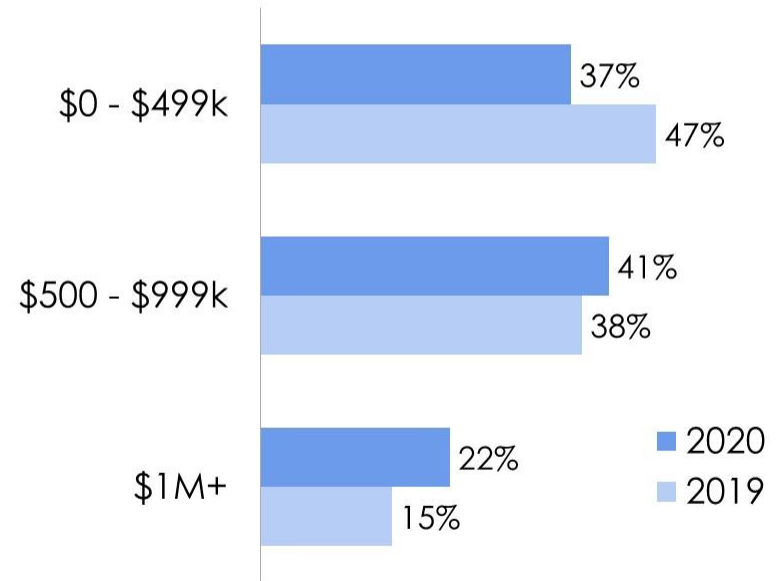
SERIES: Sales of Existing Single Family Homes  
SOURCE: CALIFORNIA ASSOCIATION OF REALTORS®

# Sales growth more robust in higher price segments

September 2020  
(YTY% Chg.)

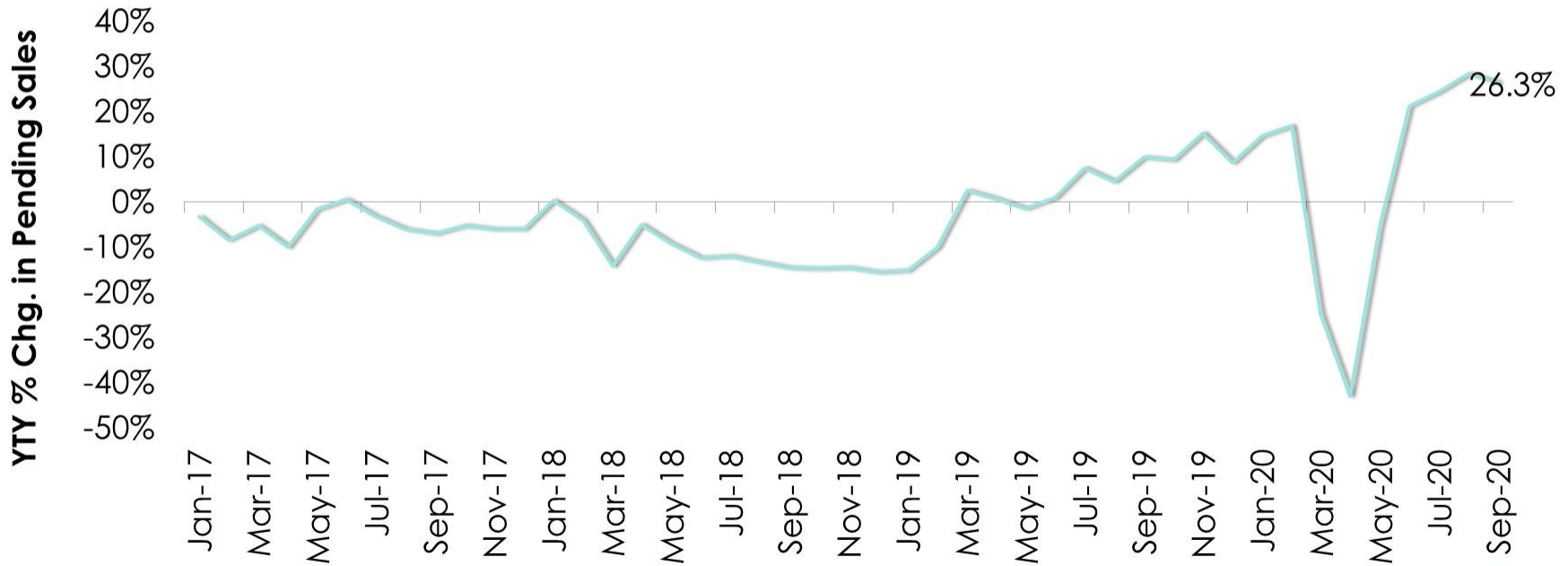


Share by Price Segment



SERIES: Sales of Existing Detached Homes  
SOURCE: CALIFORNIA ASSOCIATION OF REALTORS®

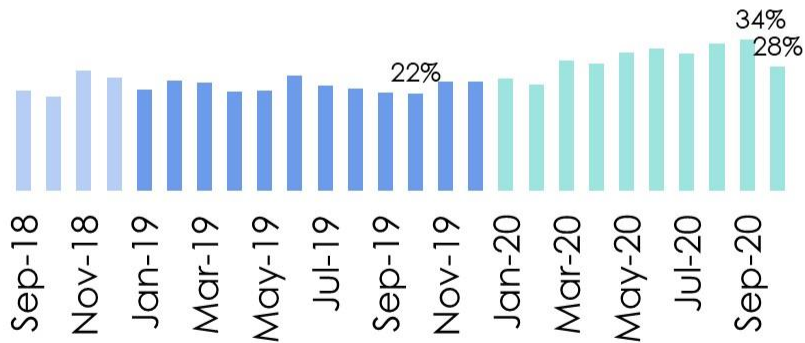
## Pending sales suggest another strong month in October



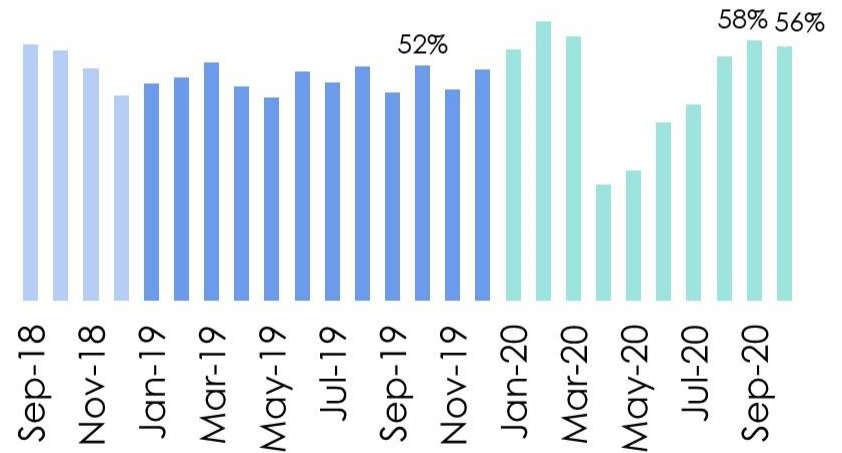
SERIES: Percent Change in Pending Sales  
SOURCE: CALIFORNIA ASSOCIATION OF REALTORS®

# Buyers/Sellers remain motivated

Do you think it's a good time to **buy** a home in California?

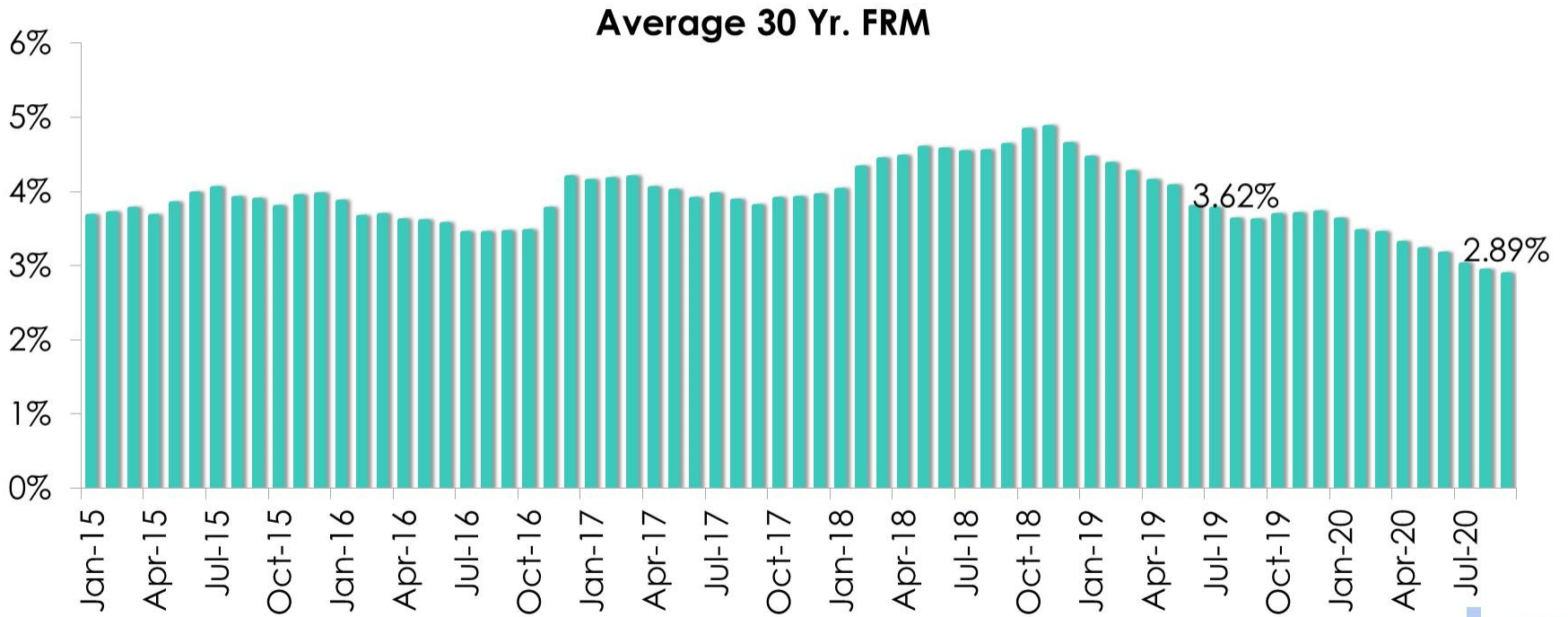


Do you think it's a good time to **sell** a home in California?





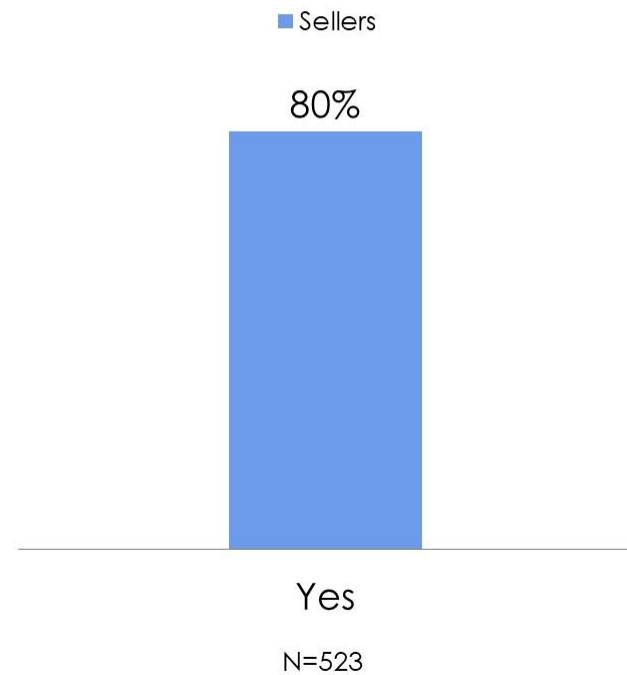
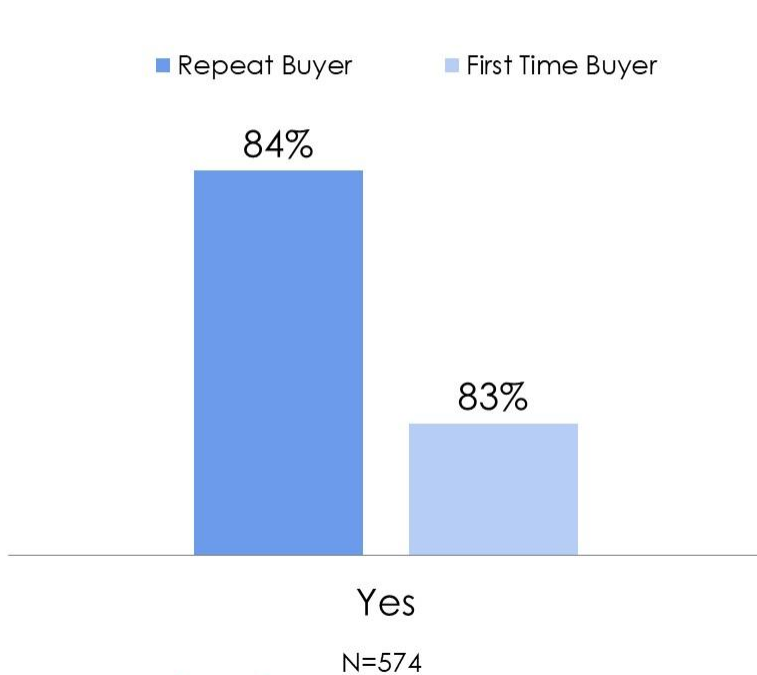
# Record low rates motivated buyers



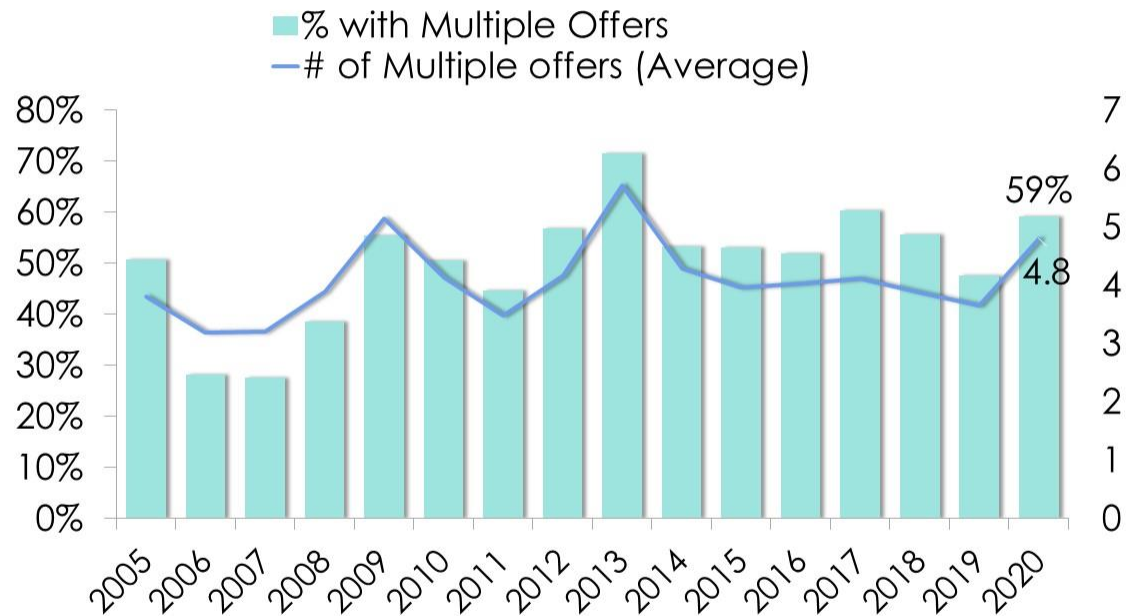
SERIES: Average 30 Yr. FRM  
SOURCE: Freddie Mac

## Many are also playing catch up

Q: Did the Coronavirus outbreak delay your home buying/selling plans?

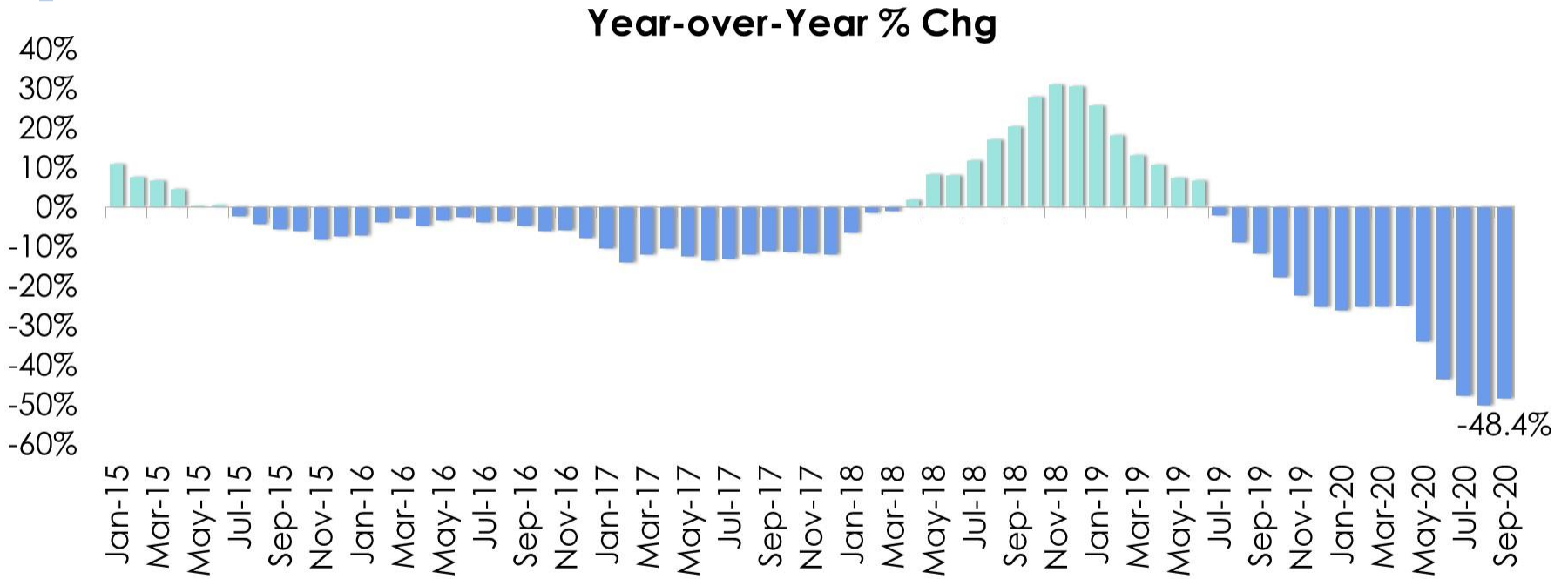


# Low rates and tight supply heat up the market



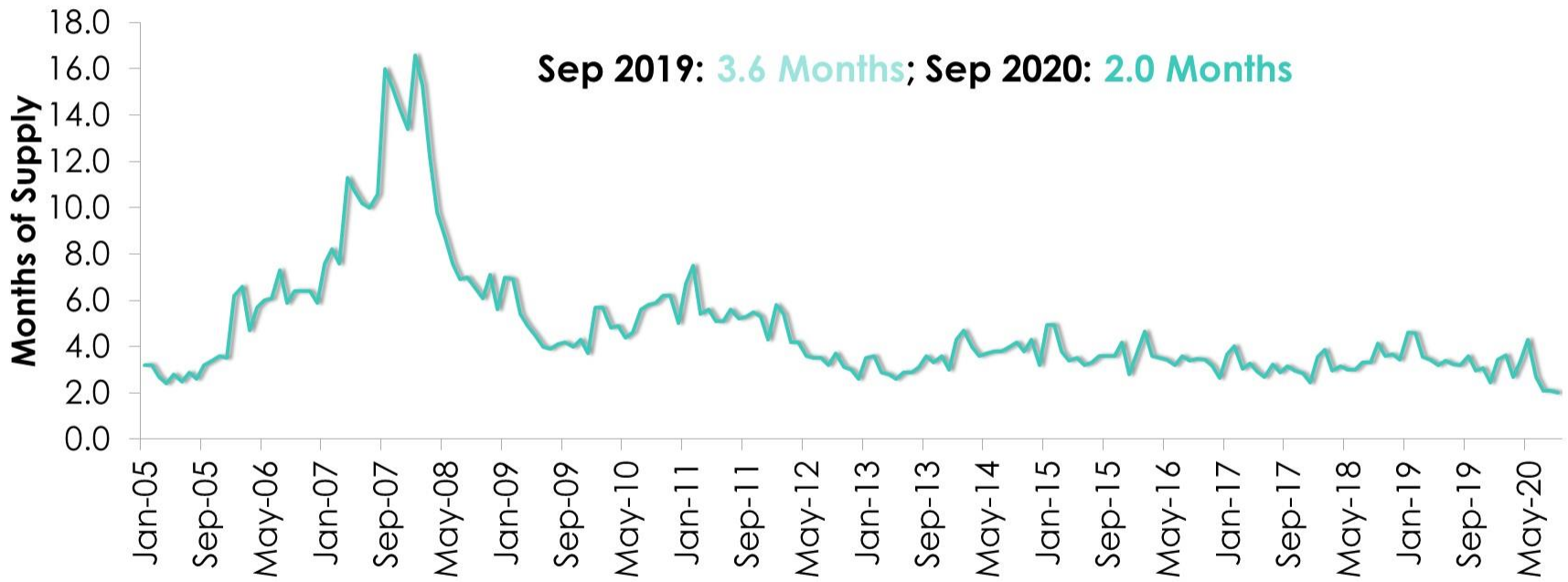
SERIES: 2020 Housing Market Survey  
SOURCE: CALIFORNIA ASSOCIATION OF REALTORS®

# Supply side issue: Active listings half of what it was a year ago



SERIES: Active Listing of Existing Single Family Homes  
SOURCE: CALIFORNIA ASSOCIATION OF REALTORS®

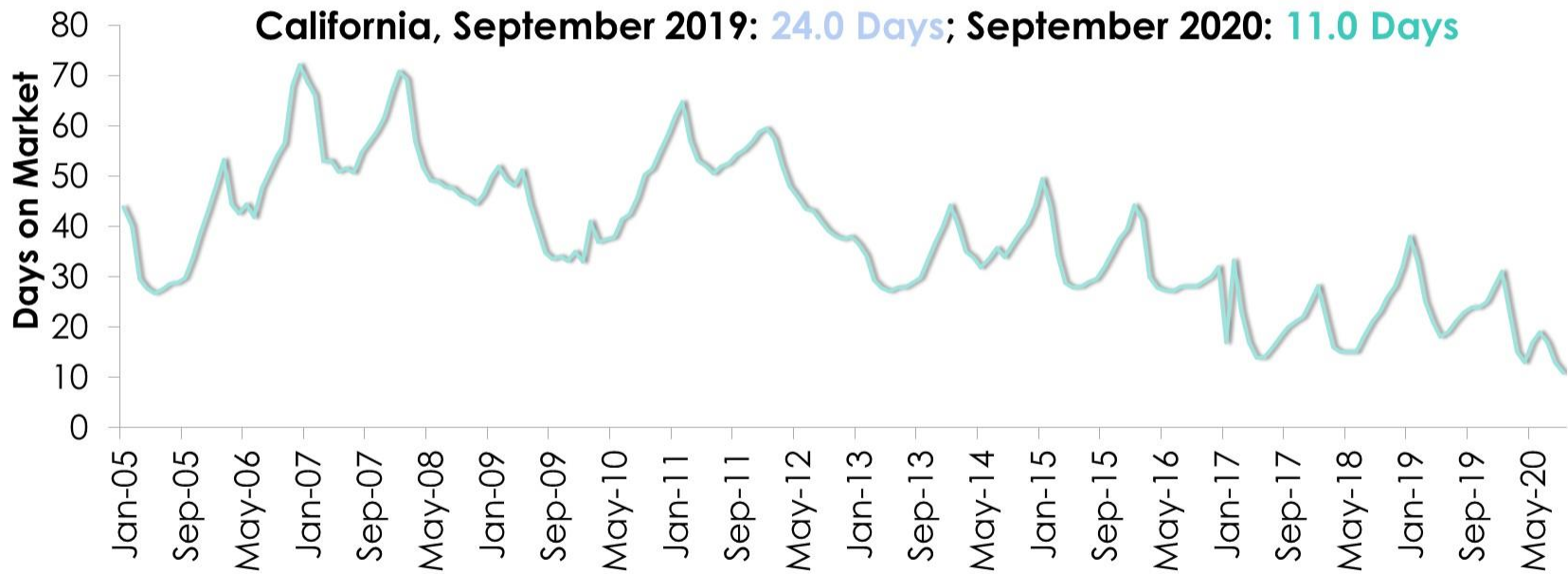
## Inventory at the lowest level since Nov 2004



Sep 2019: 3.6 Months; Sep 2020: 2.0 Months

SERIES: Unsold Inventory Index of Existing Single Family Homes  
SOURCE: CALIFORNIA ASSOCIATION OF REALTORS®

## Time on market reached record low

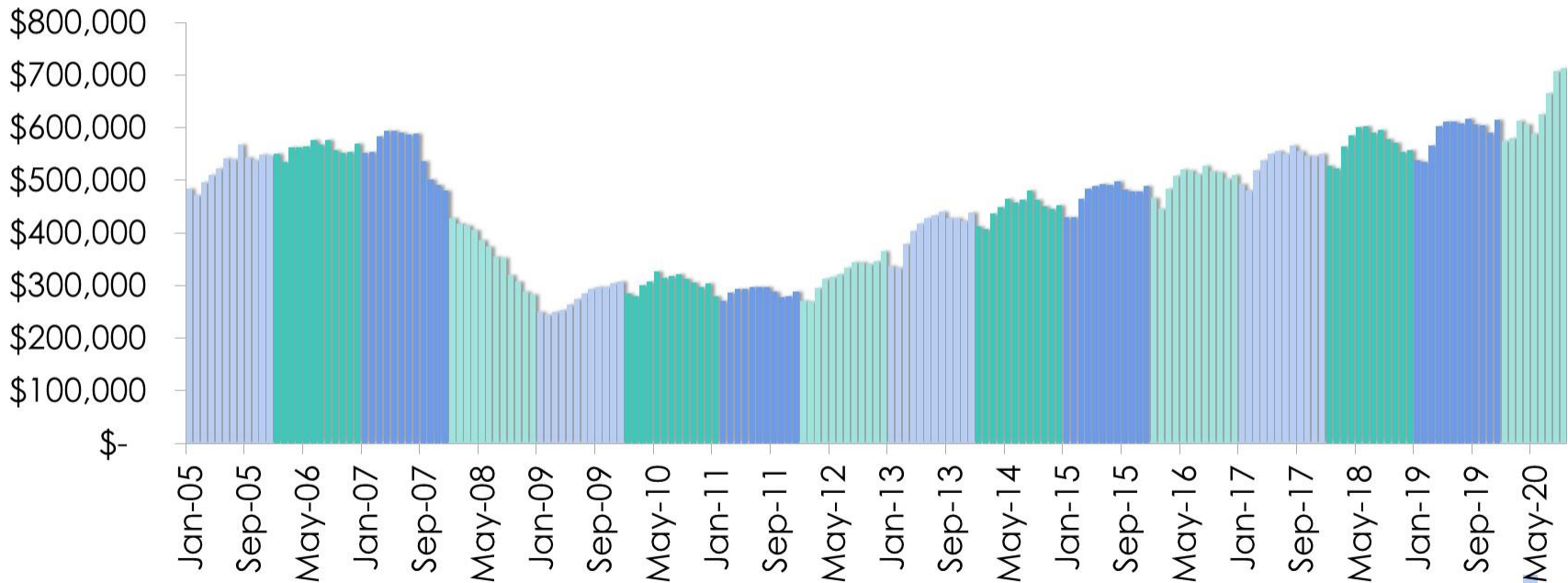


SERIES: Median Time of Market of Existing Single Family Homes  
SOURCE: CALIFORNIA ASSOCIATION OF REALTORS®



# California median price set another new record

California, September 2020: **\$712,430**, +0.8% MTM, +17.6% YTY



SERIES: Median Price of Existing Single Family Homes  
SOURCE: CALIFORNIA ASSOCIATION OF REALTORS®

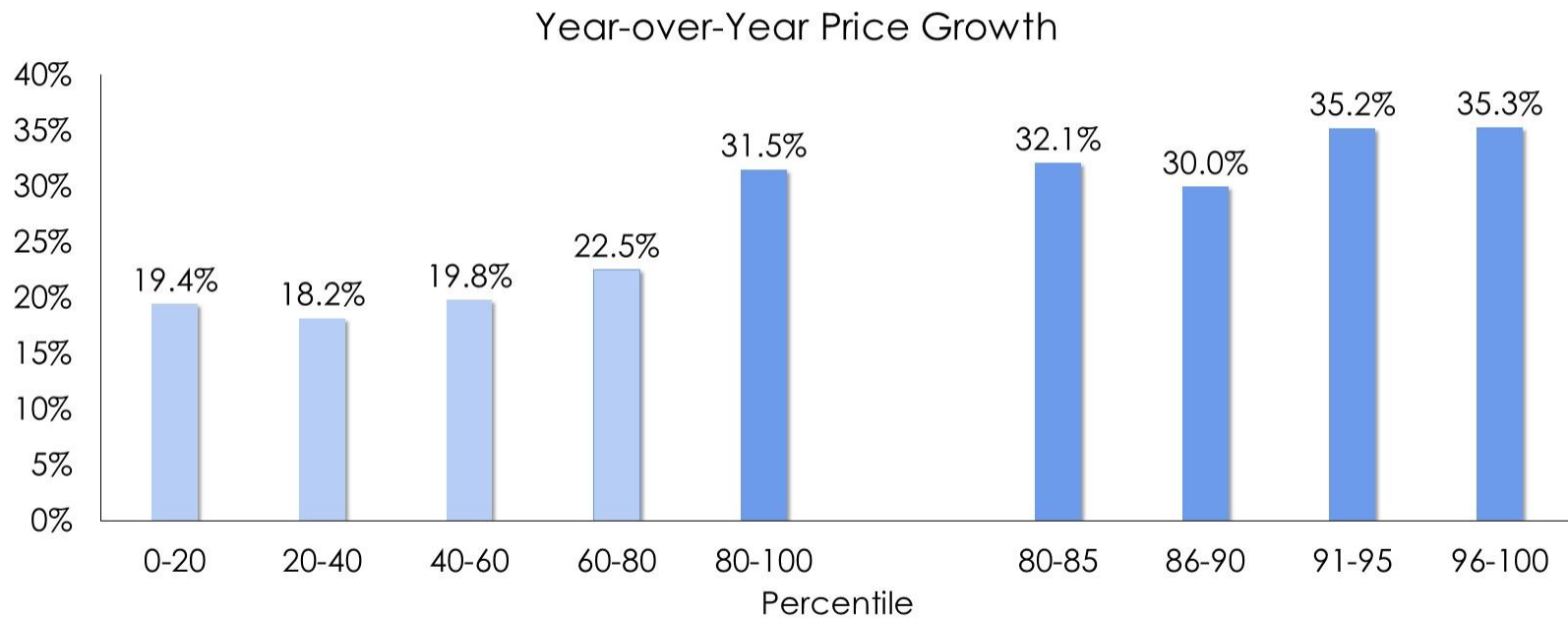
# Price growth continued to accelerate

## Single-Family Homes



SERIES: Median Price of Existing Condo/Townhomes  
SOURCE: CALIFORNIA ASSOCIATION OF REALTORS®

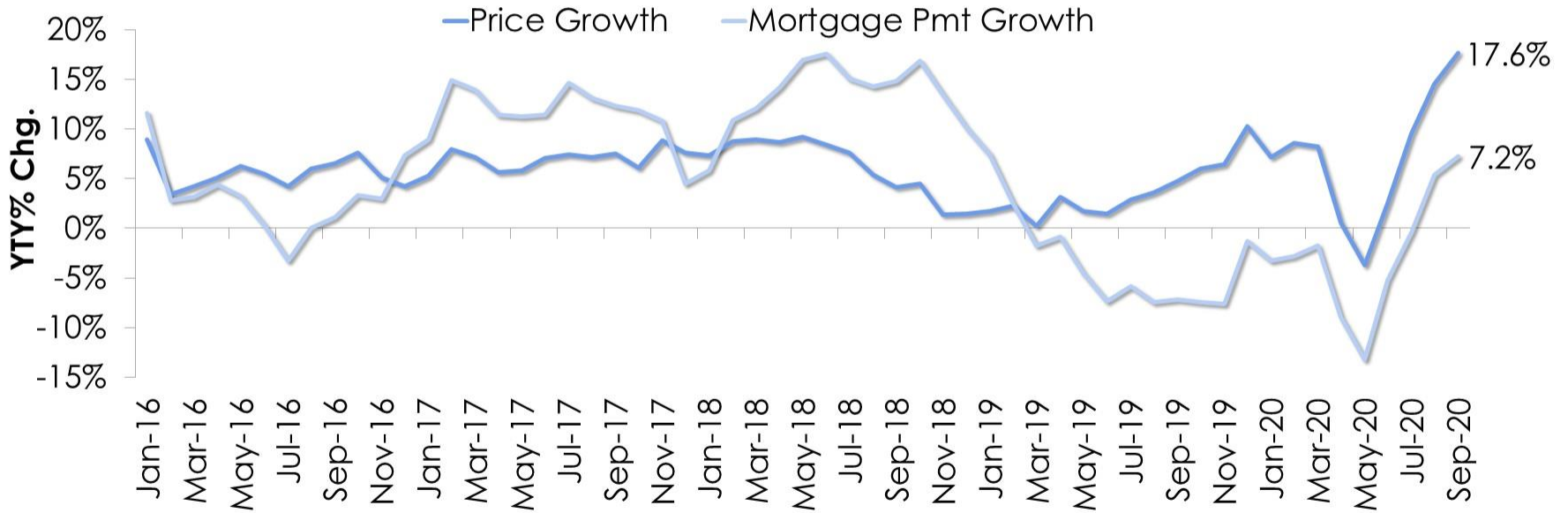
## Top end experienced strongest gain



SERIES: Median Price of Existing Single Family Homes  
SOURCE: CALIFORNIA ASSOCIATION OF REALTORS®

# Mortgage payment exceeded last year's level despite record low rates

## California Median Price vs. Mortgage Payment



SERIES: Price Growth vs. Mortgage Payment Growth  
 SOURCE: CALIFORNIA ASSOCIATION OF REALTORS®



# **Regional Housing Market Update**



# September 2020 Bay Area Housing Snapshot



**+34.2% YTY**  
**-7.3% YTD**

**\$1,060,000**  
**+20.5% YTY**



**Unsold  
Inventory Index**

**1.9 months**

**Existing Home Sales**  
**% change**

**Existing Home Price**  
**% change**



**Median Days  
on Market**

**13 days**



**Sales Price to  
List Price Ratio**

**101.5%**



## Bay Area Home Sales

County	Sep-20	Sep-19	YTY% Chg.	YTD% Chg.
Alameda	974	737	32.2%	-14.6%
Contra Costa	1,161	859	35.2%	-4.9%
Marin	250	163	53.4%	-3.1%
Napa	143	114	25.4%	-3.4%
San Francisco	232	122	90.2%	-7.6%
San Mateo	432	306	41.2%	-7.8%
Santa Clara	986	725	36.0%	-8.3%
Solano	428	383	11.7%	-6.7%
Sonoma	499	394	26.6%	2.6%

SERIES: Sales of Existing Detached Homes  
SOURCE: CALIFORNIA ASSOCIATION OF REALTORS®

## Bay Area Median Prices

County	Sep-20	Sep-19	YTY% Chg.
Alameda	\$1,050,000	\$910,000	15.4%
Contra Costa	\$783,000	\$656,000	19.4%
Marin	\$1,550,000	\$1,360,000	14.0%
Napa	\$900,000	\$787,500	14.3%
San Francisco	\$1,665,000	\$1,540,000	8.1%
San Mateo	\$1,772,500	\$1,470,000	20.6%
Santa Clara	\$1,402,500	\$1,225,000	14.5%
Solano	\$499,950	\$455,000	9.9%
Sonoma	\$715,000	\$655,750	9.0%

SERIES: Median Price of Existing Detached Homes  
SOURCE: CALIFORNIA ASSOCIATION OF REALTORS®



**Contra Costa**

monthly  
market  
report  
September  
2020

# Contra Costa County

## Median Price



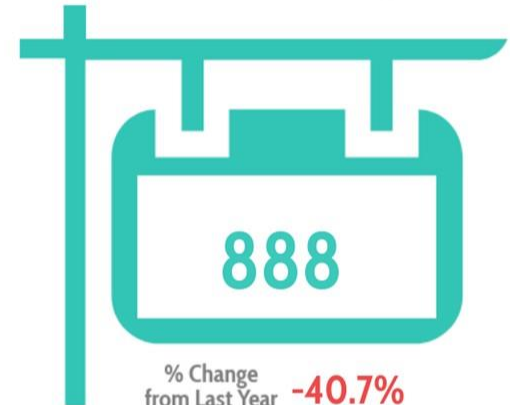
% Change  
from Last Year **+19.4%**

## Home Sales



% Change  
from Last Year **+35.2%**

## Active Listings



% Change  
from Last Year **-40.7%**

## Market Competition

Median  
Days on  
Market

9

Sales to  
List Price %

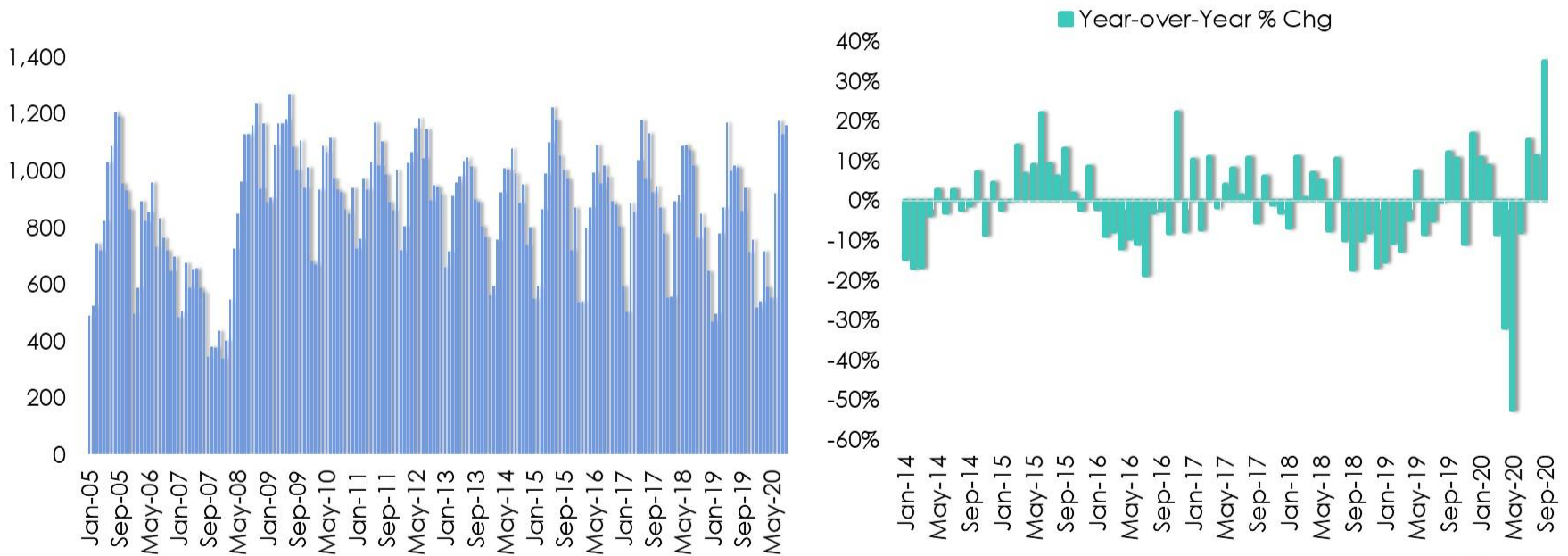
102.2%

% of Active  
Listings with  
Reduced Prices

20.4%

# Contra Costa had the sharpest sales gain in over 11 years

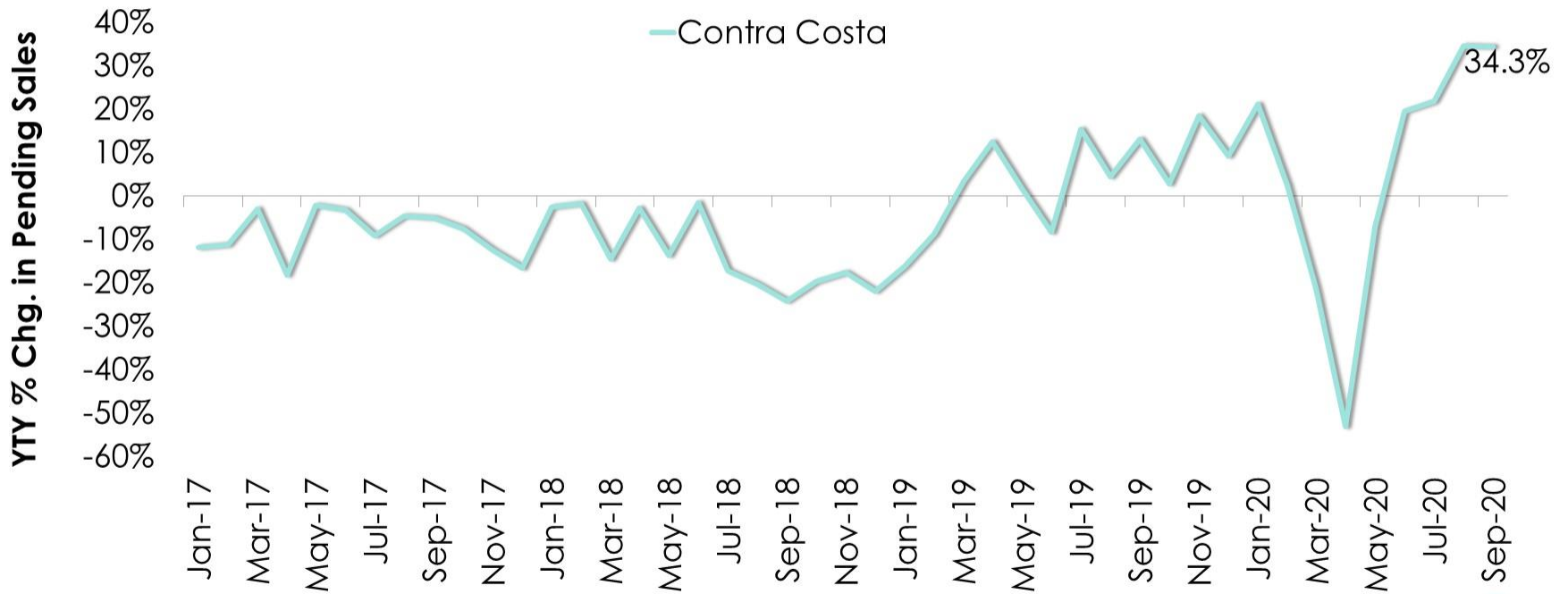
September 2020 Sales: 1,161 Units, -4.9% YTD, 35.2% YTY



SERIES: Sales of Existing Detached Homes  
SOURCE: CALIFORNIA ASSOCIATION OF REALTORS®



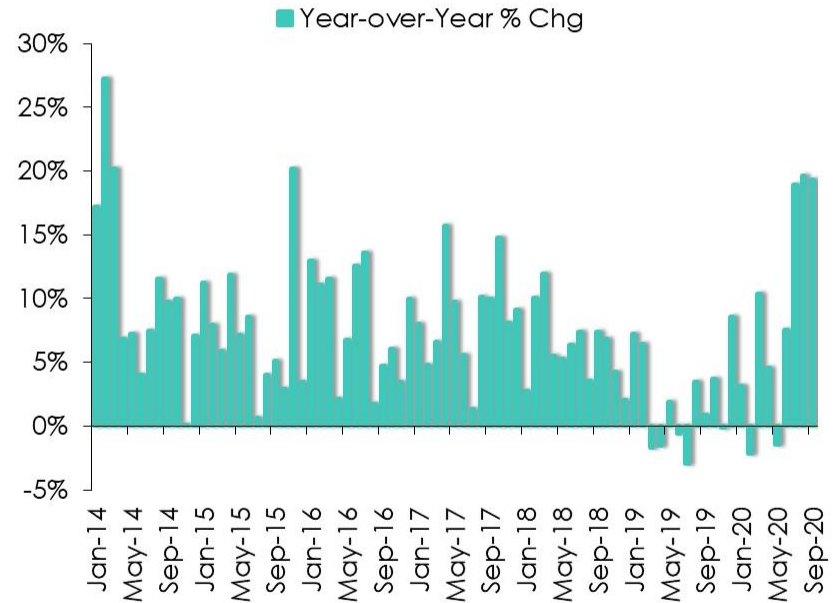
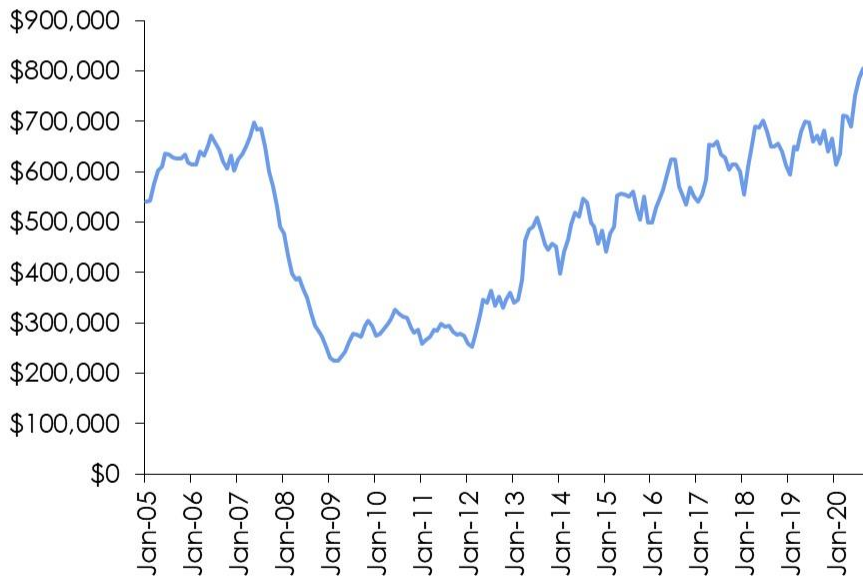
## Pending sales: Momentum to continue in October



SERIES: Percent Change in Pending Sales  
SOURCE: CALIFORNIA ASSOCIATION OF REALTORS®

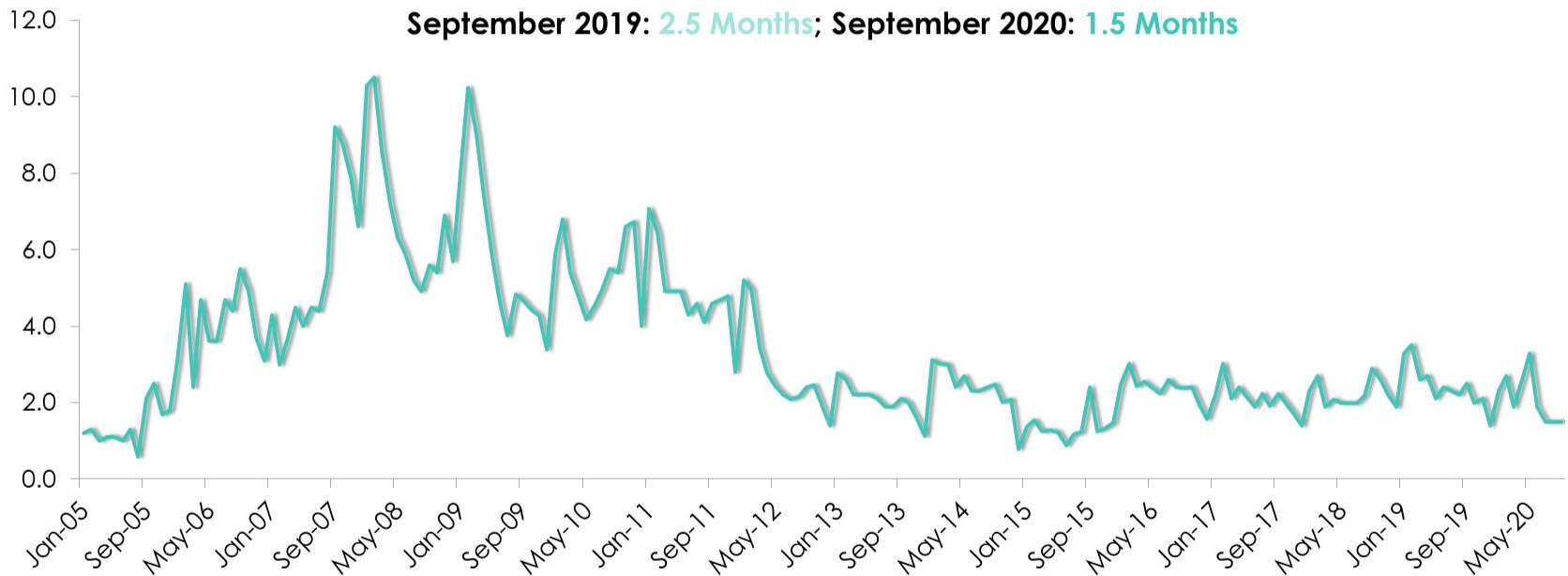
# Median home price dipped slightly after setting record price

September 2020: \$783,000, Up 19.4% YTY



SERIES: Median Price of Existing Detached Homes  
SOURCE: CALIFORNIA ASSOCIATION OF REALTORS®

# Inventory remains extremely tight



Note: "Unsold Inventory Index" represents the number of months it would take to sell the remaining inventory for the month in question. The remaining inventory for the month is defined as the number of properties that were "Active", "Pending", and "Contingent" (when available) and divide the sum by the number of "Sold" properties for the month in question.



**SERIES: Unsold Inventory Index of Existing Single Family Homes**  
**SOURCE: CALIFORNIA ASSOCIATION OF REALTORS®**



**Local**  
**Housing Market Update**

monthly  
market  
report  
September  
2020

# Antioch, California

## Median Price



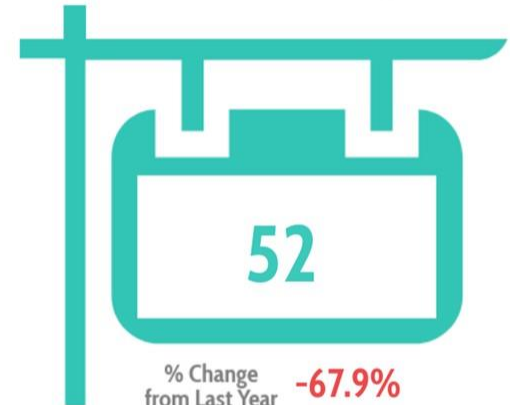
% Change  
from Last Year **+10.4%**

## Home Sales



% Change  
from Last Year **+8.0%**

## Active Listings



% Change  
from Last Year **-67.9%**

## Market Competition

Median  
Days on  
Market

9

Sales to  
List Price %

104.0%

% of Active  
Listings with  
Reduced Prices

1.9%

monthly  
market  
report  
September  
2020

# Concord, California

## Median Price



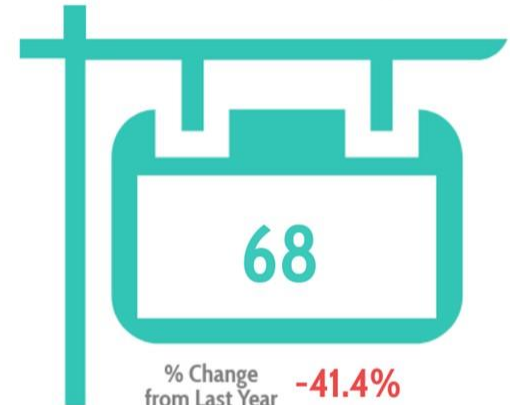
% Change  
from Last Year **+16.0%**

## Home Sales



% Change  
from Last Year **+27.6%**

## Active Listings



% Change  
from Last Year **-41.4%**

## Market Competition

Median  
Days on  
Market

7

Sales to  
List Price %

103.3%

% of Active  
Listings with  
Reduced Prices

11.8%

monthly  
market  
report  
September  
2020

# Danville, California

## Median Price



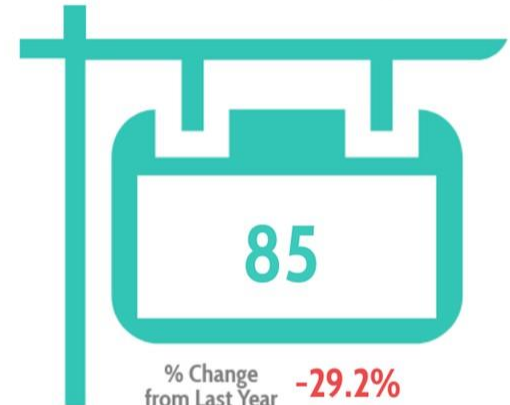
% Change  
from Last Year **+7.9%**

## Home Sales



% Change  
from Last Year **+107.7%**

## Active Listings



% Change  
from Last Year **-29.2%**

## Market Competition

Median  
Days on  
Market

9

Sales to  
List Price %

100.1%

% of Active  
Listings with  
Reduced Prices

5.9%



monthly  
market  
report  
September  
2020

# Walnut Creek, California

## Median Price



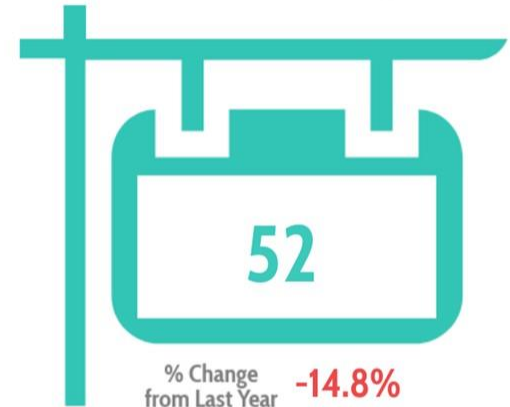
% Change  
from Last Year **+3.9%**

## Home Sales



% Change  
from Last Year **+68.9%**

## Active Listings



% Change  
from Last Year **-14.8%**

## Market Competition

Median  
Days on  
Market

8

Sales to  
List Price %

105.8%

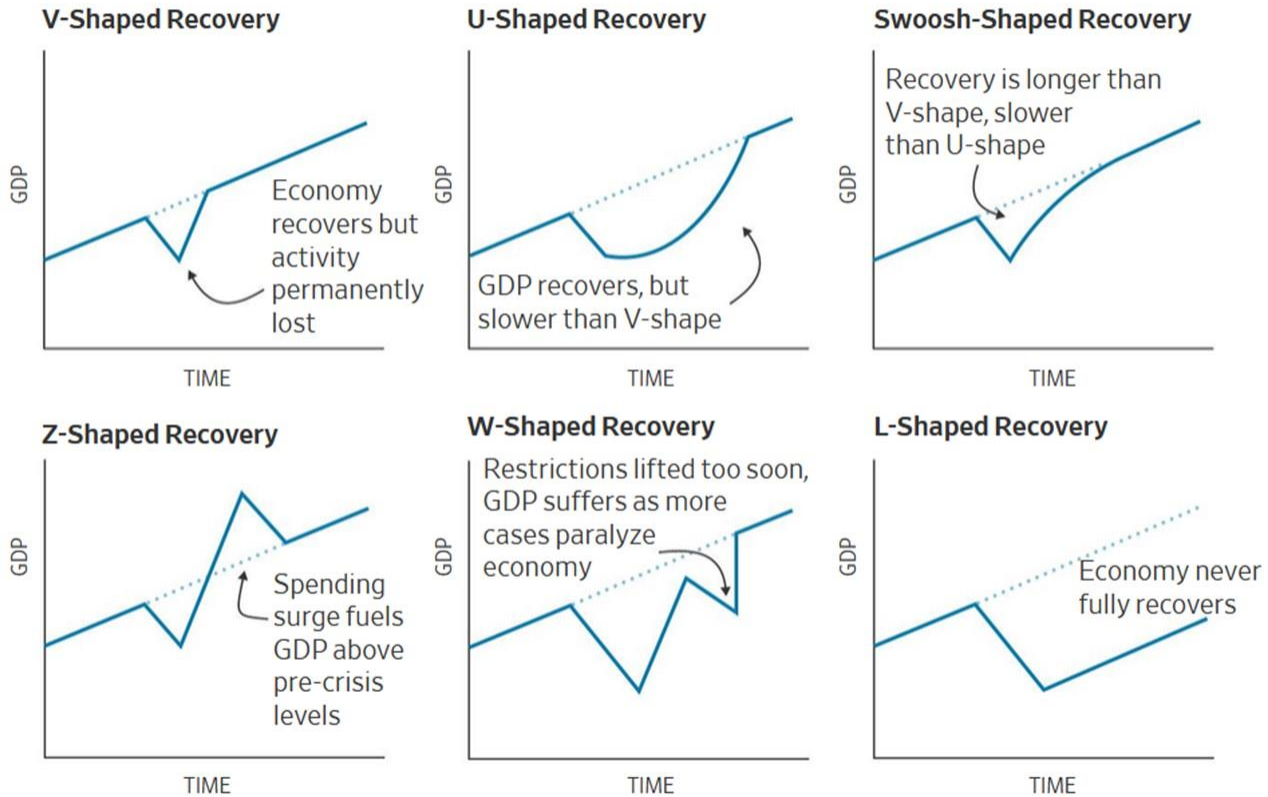
% of Active  
Listings with  
Reduced Prices

30.8%



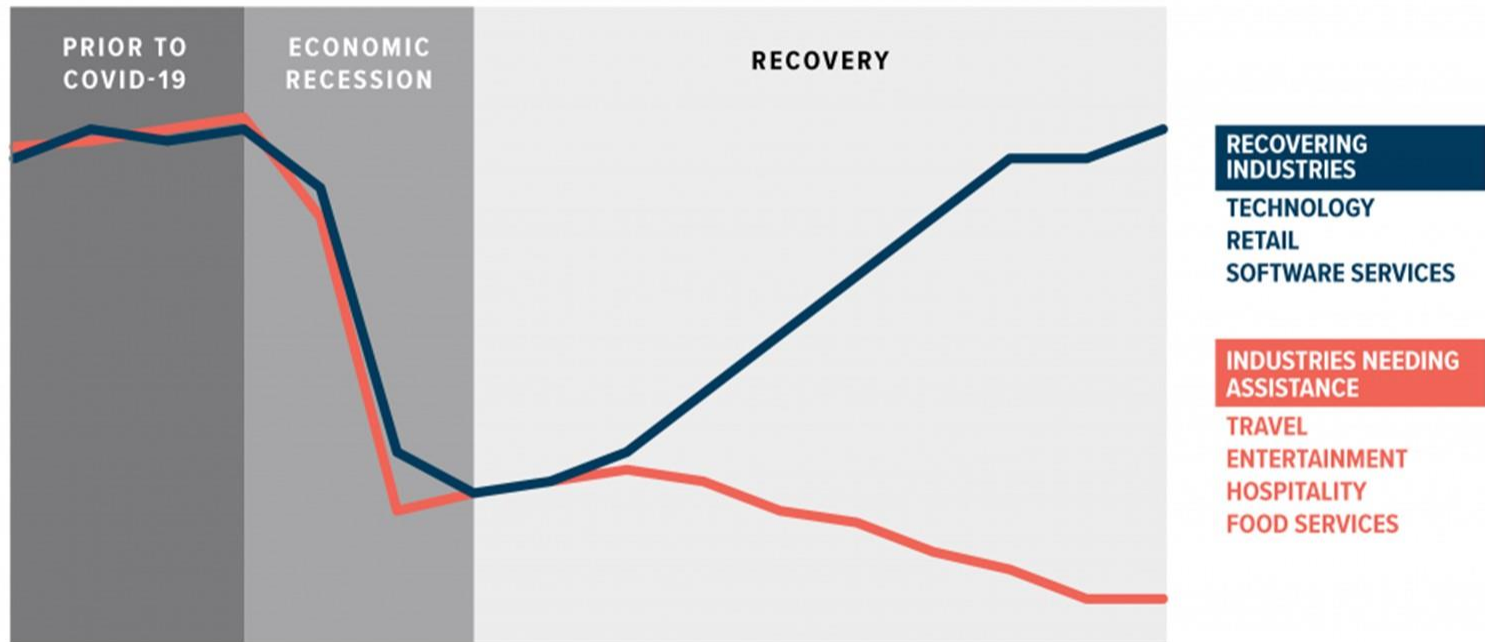
# Outlook

# Shape of recovery in alphabet



SOURCE: Brooking Institutions, The Wall Street Journal

# The K-Shaped Recovery



SOURCE: U.S. Chamber of Commerce (<https://www.uschamber.com/series/above-the-fold/the-k-shaped-recovery-and-the-cost-of-inaction>)

## U.S. economic outlook

	2015	2016	2017	2018	2019	2020p	2021f
US GDP	2.6%	1.6%	2.3%	3.0%	2.2%	-5.0%	4.2%
Nonfarm Job Growth	2.1%	1.8%	1.6%	1.6%	1.3%	-6.5%	3.0%
Unemployment	5.3%	4.9%	4.4%	3.9%	3.7%	8.8%	7.1%
CPI	0.1%	1.4%	2.1%	2.4%	1.8%	0.6%	1.7%
Real Disposable Income, % Change	3.4%	2.7%	2.9%	4.0%	2.9%	3.8%	-1.6%



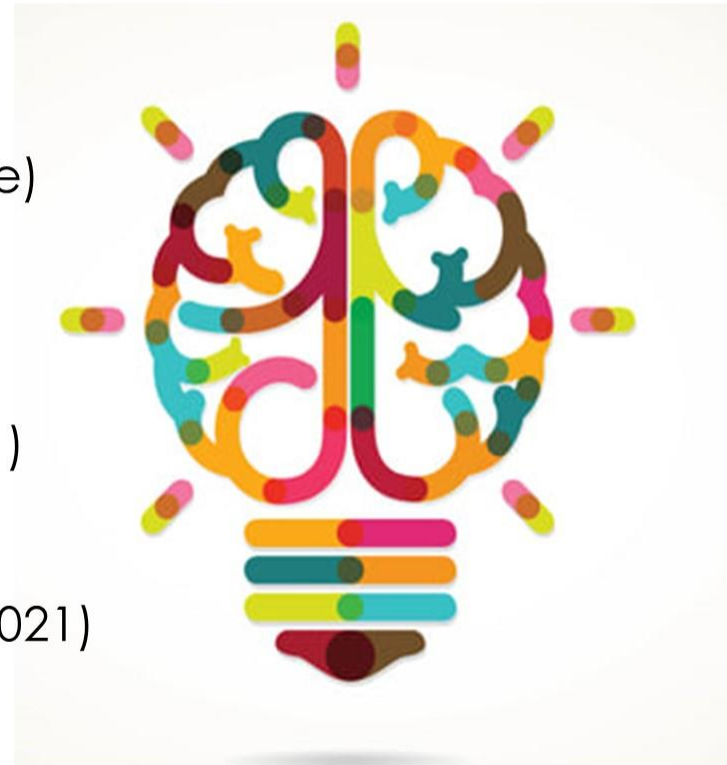
## California economic outlook

	2015	2016	2017	2018	2019	2020p	2021f
Nonfarm Job Growth	2.7%	2.3%	2.1%	2.1%	1.5%	-12.7%	0.5%
Unemployment	6.2%	5.5%	4.8%	4.3%	4.1%	10.8%	9.0%
CA Population (Million)	39.0	39.2	39.6	39.8	39.9	40.1	40.3
Population Growth	0.9%	0.7%	0.7%	0.6%	0.4%	0.4%	0.4%



## Baseline housing forecast **key assumptions**

- Vaccine available in H121
- No COVID surge this flu season (modest rise)
- GDP growth rate at 4.2% in 2021
- Household income growth at 3.3% in 2021
- Interest rates near record low (3.1% in 2021)
- 2021 inventory unchanged from 2020
- Foreclosures at low level (< 8% of sales in 2021)
- Foreclosures average <10% discount



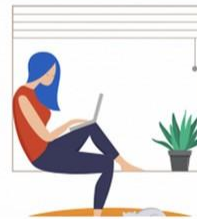


## California housing market outlook

	2015	2016	2017	2018	2019	2020p	2021f
SFH Resales (000s)	409.4	417.7	424.9	402.6	398.0	380.1	392.5
% Change	7.0%	2.0%	1.7%	-5.2%	-1.2%	-4.5%	3.3%
Median Price (\$000s)	\$476.3	\$502.3	\$537.9	\$569.5	\$592.4	\$640.3	\$648.8
% Change	6.6%	5.4%	7.1%	5.9%	4.0%	8.1%	1.3%
Housing Affordability Index	31%	31%	29%	28%	31%	32%	31%
30-Yr FRM	3.9%	3.6%	4.0%	4.5%	3.9%	3.2%	3.1%



# The New Normal



## New Normal - Home and homeownership become even more valuable



### Home is more than just a roof and a shelter

- Remote working means spending more time at home
- A home is not just a place to live but also a place to work
- Those who work from home may also need a bigger house if more space is dedicated as the office

## What “shelter” means in the new normal

- Urban area residence needs self sufficient design elements like sunrooms or spaces for urban farming to accommodate for a lack of outdoor space.
- Global footprint continues to retract, sourcing materials from non-domestic locations is no longer easily accessible
- Open floor plan can be a detriment for functional privacy, as home is now an office



## New Normal - Remote working changes the “where” for homebuying

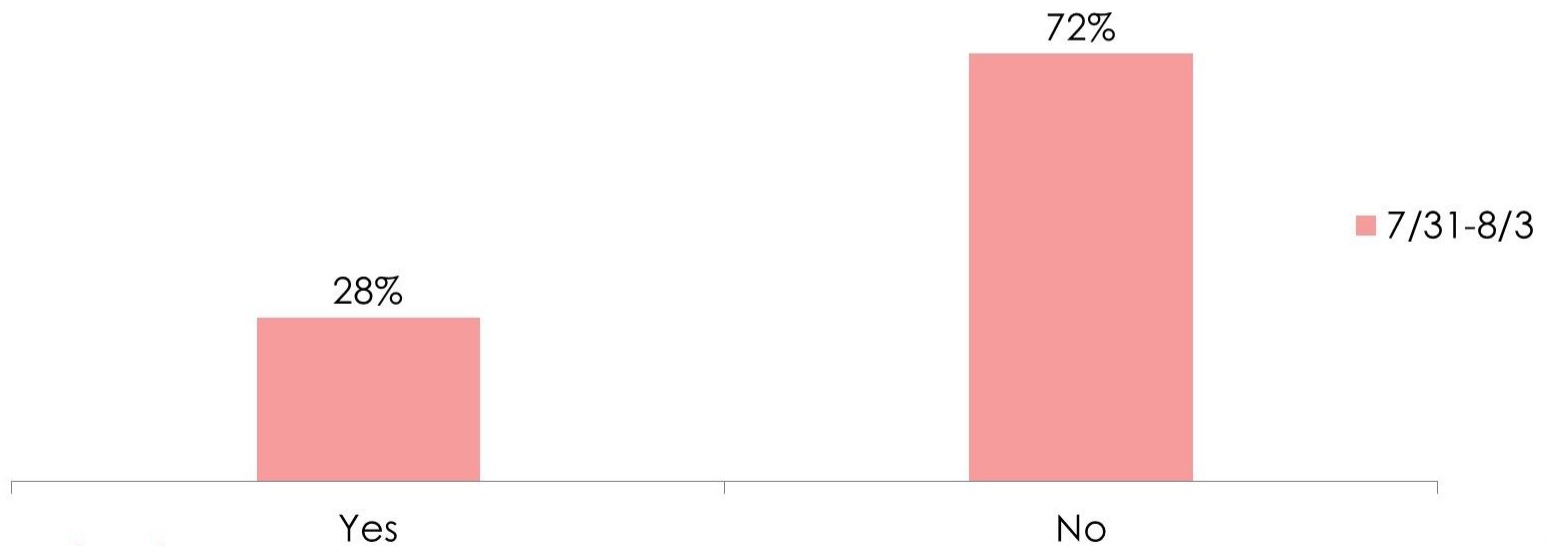


- Three quarters of those who work from home because of the coronavirus say they want to continue.
- Two-thirds say they would consider moving if given that flexibility.
- Remote working promotes homebuying in secondary cities, more remote locations with larger home.
- Half of those who are able to work from home say they would be open to a commute that was up to 45 minutes or longer.

SOURCE: Zillow, The Harris Poll

## Survey results: REALTORS® noticed an increase in second home interest

Q: During this crisis, have you noticed an increase in clients interested in purchasing a second home?





# New Normal - Retail and office spaces could help increase housing supply

## COVID-19 impact

- According to a UBS report, the U.S. retail industry appears to stand to lose 11% to 17% of its total store count by 2025.
- In the next five years, 100,000 retail stores will close nationwide, and the number of closed stores could rise as high as 150,000.
- Global Workplace Analytics predicts that 30% of people will work from home multiple days per week within a couple of years. Office space demand may decline as remote working becomes a new normal.

## Opportunity

- Vacant retail and office space could be converted into residential units, which would help to alleviate the shortage supply in the housing market.



## Turning malls into homes



### Recycling mall spaces?

- A survey found that malls are at the top of the list of places to avoid if the outbreak worsens.
- RetailNext reports that 97% of the 450 brick-and-mortar retail executives it surveyed have closed some or all of their doors.
- Restaurants and movie theaters were the first casualties of social-distancing public health protocols
- JC Penny, J. Crew, Neiman Marcus filed for bankruptcy

SOURCE: Business Insiders, Forbes,

## Concluding remarks



- The economy is bouncing back but the recovery will take time
- Coronavirus is the wild card
- Sales continue to improve as low rates fuel demand
- Tight supply remains a constraint
- Low inventory, record rates, and mix of sales change put upward pressure on prices
- There will be long term changes

「Thank You」



# REAL ESTATE LEGAL UPDATE

NEIL KALIN, C.A.R. ASSISTANT GENERAL COUNSEL



Contra Costa Association of REALTORS®  
Big Event

C.A.R. Standard Forms and Legal Update,  
October 21, 2020

**Neil Kalin, C.A.R. Assistant General Counsel**

## Quick Summary

### December 2020 Forms Release Quick Summary

This chart is a quick summary of the new and revised standard forms scheduled for release the week of December 21, 2020. For further information, please refer to the C.A.R. web page at: <https://www.car.org/zipform/standard-forms/summary-forms-releases-chart/December-2020-Forms-Release>. Please note that this list is subject to change.

Form Code	Form Name	Replaces	Brief description of form or how the form was revised	OK to use prior revision
HHDS	Home Hardening and Defensible Space Disclosure and Addendum	N/A	This form satisfies the disclosure requirements starting January and July 2021 concerning home hardening and defensible space, respectively. This form should be used if the property is located in a high or very high fire hazard severity zone.	NEW
COP	Contingency For Sale of Buyer's Property	12/17	This form has been restructured and modified to assist with creating a contingency for a buyer to be able to sell another property to bring funds to purchase the subject property.	N
CR	Contingency Removal	6/16	Form has been updated to reflect the changes made to the COP form, above.	N
NBP	Notice to Buyer to Perform	12/17	Form has been updated to reflect the changes made to the COP form, above.	N
RCJC	Rent Cap and Just Cause Addendum	12/19	Form has been reorganized to bring the exemptions to the front of the form to make it more prominent for non-corporate owners to check a box confirming they are exempt from the state rent cap and just cause eviction laws.	N
SFLS	Square Footage and Lot Size Disclosure and Advisory	6/20	Form was reorganized to clarify each party's representations and acknowledgements.	N

\* These forms will **only be available either via zipForm®Plus or from the following Associations:** Beverly Hills/Greater Los Angeles AOR, Newport Beach AOR, North San Diego County AOR and Sacramento AOR.

C.A.R. no longer monitors the legal validity of any prior form version and the C.A.R. User Protection Agreement only applies to the most current version of a form.

See <https://www.car.org/zipform/standard-forms/user-protection-agreement> for full text of the User Protection Agreement.



# Fair Housing and Discrimination Advisory



## FAIR HOUSING & DISCRIMINATION ADVISORY (C.A.R. Form FHDA, 10/20)

- EQUAL ACCESS TO HOUSING FOR ALL:** All housing in California is available to all persons. Discrimination as noted below is prohibited by law. Resources are available for those who have experienced unequal treatment under the law.
- FEDERAL AND STATE LAWS PROHIBIT DISCRIMINATION AGAINST IDENTIFIED PROTECTED CLASSES:**
  - FEDERAL FAIR HOUSING ACT ("FHAA") Title VIII of the Civil Rights Act: 42 U.S.C. §§ 3601-3619; Prohibits discrimination in sales, rental or financing of residential housing against persons in protected classes;
  - CALIFORNIA FAIR EMPLOYMENT AND HOUSING ACT ("FEHA") California Government Code ("GC") §§12900-12996, 12955; 2 California Code of Regulations ("CCR") §§12005-12271; Prohibits discrimination in sales, rental or financing of housing opportunity against persons in protected classes by providers of housing accommodation and financial assistance services as related to housing;
  - CALIFORNIA UNRUH CIVIL RIGHTS ACT ("Unruh") California Civil Code ("CC") §51; Prohibits business establishments from discriminating against, and requires full and equal accommodation, advantages, facilities, privileges, and services to persons in protected classes;
  - AMERICANS WITH DISABILITIES ACT ("ADA") 42 U.S.C. §§12181-12189; Title III of the ADA prohibits discrimination based on disability in public accommodations; and
  - OTHER FAIR HOUSING LAWS: Section 504 of Rehabilitation Act of 1973 29 U.S.C. §794; Ralph Civil Rights Act CC §51.7.; California Disabled Persons Act: CC §§54-55.32; any local city or county fair housing ordinances, as applicable.
- POTENTIAL LEGAL REMEDIES FOR UNLAWFUL DISCRIMINATION:** Violations of fair housing laws may result in monetary civil fines, injunctive relief, compensatory and/or punitive damages, and attorney fees and costs.
- PROTECTED CLASSES/CHARACTERISTICS:** Whether specified in Federal or State law or both, discrimination against persons if based on that person's belonging to, association with, or perceived membership to, any of the following classes or categories is prohibited.

Race	Color	Ancestry	National Origin	Religion
Sex	Sexual Orientation	Gender	Gender Identity	Gender Expression
Marital Status	Familial Status (family with a child or children under 18)	Source of Income (e.g., Section 8 Voucher)	Disability (Mental & Physical)	Medical Condition
Citizenship	Primary Language	Immigration Status	Military/Veteran Status	Age
Criminal History (non-relevant convictions)			Any arbitrary characteristic	

- THE CALIFORNIA DEPARTMENT OF REAL ESTATE REQUIRES TRAINING AND SUPERVISION TO PREVENT HOUSING DISCRIMINATION BY REAL ESTATE LICENSEES:**
  - California Business & Professions Code ("B&PC") §10170.5(a)(4) requires 3 hours of training on fair housing for DRE license renewal; Real Estate Regulation §2725(f) requires brokers who oversee salespersons to be familiar with the requirements of federal and state laws relating to the prohibition of discrimination;
  - Violation of DRE regulations or real estate laws against housing discrimination by a real estate licensee may result in the loss or suspension of the licensee's real estate license. B&PC §10177(i)(1); 10 CCR §2780
- REALTOR® ORGANIZATIONS PROHIBIT DISCRIMINATION:** NAR Code of Ethics Article 10 prohibits discrimination in employment practices or in rendering real estate license services against any person because of race, color, religion, sex, handicap, familial status, national origin, sexual orientation, or gender identity by REALTORS®.
- WHO IS REQUIRED TO COMPLY WITH FAIR HOUSING LAWS?**  
Below is a non-exclusive list of providers of housing accommodations or financial assistance services as related to housing who are most likely to be encountered in a housing transaction and who must comply with fair housing laws.
  - Sellers
  - Real estate licensees
  - Mobilehome parks
  - Insurance companies
  - Landlords
  - Real estate brokerage firms
  - Homeowners Associations ("HOAs");
  - Government housing services
  - Sublessors
  - Property managers
  - Banks and Mortgage lenders
- EXAMPLES OF CONDUCT THAT MAY NOT BE MOTIVATED BY DISCRIMINATORY INTENT BUT COULD HAVE A DISCRIMINATORY EFFECT:**
  - Prior to acceptance of an offer, asking for or offering buyer personal information or letters from the buyer, especially with photos. Those types of documents may inadvertently reveal, or be perceived as revealing, protected status information thereby increasing the risk of (i) actual or unconscious bias, and (ii) potential legal claims against sellers and others by prospective buyers whose offers were rejected.
  - Refusing to rent (i) an upper level unit to an elderly tenant out of concern for the tenant's ability to navigate stairs or (ii) a house with a pool to a person with young children out of concern for the children's safety.
- EXAMPLES OF UNLAWFUL OR IMPROPER CONDUCT BASED ON A PROTECTED CLASS OR CHARACTERISTIC:**
  - Refusing to negotiate for a sale, rental or financing or otherwise make a housing opportunity unavailable; failing to present offers due to a person's protected status;
  - Refusing or failing to show, rent, sell or finance housing; "channeling" or "steering" a prospective buyer or tenant to or away from a particular area due to that person's protected status or because of the racial, religious or ethnic composition of the neighborhood;
  - "Blockbusting" or causing "panic selling" by inducing a listing, sale or rental based on the grounds of loss of value of property, increase in crime, or decline in school quality due to the entry or prospective entry of people in protected categories into the neighborhood;
  - Making any statement or advertisement that indicates any preference, limitation, or discrimination;

2. Applicable laws
4. Protected classes
5. DRE requirements
6. REALTOR® duties
7. Who is covered
8. Unintentional conduct. Buyer letters.
9. What not to do





# Fair Housing and Discrimination Advisory

- E. Inquiring about protected characteristics (such as asking tenant applicants if they are married, or prospective purchasers if they have children or are planning to start a family);
  - F. Using criminal history information before otherwise affirming eligibility, and without a legally sufficient justification;
  - G. Failing to assess financial standards based on the portion of the income responsible by a tenant who receives government subsidies (such as basing an otherwise neutral rent to income ratio on the whole rent rather than just the part of rent that is the tenant's responsibility);
  - H. Denying a home loan or homeowner's insurance;
  - I. Offering inferior terms, conditions, privileges, facilities or services;
  - J. Using different qualification criteria or procedures for sale or rental of housing such as income standards, application requirements, application fees, credit analyses, sale or rental approval procedures or other requirements;
  - K. Harassing a person;
  - L. Taking an adverse action based on protected characteristics;
  - M. Refusing to permit a reasonable modification to the premises, as requested by a person with a disability (such as refusing to allow a wheel chair bound tenant to install, at their expense, a ramp over front or rear steps, or refusing to allow a physically disabled tenant from installing, at their own expense, grab bars in a shower or bathtub);
  - N. Refusing to make reasonable accommodation in policies, rules, practices, or services for a person with a disability (such as the following, if an actual or prospective tenant with a disability has a service animal or support animal):
    - (i) Failing to allow that person to keep the service animal or emotional support animal in rental property,
    - (ii) Charging that person higher rent or increased security deposit, or
    - (iii) Failing to show rental or sale property to that person who is accompanied by the service animal or support animal, and;
  - O. Retaliating for asserting rights under fair housing laws.
- 10. EXAMPLES OF POSITIVE PRACTICES:**
- A. Real estate licensees working with buyers or tenants should apply the same objective property selection criteria, such as location/neighborhood, property features, and price range and other considerations, to all prospects.
  - B. Real estate licensees should provide complete and objective information to all clients based on the client's selection criteria.
  - C. Real estate licensees should provide the same professional courtesy in responding to inquiries, sharing of information and offers of assistance to all clients and prospects.
  - D. Housing providers should not make any statement or advertisement that directly or indirectly implies preference, limitation, or discrimination regarding any protected characteristic (such as "no children" or "English-speakers only").
  - E. Housing providers should use a selection process relying on objective information about a prospective buyer's offer or tenant's application and not seek any information that may disclose any protected characteristics (such as using a summary document, e.g. C.A.R. Form SUM-MO, to compare multiple offers on objective terms).
- 11. FAIR HOUSING RESOURCES:** If you have questions about your obligations or rights under the Fair Housing laws, or you think you have been discriminated against, you may want to contact one or more of the sources listed below to discuss what you can do about it, and whether the resource is able to assist you.
- A. Federal: [https://www.hud.gov/program\\_offices/fair\\_housing\\_equal\\_opp](https://www.hud.gov/program_offices/fair_housing_equal_opp)
  - B. State: <https://www.dfeh.ca.gov/housing/>
  - C. Local: local Fair Housing Council office (non-profit, free service)
  - D. DRE: <https://www.dre.ca.gov/Consumers/FileComplaint.html>
  - E. Local Association of REALTORS®. List available at: <https://www.car.org/en/contactus/rosters/localassociationroster>.
  - F. Any qualified California fair housing attorney, or if applicable, landlord-tenant attorney.
- 12. LIMITED EXCEPTIONS TO FAIR HOUSING REQUIREMENTS:** No person should rely on any exception below without first seeking legal advice about whether the exception applies to their situation. Real estate licensees are not qualified to provide advice on the application of these exceptions.
- A. Legally compliant senior housing is exempt from FHA, FEHA and Unruh as related to age or familial status only;
  - B. An owner of a single-family residence who resides at the property with one lodger may be exempt from FEHA for rental purposes, PROVIDED no real estate licensee is involved in the rental;
  - C. An owner of a single-family residence may be exempt from FHA for sale or rental purposes, PROVIDED (i) no real estate licensee is involved in the sale or rental and (ii) no discriminatory advertising is used, and (iii) the owner owns no more than three single-family residences. Other restrictions apply;
  - D. An owner of residential property with one to four units who resides at the property, may be exempt from FHA for rental purposes, PROVIDED no real estate licensee is involved in the rental; and
  - E. Both FHA and FEHA do not apply to roommate situations. See, *Fair Housing Council v Roommate.com LLC*, 666 F.3d 1216 (2019).
  - F. Since both the 14th Amendment of the U.S. Constitution and the Civil Rights Act of 1866 prohibit discrimination based on race, the FHA and FEHA exemptions do not extend to discrimination based on race.

Buyer/Tenant and Seller/Landlord have read, understand and acknowledge receipt of a copy of this Fair Housing & Discrimination Advisory.

Buyer/Tenant _____	Date _____
Buyer/Tenant _____	Date _____
Seller/Landlord _____	Date _____
Seller/Landlord _____	Date _____

- 9. More don'ts
  - 10. Good conduct
  - 11. Resources
  - 12. Exceptions
- Signature block



CALIFORNIA  
ASSOCIATION  
OF REALTORS®

**HOME FIRE HARDENING  
DISCLOSURE AND ADVISORY**  
(C.A.R. Form HHDA, 12/20)

This is a disclosure and addendum to the Purchase Agreement, OR  Other \_\_\_\_\_  
dated \_\_\_\_\_ ("Agreement") on property known as \_\_\_\_\_ ("Property")  
In which \_\_\_\_\_ is referred to as Buyer,  
and \_\_\_\_\_ is referred to as Seller.  
Buyer and Seller are referred to as the "Parties".

**I. HOME FIRE HARDENING PREREQUISITES:**

1. **LAW APPLICABILITY:** Sections II only applies to properties that are located in either a high or very high fire hazard severity zone and where the property was built before January 1, 2010.
2. **WHERE TO LOCATE INFORMATION:** 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.
3. If unable to determine if the Property is in either of these zones, and 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, whether or not otherwise required by law. A seller may voluntarily make the disclosures in Section II whether or not mandated by law.

**II. HOME FIRE HARDENING INFORMATION:** (Required for residential properties with one to four units constructed before January 1, 2010).

1. **HOME FIRE HARDENING PROPERTY LOCATION:** The home is (or, if checked,  is NOT) in a high or very high fire hazard severity zone.
2. **HOME FIRE HARDENING 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)."
3. **HOME FIRE HARDENING FEATURES:** Seller is aware of the following features that may make the home vulnerable to wildfire and flying embers (check all that apply):
  - A.  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.
  - B.  Roof coverings made of untreated wood shingles or shakes.
  - C.  Combustible landscaping or other materials within five feet of the home and under the footprint of any attached deck.
  - D.  Single pane or non-tempered glass windows.
  - E.  Loose or missing bird stopping or roof flashing.
  - F.  Rain gutters without metal or noncombustible gutter covers.
4. **HOME FIRE HARDENING FINAL INSPECTION REPORT:**  If checked, Seller has obtained a final inspection report, that includes compliance with certain defensible space and home hardening requirements pursuant to Government Code Section 51192. A copy of the report is attached or a copy may be obtained at \_\_\_\_\_

Seller acknowledges receipt of this Home Fire Hardening Disclosure and Advisory and agrees to the applicable obligation of Section III, paragraph 2.

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

Buyer acknowledges receipt of this Home Fire Hardening Disclosure and Advisory and agrees to the applicable obligation of Section III, paragraph 2.

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

# Home Hardening Disclosure and Advisory

www.car.org

- Properties built before 1/1/2010
- High or Very High fire hazard zones
- Not same as NHD
- Vulnerable features, if known
- Delivery report, if seller has one

ASSOCIATION of REALTORS®



# Contingency for Sale of Buyer's Property



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## CONTINGENCY FOR SALE OF BUYER'S PROPERTY (And Notice To Remove Contingencies) (C.A.R. Form COP, Revised 12/20)

This is an addendum to the Purchase Agreement,  Other \_\_\_\_\_ ("Agreement"), dated \_\_\_\_\_,

on property known as \_\_\_\_\_ ("Seller's Property"),  
between \_\_\_\_\_ ("Buyer")  
and \_\_\_\_\_ ("Seller").

Buyer's Property \_\_\_\_\_ ("Buyer's Property").

1. **BUYER'S PROPERTY CONTINGENCY:** The Agreement is contingent upon:
  - A. Buyer entering into a contract for the sale of, and closing escrow on, Buyer's Property (paragraphs 2 and 4).
  - OR B.  Only Buyer entering into a contract for the sale of Buyer's Property (paragraph 2).
  - OR C.  Only the close of escrow of Buyer's Property (paragraph 4).

Buyer's Property is already in escrow with \_\_\_\_\_ (Escrow Company), Escrow # \_\_\_\_\_.  
A copy of the contract for sale of Buyer's Property and the contact information and escrow # for that sale (collectively, "Escrow Evidence") is attached to this COP form or  will be delivered to Seller and within 2 (or \_\_\_\_\_) Days After Acceptance.
2. **BUYER ENTERING INTO CONTRACT FOR SALE OF BUYER'S PROPERTY:** If 1A or 1B applies,
  - A. Buyer shall have 17 (or \_\_\_\_\_) Days After Acceptance to enter into a contract for the sale of Buyer's Property.
  - B. By the earlier of (i) the time specified in 2A or (ii) within 2 (or \_\_\_\_\_) Days After Buyer entering into contract for the sale of Buyer's Property, Buyer shall Deliver Escrow Evidence to Seller and Escrow Holder.
3. **LISTING AND MLS STATUS OF BUYER'S PROPERTY:** If 1A or 1B applies:
  - A. Buyer's Property is currently listed with (OR  shall, within 3 (or \_\_\_\_\_) Days After Acceptance, be listed with) \_\_\_\_\_ (Real Estate Brokerage).
  - B. Buyer's Property is or will be listed with the MLS in the geographical area where Buyer's Property is located OR  Buyer's Property will NOT be listed with the MLS in the geographical area where Buyer's Property is located.
  - C. Buyer shall Deliver to Seller evidence of both the property listing and, if applicable, the MLS listing within 1 Day After Acceptance if Buyer's Property is already listed with a Real Estate Brokerage or if not already listed, within 1 Day After listing with a Real Estate Brokerage.
4. **CLOSE OF ESCROW OF BUYER'S PROPERTY:** If 1A or 1C applies, Buyer has until the following time to close escrow on the sale of Buyer's Property: (i) the scheduled close of escrow of Seller's Property or (ii) if checked,  no later than 5 (or \_\_\_\_\_) Days Prior to the scheduled close of escrow of Seller's Property.
5. **STATUS OF SALE OF BUYER'S PROPERTY:** If 1A or 1C applies,
  - A. Buyer agrees to keep Seller informed about the status of the transaction for the sale of Buyer's Property, including any changes, modifications, addenda or amendments to the terms of the accepted offer or delays to or removals of contingencies ("Updates").
  - B. Within 2 (or \_\_\_\_\_) Days After Seller's written request, but no earlier than the applicable time to remove contingencies in the contract for sale of Buyer's Property, Buyer shall Deliver to Seller evidence of the removal of those identified contingencies.
6. **CANCELLATION OF BUYER'S PROPERTY:** If Buyer's Property is in or enters escrow, and either party to that escrow gives notice to the other to cancel that contract, Buyer, within 2 (or \_\_\_\_\_) Days thereafter, shall give Seller written notice of that cancellation.
7. **BACK UP OFFERS AND SELLER RIGHT TO REQUIRE BUYER TO REMOVE CONTINGENCIES OR CANCEL:**
  - A. Back-up Offers: After Acceptance, Seller shall have the right to continue to offer Seller's Property for sale for back-up offers. The Parties acknowledge that Brokers shall not violate MLS rules requiring accurate property status reporting.
  - B. Removal of Buyer Contingencies and Proof of Funds: Unless 7C(3) is selected, if Seller accepts a written back-up offer and provides Buyer a Copy of the signed, accepted back-up offer, within the time specified in 7C(1) or (2), Seller shall have the right to give written notice to Buyer to, in writing: (i) remove this contingency; (ii) remove the loan contingency, if any; and (iii) provide verification of sufficient funds to close escrow without the sale of Buyer's Property. If Buyer fails to complete these actions within 2 (or \_\_\_\_\_) Days After Delivery of such notice, Seller may then immediately cancel the Agreement in writing.
  - C. Time to Give Notice to Remove Contingencies: Seller shall have the right to invoke the notice provisions in paragraph 7B:
    - (1) Immediate Right to Notify Buyer: Any time after Acceptance;
    - OR (2)  Delayed Right to Notify Buyer: No earlier than 17 (or \_\_\_\_\_) Days After Acceptance;
    - OR (3)  No Right to Notify Buyer: Seller shall NOT have the right to invoke the provisions of 7B during the entire term of the Agreement.
8. **SELLER RIGHT TO CANCEL:** Seller may cancel the Agreement in writing as follows:
  - A. After first giving Buyer a Notice to Remove Buyer Contingencies and Provide Proof of Funds (below), if Buyer fails to take all actions specified in 7B.

- Default is enter into K and close
- OR enter in K only
- OR close only
- To be in MLS where property is
- Notice of changes to B sale
- Back up offers allowed
- Upon notice, B to remove contingencies +
- Immediate or delayed

# Contingency for Sale of Buyer's Property

8. **SELLER RIGHT TO CANCEL:** Seller may cancel the Agreement in writing as follows:  
 A. After first giving Buyer a Notice to Remove Buyer Contingencies and Provide Proof of Funds (below), if Buyer fails to take all actions specified in 7B.

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COP Revised 12/20 (PAGE 1 OF 2)

## CONTINGENCY FOR SALE OF BUYER'S PROPERTY (COP PAGE 1 OF 2)

- B. After first giving Buyer a NBP, if Buyer fails to enter into contract for the sale of Buyer's Property within the time specified in paragraph 2A.
  - C. After first giving Buyer a NBP, if Buyer fails to close escrow for the sale of Buyer's Property within the time specified in paragraph 4.
  - D. After first giving Buyer a NBP, if Buyer fails to Deliver Escrow Evidence within the time specified in paragraph 1C or 2B.
  - E. After first giving Buyer a NBP, if Buyer fails to Deliver evidence of the listing of Buyer's Property or, as applicable, the submission of Buyer's Property listing to the MLS within the time specified in paragraph 3C.
  - F. If Buyer fails to Deliver evidence of removal of contingencies in the sale of Buyer's Property as specified in paragraph 5B.
  - G. If Buyer gives notice to Seller of either party's cancellation of contract for Buyer's Property.
9. **BUYER RIGHT TO CANCEL:** Buyer may cancel the Agreement in writing if, prior to Buyer's removal of the Buyer's Property contingency specified in paragraph 1A, B or C, as applicable: (i) if 1A or 1B applies and Buyer is unable to enter into contract on Buyer's Property within the time specified in 3A(1); or (ii) if 1A or 1C applies and either party for Buyer's Property gives notice to the other to cancel the contract for purchase Buyer's Property; or (iii) if 1A or 1C applies and Buyer is unable to close escrow on Buyer's Property within the time specified in paragraph 4.
10. **TIME FOR PERFORMANCE OF CONTRACT OBLIGATIONS AND DELIVERY OF BUYER DEPOSIT:**
- A. **CONTRACT OBLIGATIONS OTHER THAN DEPOSIT:** Time periods in the Agreement for inspections, contingencies, covenants, close of escrow, and other obligations excluding those in this addendum shall begin as specified in the Agreement, or  on the Day After Buyer Delivers to Seller any of the following: (i) Escrow Evidence for Buyer's Property, or (ii) Buyer's election in writing, signed by Buyer, to begin time periods, or (iii) Buyer's removal of this contingency for the sale of Buyer's Property.
  - B. **BUYER'S DEPOSIT:** Buyer's deposit shall be delivered to escrow within the time specified in the Agreement, or  within 3 business days after Buyer Delivers to Seller any of the following: (i) Escrow Evidence for Buyer's Property, or (ii) Buyer's election in writing, signed by Buyer, to begin time periods, or (iii) Buyer's removal of this Buyer's Property contingency.

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

Date \_\_\_\_\_ Date \_\_\_\_\_

Buyer \_\_\_\_\_ Seller \_\_\_\_\_

Buyer \_\_\_\_\_ Seller \_\_\_\_\_

**NOTICE TO REMOVE BUYER CONTINGENCIES AND PROVIDE PROOF OF FUNDS:** Seller hereby gives notice to Buyer to remove the contingencies and take the actions specified in Paragraph 7B (Note: Not to be delivered until the time specified in Paragraph 7C.)

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

- Seller right to cancel if buyer's buyer does not remove contingencies
- Notice to remove COP contingency at bottom of form (not NBP)
- Default is times remain as in contract



# Square Footage, Lot Size Disclosure and Advisory



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## SQUARE FOOTAGE AND LOT SIZE DISCLOSURE AND ADVISORY (C.A.R. Form SFLS, 12/20)

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

- DIFFERENT SOURCES OF SQUARE FOOTAGE MEASUREMENTS:** Measurements of structures vary from source to source and that data is often contradictory. There is no one "official" size source or a "standard" method of calculating exterior structural size, interior space or square footage. Buyers should not rely on any advertised or disclosed square footage measurements and should retain their own experts to measure structural size and/or square footage during their contingency period, if any. This is especially important if Buyers are using square footage to determine whether to purchase the Property and/or are using a price per square foot to determine purchase price. Price per square foot calculations are generally broad estimates only, which can vary greatly depending upon property location, type of property and amenities; such calculations should not be relied upon by Buyers and the accuracy of any such figures should be independently verified by Buyers with their own experts including, but not limited to, a licensed appraiser.
- PROPERTY (LOT) SIZE, DIMENSIONS, CONFIGURATIONS, AND BOUNDARIES:** Fences, hedges, walls, retaining walls, and other barriers or markers may not correspond with any legally-defined property boundaries, and existing structures or amenities may not be located within the actual property boundaries or local setback requirements. If lot size, dimensions, property configurations, boundary lines, and locations of improvements are important to Buyers' decision to purchase or the price Buyers are willing to pay, then Buyers should independently investigate by retaining the services of a licensed surveyor, the only professional who can accurately determine lot dimensions, boundary locations and acreage for the Property.
- MEASUREMENTS AND SOURCES:** Any square footage and/or lot size numbers inserted into the spaces below were taken from the referenced source and may be approximations only. Other measurement sizes may exist from other sources.

Source of Information	Sq. Footage	Lot Size	Additional Information	If checked, report attached
Public Record				<input type="checkbox"/>
Multiple Listing Service				<input type="checkbox"/>
Seller			Measurement comes from the following source: _____	<input type="checkbox"/>
Appraisal #1				<input type="checkbox"/>
Appraisal #2				<input type="checkbox"/>
Condominium Map/Plan				<input type="checkbox"/>
Architectural Drawings				<input type="checkbox"/>
Floor Plan/Drawings				<input type="checkbox"/>
Survey				<input type="checkbox"/>
Other				<input type="checkbox"/>
Other				<input type="checkbox"/>

- BROKER OBLIGATIONS:** Brokers and Agents do not have expertise in determining the exact square footage and lot size. Any numerical statements regarding square footage, room dimensions, lot size, and boundaries have not been verified by Seller or Broker. Fences, hedges, walls, retaining walls, and other barriers or markers do not necessarily identify the true Property boundaries. Broker has not and will not verify the accuracy of any of these measurements.

**By signing below, Seller: (i) Represents that Seller is not aware of any other measurements of the Property; and (ii) acknowledges that Seller has read, understands, and received a Copy of this Square Footage and Lot Size Disclosure and Advisory. Seller is encouraged to read it carefully.**

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

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

**By signing below, Buyer acknowledges that Buyer has read, understands, and received a Copy of this Square Footage and Lot Size Disclosure and Advisory. Buyer is encouraged to read it carefully. IF ANY OF THESE MEASUREMENTS ARE MATERIAL TO BUYER, BUYER IS STRONGLY ADVISED TO INVESTIGATE THE VALIDITY AND ACCURACY OF ANY MEASUREMENTS PROVIDED HEREIN OR OTHERWISE. IF BUYER DOES NOT DO SO, BUYER IS ACTING AGAINST THE ADVICE OF BROKERS AND AGENTS.**

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

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

- Measurements may not be accurate or the same
- Broker will not verify
- Seller confirms not aware of other measurements
- Buyer advised to get own inspections if important to buyer

## September/October 2020 COVID-19 Forms Release Quick Summary

This chart is a quick summary of the emergency release of forms related to coronavirus released on **September 9, 2020, September 21, 2020, and October 8, 2020**. For further information, please refer to the C.A.R. web page at: <https://www.car.org/zipform/standard-forms/summary-forms-releases-chart/September-2020-Forms-Release>. Please note that this list is subject to change.

Form Code	Form Name	Replaces	Brief description of form or how the form was revised	OK to use prior revision
CDC-TD	Centers for Disease Control COVID-19 Tenant Declaration	N/A	This form was created by an Order from the CDC. If a residential tenant who cannot pay rent signs the form and delivers to the landlord, the landlord may not evict the tenant for non-payment of rent, until January 1, 2021. Only applies if the tenant earns no more than \$99,000 per year.	NEW
CRFP	Coronavirus Rent Forgiveness, Termination of Tenancy and Possession of Premises Agreement	N/A	This form documents a voluntary agreement by a residential landlord and tenant. The landlord agrees to forgive all or part of unpaid rent in exchange for possession of the property on a date certain.	NEW
CRRA	Coronavirus Unpaid Rent Repayment Agreement	N/A	This voluntary form documents an agreement by a tenant to, over time, pay back a landlord for rent that was unpaid since the beginning of the COVID-19 state of emergency. If a local government has issued an order or ordinance establishing a payback period, that local enactment needs to be complied with. Under superseding state law, the payback period can begin no later than March 1, 2021 and end no later than March 1, 2022.	NEW
CURC	Coronavirus Unpaid Rent Calculation	N/A	If a residential tenant has not paid rent anytime from March 1, 2020 to January 31, 2021, a landlord must document the amounts owed and dates the rent was due as part of an eviction notice. This form identifies those amounts and dates.	NEW
DCFD	Tenant Declaration of COVID-19 Related Financial Distress	N/A	California law prohibits a landlord from evicting a residential tenant if the tenant signs and delivers to the landlord a declaration under penalty of perjury that the tenant is unable to pay rent due to a COVID-19 related reason. An unsigned version of this form must be attached to an eviction notice for unpaid rent from March 1, 2020 to January 31, 2021. No proof of inability to pay is needed unless tenant is a "high income" tenant.	NEW
NTRA	Notice of Tenant of COVID-19 Tenant Relief Act of 2020	N/A	This form, informing a residential tenant of the tenant's rights under California law must be given to a tenant before serving a tenant with an eviction notice.	NEW
NTT-CTRA	Notice of Termination of Tenancy: COVID Tenant Relief Act	N/A	During the COVID covered period, March 1, 2020 – January 31, 2021, a tenancy can only be terminated for "cause" and the allowable reasons, and minimum notice periods, are specified in the form.	Coming Oct 8, 2020

## Quick Summary

PCQ-CTRA	Notice To Cure Or Perform Covenant Or Quit: COVID Tenant Relief Act	N/A	During the COVID covered period, March 1, 2020 – January 31, 2021, attempts to evict a tenant for failure to meet a non-monetary, contractual obligation, the notice to perform should be followed by a separate notice to quit.	Coming Oct 8, 2020
PMC-CPP	Notice to Cure Covid Protected Period Monetary Covenant or Quit	N/A	This form satisfies the statutory requirements for a 15-day notice to pay money, other than rent, that is due between March 1, 2020 and August 31, 2020.	NEW
PMC-TP	Notice to Cure Covid Transition Period Monetary Covenant or Quit	N/A	This form satisfies the statutory requirements for a 15-day notice to pay money, other than rent, that is due between September 1, 2020 and January 31, 2021.	NEW
PRQ-CPP	Notice to Pay Covid Protected Period Rent or Quit	N/A	This form satisfies the statutory requirements for a 15-day notice to pay rent or quit, for unpaid rent that is due between March 1, 2020 and August 31, 2020.	NEW
PRQ-TP	Notice to Pay Covid Transition Period Rent or Quit	N/A	This form satisfies the statutory requirements for a 15-day notice to pay rent or quit, for unpaid rent that is due between September 1, 2020 and January 31, 2021. Residential tenant is obligated to pay 25% of amount due by January 31, 2021.	NEW
NTT	Notice of Termination of Tenancy	6/20	Instructions added not to use this form for termination of residential tenancy during COVID period if tenant a natural person.	N
PCQ	Notice to Cure or Perform Covenant or Quit	6/20	This 3-day notice is modified to inform the user that other forms are necessary if a non-rent covenant is due between March 1, 2020 and January 31, 2021.	N
PRQ	Notice to Pay Rent or Quit	6/20	This 3-day notice is modified to inform the user that other forms are necessary if unpaid rent is due between March 1, 2020 and January 31, 2021.	N

\* These forms will **only be available either via zipForm®Plus or from the following Associations:** Beverly Hills/Greater Los Angeles AOR, Newport Beach AOR, North San Diego County AOR and Sacramento AOR.

C.A.R. no longer monitors the legal validity of any prior form version and the C.A.R. User Protection Agreement only applies to the most current version of a form.

See <https://www.car.org/zipform/standard-forms/user-protection-agreement> for full text of the User Protection Agreement.





## COVID-19 Tenant Relief Act of 2020 (AB 3088)

- Primary purpose of the Act is to temporarily restrict evictions and prevent displacement of tenants during COVID pandemic
- Act became law on August 31, 2020
- Prior to effective date, pursuant to Judicial Council order, courts were closed to residential evictions until September 2, 2020
- Act kept courts closed to residential evictions until October 5, 2020
- Act applies to period from March 1, 2020 – January 31, 2021 (COVID period). Special eviction rules apply during and for that period.
- COVID period further divided into
  - Protected Period 3/1/20 – 8/31/20
  - Transition Period 9/1/20 – 1/31/21
- Eviction notices for one period must be separated from other period
- Act applies to residential tenancies of natural persons
- If rent unpaid before 3/1/20, then regular process can continue or commence starting 10/5/20
- If rent unpaid after 1/31/21, then regular process can commence starting 2/1/21





## COVID-19 Tenant Relief Act of 2020 (AB 3088)

- In order to commence eviction for nonpayment of COVID period rent or monetary obligation,
  - Tenant must first be served with notice of the law (Form NTRA)
  - For protected period, notice must be served no later than 9/30/20. If not, cannot evict for unpaid protected period rent.
  - Instead of 3-day notice, tenant must receive 15-day notice to pay. Excludes all Saturdays, Sundays, judicial holidays.
  - Tenant can pay, leave or sign and return declaration of financial distress (Form DCFD).
  - Tenant does not have to prove financial distress except for high income tenants
  - If DCFD returned, cannot evict for unpaid protected period or transition period unpaid rent
  - Biggest difference between protected period and transition period notices is that for latter, tenant obligated to pay 25% of rent due – but not until 1/31/20
  - Tenant remains legally obligated for unpaid rent, even if eviction not allowed
- Owner may pursue tenant for unpaid rent any time in Superior Court or starting 3/1/21 in small claims court regardless of amount due
- Owner also restricted from terminating tenancy except for cause during entire COVID period
  - At fault cause (Form PCQ-CTRA)
    - Violating covenant, Creating nuisance, Unlawful purpose, Threatening owner, e.g.
  - No fault cause (Form NTT-CTRA)



## COVID-19 Tenant Relief Act of 2020 (AB 3088)

- No fault reasons,
    - Owner/family move-in
    - Removal from rental market \*
    - Substantial remodel – but only if a habitability issue
    - Government order
    - Sale to buyer who will occupy \*
  - Legal notice must be given (Form NTT-CTRA). Usually 60 days but may be 30 days. \*
  - Relocation required, with exceptions, such as sale to owner occupying buyer
  - Fixed term leases must be honored \*
- 
- Federal Eviction Moratorium (Form CDC-TD)



## COVID-19 Tenant Relief Act of 2020 (AB 3088)

- C.A.R. creates 12 new forms, revises 3
  - 3 existing forms, subtitle advising when not to use and what to use instead
  - California notice of new law (NTRA)
  - 2 Pay Rent forms (PRQ-CPP, PRQ-TP)
  - 2 Pay non-rent money obligations (PMC-CPP, PMC-TP)
  - Unpaid rent calculation (CURC)
  - California declaration of financial distress (CDFD)
  - Perform non-monetary covenant (PCQ-CTRA)
  - Termination of tenancy (NTT-CTRA)
  - Federal declaration (CDC-TD)
  - Rent Repayment Agreement (CRRP)
  - Rent forgiveness in return for possession (CRFP)
- Local law still must be followed.
  - Except, cannot delay first payment beyond 3/1/21 or final beyond 3/1/22
  - Relocation may be required under local law




## COVID-19 Tenant Relief Act of 2020 (AB 3088)

- If selling tenant-occupied property, ...
- Prior to sale – Consider removal from rental market and giving NTT-CTRA
- If occupied during listing - Other COVID rules still apply, like using PEAD-S, PEAD-LR, PEAD-V, BPPP, PRE
- If occupied during listing – Consider selling subject to tenant remaining in possession
- If occupied during listing – Consider time needed to remove tenant if giving termination for sale of owner-occupying buyer
- If seller to remain in possession – Remember form SIP. Creates license not tenancy. Potential carry over of buyer-seller status, after change of title. Maybe no need to comply with AB3088



# Notice of Termination of Tenancy: COVID Tenant Relief Act (NTT-CTRA)

 CALIFORNIA ASSOCIATION OF REALTORS®

**NOTICE OF TERMINATION OF TENANCY:  
COVID Tenant Relief Act**  
(Termination of Residential Tenancies Prior to February 1, 2021, If Tenant is a Natural Person)  
(C.A.R. Form NTT-CTRA, Revised 10/xx/20)

To: \_\_\_\_\_ (“Tenant”)  
and any other occupant(s) in possession of the premises located at: (Street Address) \_\_\_\_\_  
\_\_\_\_\_  
(Unit/Apartment #) \_\_\_\_\_  
(City) \_\_\_\_\_ (State) \_\_\_\_\_ (Zip Code) \_\_\_\_\_ (“Premises”).

**YOUR TENANCY IN THE PREMISES IS TERMINATED AS STATED BELOW. (CHECK THE BOX THAT APPLIES.)**

**The Tenant Protection Act of 2019, aka AB 1482, (“TPA”)** The TPA (i) imposed limits on the amount a property owner can increase rent to a residential tenant (“Rent Cap”) and (ii) identified a limited number of reasons that a property owner may terminate a tenancy and evict a tenant (“Just Cause”). Exemptions exist to both the Rent Cap and Just Cause laws. For more information, see the IMPORTANT NOTES below. **The COVID-19 Tenant Relief Act of 2020 (“CTRA”) requires that residential tenants who are natural persons can only be evicted “for cause” whether or not the property is covered by or exempt from the TPA.** Landlord is strongly advised to seek counsel from a qualified California real estate lawyer who is familiar with both the TPA and CTRA before terminating a tenancy for any reason specified below.

**Local rent control and eviction laws.** Many cities and counties have adopted local ordinances which impose rent control and just cause eviction requirements. These laws may conflict with, preempt or be preempted by the TPA, in whole or in part. **If property owner is uncertain whether the property or tenancy is exempt from the TPA or subject to a local ordinance governing rent increases and just cause requirements, property owner is advised to seek legal counsel from a qualified California real estate attorney who is familiar with the TPA and the laws where the property is located prior to serving this notice.**

**Termination of Residential Tenancies Prior to February 1, 2021, If Tenant is a Natural Person  
PROPERTIES OR TENANCIES COVERED BY THE CTRA:**

1. Your tenancy, if any, in the Premises is terminated **60 days** from service of this Notice, or on \_\_\_\_\_ (whichever is later), for the following reason:
  - A.  Family Move-In. Owner, or owner’s spouse, domestic partner, parents, grandparents, children or grandchildren, intend to occupy the Premises. Tenant has previously agreed that owner may unilaterally terminate the tenancy for such a reason (C.A.R. Form RCJC dated \_\_\_\_\_).
  - B.  Owner intends to withdraw the Premises from the rental market.
  - C.  Owner intends to demolish or substantially remodel the Premises. Only applies if the work to be done is necessary to maintain the habitability of the Premises.
  - D.  Owner intends to comply with (i) an order of a government agency or court regarding habitability of the Premises, or direction to vacate OR (ii) a local ordinance that mandates the Premises be vacated.
  - E.  Owner has entered into a contract to sell the Premises to a natural person(s); AND Purchaser intends to reside in the Premises; AND Title to the Premises is separately alienable from any other dwelling unit (e.g., it is a single-family unit or condominium) AND Owner has previously provided Tenant with a single family property exemption (C.A.R. Form RCJC dated \_\_\_\_\_).



## Notice of Termination of Tenancy: COVID Tenant Relief Act (NTT-CTRA)

Except as specified below, if 1A – 1D applies, tenant is entitled to relocation assistance in an amount equal to one-month's rent. Owner elects to compensate tenant by waiving rent for the final month of tenancy, or, if checked,  by providing direct payment to tenant within 15 calendar days of providing this notice.

However, no payment is required if a court or government agency has determined that the tenant is the cause of reason for the notice in 1D. This relocation payment is not required if the landlord would not otherwise be required to pay it pursuant to Section 1946.2 of the Civil Code or any other law.

- OR 2.**  Your tenancy, if any, in the Premises is terminated **30 days** from service of this Notice or on \_\_\_\_\_ (whichever is later). Only applies if **all** of the following are met:
- A.** Landlord has entered into a contract to sell the Premises to a natural person(s);
  - B. AND** Purchaser intends to reside in the Premises for at least one year following the termination of the tenancy in the Premises;
  - C. AND** Landlord has established an escrow with an escrow company licensed by the Department of Corporations, Department of Insurance or a licensed Real Estate Broker;
  - D. AND** Escrow was opened 120 or fewer days prior to the delivery of this Notice;
  - E. AND** Title to the Premises is separately alienable from any other dwelling unit (i.e., it is a single-family unit or condominium);
  - F. AND** Tenant has not previously been given a notice of termination of tenancy.





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## QUICK GUIDE

### Unpaid Rent Eviction Guide During COVID Protected and Transition Periods

**Rents Due March 1, 2020 – August 31, 2020 (COVID Protected Period)**  
**Rents Due September 1, 2020 – January 31, 2021 (COVID Transition Period)**  
 (See Quick Guide Unpaid Rent Eviction Guide For Pre and Post COVID Periods)

Evictions during COVID-19 protected and transition periods are complex. Consultation with a qualified California landlord tenant attorney is highly advised.

**Step 1:** Serve Tenant with Notice of California COVID-19 Tenant Relief Act (C.A.R. Form NTRA) May be combined with 15-day notice but only for rent due in Protected Period and only until 9-30-20).

- Service may be made by mail OR must be tried in following order: Personal Service, Substituted Service, Post and Mail.
- Need to add 5 days if service by mail, and possibly if other service except personal service.
- Service of NTRA must be made by September 30, 2020 as a prerequisite to Unlawful Detainer based on Protected Period unpaid rent.

**Step 2:** Serve Tenant with 15-Day notice to pay rent or quit.

C.A.R. Form PRQ-CPP for rent due between March 1, 2020 and August 31, 2020. (May be combined with Notice of COVID-19 Tenant Relief Act, C.A.R. Form NTRA but only until 9-30-20)

**OR** C.A.R. Form PRQ-TP for rent due between September 1, 2020 and January 31, 2021

**OR** Both if landlord is claiming rent covering both periods.

- Service must be by tried in following order: Personal Service, Substituted Service, Post and Mail.
- PRQ-CPP and PRQ-TP shall include amount and dates of unpaid rent due (C.A.R. form CURC, which must be completed) AND unsigned copy of tenant declaration of financial distress (C.A.R. form TDFD).
- PRQ-CPP and PRQ-TP shall include statutory notice regarding tenant's rights under the new law.
- PRQ-CPP and PRQ-TP to include statement re: proof of financial distress if Landlord knows tenant is "high income".

**Step 3:** Wait 15 days after service, excluding Saturdays, Sundays, and Judicial Holidays. May need to add 5 days if service by any method other than personal service.

**Step 4:** If Tenant signs and delivers back declaration of financial distress, do not proceed with eviction.\*

- Starting March 1, 2021, Landlord may sue tenant in small claims court regardless of the amount due.\*\*
- If Tenant does not sign and deliver back declaration of financial distress, Landlord may proceed to Step 5.
- If landlord asserts in the 15-day notice that tenant is a high income tenant, then tenant shall also provide documentation supporting any claim of financial distress along with the return of signed TDFD. If a high-income tenant fails to provide documentation supporting the financial distress claim, Landlord may proceed to Step 5.

\*For COVID transition period, tenant must also agree to pay 25% of rent due by January 31, 2021.

\*\*If local government entity provides for repayment terms, lawsuit for unpaid rent may not commence until local repayment term has expired or tenant fails to comply with such terms.

[www.car.org](http://www.car.org)

## Eviction Quick Guide



CALIFORNIA  
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## QUICK GUIDE

**Step 5:** File Unlawful Detainer lawsuit seeking possession only. No right to ask for unpaid rent as damages. Starting March 1, 2021, Landlord may sue tenant in small claims court regardless of the amount due.

**Step 6:** Serve Tenant with copy of Complaint.

**Step 7:** Tenant given an opportunity to answer Complaint

- Tenant may ask Court for hearing that Tenant's failure to sign and deliver copy of declaration of financial distress was due to mistake, inadvertence, surprise, or excusable neglect.
- If Tenant asks Court for hearing on tenant's failure to sign and deliver a declaration of financial distress, court sets a hearing date for that issue only.
- If tenant is successful in hearing on declaration, no eviction is permitted. If tenant's failure is not excused by court, then process continues.

**Step 8:** If tenant does not answer Complaint, court sets a default hearing date. If tenant answers complaint, court sets a trial date.

**Step 9:** If Tenant successful, the lawsuit is dismissed. If Landlord successful, obtain a judgment and a writ of possession and submit to Sheriff.

**Step 10:** Sheriff sets possession (lock-out) date. Service required on tenant (posted on property).

**Step 11:** Sheriff delivers possession to Landlord.

#### Notes:

- Anytime during process, landlord and tenant may enter into a mutual agreement to terminate the tenancy and give possession back to the landlord (C.A.R. form CRFP).
  - Form CRFP provides for landlord to give up right to all or portion of unpaid rent in exchange for possession.
  - If tenant does not vacate on time, landlord may have right to evict pursuant to at-fault just cause reason.
- If at any time during the process, and before tenant is removed from premises, tenant gives landlord a signed federal declaration of inability to pay rent for COVID-related reasons (C.A.R. form CDC-TD), tenant may not be evicted until January 1, 2021. Only applies if tenant's income does not exceed \$99,000.
- If at any time during the process, or before, landlord and tenant agree to a repayment plan for previously unpaid rent, landlord and tenant may enter into an agreement to document the pay-back period and terms (C.A.R. form CRRA).
  - Many local government entities have enacted laws addressing repayment rights. Repayment agreement must be consistent with local requirements.
  - Local government requirements cannot allow tenant to begin paying back rent after March 1, 2021 nor allow tenant to complete payment of unpaid beyond March 1, 2022.





## COVID-19 Tenant Relief Act of 2020 (AB 3088)

- Three parting thoughts on AB3088.
- Very complicated. If not experienced property manager, you or client should really seek legal advice before proceeding.
- Act ends 1/31/21. Will it be extended? Will this library go away in February 2021?
- C.A.R. forms are protected by copyright and zipForm terms of use
  - Copyright prohibits copying by unauthorized persons
  - Terms of use prohibits use of form unless REALTOR® involved in transaction.
    - If involved in sale and giving forms to owner/landlord client to deal with tenant but not participating in tenant relationship, you are not involved in **that** transaction, HOWEVER, your name is on the forms.



# Resources

- ▶▶ COVID-19 Tenant Relief Act of 2020
  - [Assembly Bill 3088. 9/1/20](#)
  
- ▶▶ Centers For Disease Control Emergency Order Re: Temporary Halt in Residential Evictions
  - [federalregister.gov/d/2020-19654](#)
  
- ▶▶ September/October 2020 COVID-19 Forms Release, Quick Summary
  - [<https://www.car.org/en/zipform/standard-forms/summary-forms-releases-chart/September-2020-Forms-Release>](#)
  
- ▶▶ Quick Guide: AB 3088 Tenant Relief Eviction Guide
  - [<https://www.car.org/riskmanagement/tools/AB3088---Tenant-Relief-Act-Eviction-Guide>](#)
  
- ▶▶ Quick Guide: The COVID-19 Tenant Relief Act of 2020
  - [<https://www.car.org/riskmanagement/tools/AB3088---Tenant-Relief-Act-Eviction-Guide>](#)



## New Laws in 2021

- Common Interest Development Rental Restriction (AB 3182, Civil Code 4741)
  - Must allow at least 25% rental units. ADUs not counted toward cap.
  - HOA may prohibit short term rentals of 30 days or less
- Small Claims Court Available for Unpaid Covid-Period Rent (AB 3088, Code of Civil Procedure 116.223)
  - No maximum amount (\$10,000 for individual claimants, \$5,000 for entity claimants).
  - Not limited to 2 claims in excess of \$2,500 per year
  - Only effective until February 1, 2025
- Department of Business Oversight “DBO” becomes Department of Financial Protection and Innovation “DFPI” (AB 186)
  - Regulatory body for independent escrow
- PACE liens (AB 1551, Various provisions of Finance Code and Streets and Highways Code)
  - PACE disclosures must be provided in paper form, not just electronic unless owner opts out on paper. No prepay penalty
  - Disclosure form includes product cost, financing cost (APR, simple interest), appraisal cost, bond fees, credit fees, prepayment fees, cash to close, monthly payments, 3-day cancel
  - Senior citizen (65 year or older) gets 5-day cancellation right
- Defensible Space Disclosures (AB 38[2019], Public Resources Code 4291+) (Effective 7/1/21)
  - Only for properties if TDS required.
  - Provide documentation that buyer or seller complies with requirements (point of sale)
  - 10-foot, 30-foot and 100-foot zones condition of ownership



## 2020 Cases of Interest – Sieg v Fogt

- ***Sieg v Fogt, as Registrar of Contractors*** (Filed 8/31/20, Published 9/28/20)
  - Release agreement between flooring contractor and homeowner does not prohibit regulatory body from taking action against contractor for breach of duty
  - California Contractors' State License Board files accusation against flooring contractor
  - ALJ finds contractor improperly installed flooring and breached Business & Professions Code (willful departure in material respect from accepted trade standards ...) and not adequately advised of problems with installing without moisture barrier
  - Registrar adopts finding of ALJ and contractor ordered to pay restitution and required to post a disciplinary bond
  - Contractor appeals to Superior Court. Loses. Contractor appeals to California Appellate Court.
  - At initial and subsequent meeting homeowner informed that moisture barrier needed
  - At time flooring arrives, homeowner wants contractor to begin immediately even though moisture levels not consistent. Contractor has owner sign disclaimer that installation not advisable.
  - After installation, loud popping sound on floor. Inspection reveals flooring installed too tight, lack of fasteners, fasteners improperly spaced, fasteners through subfloor, among other problems



## 2020 Cases of Interest – Sieg v Fogt

- (continued) **Sieg v Fogt, as Registrar of Contractors** (Filed 8/31/20, Published 9/28/20)
  - Contractor argues that disclaimer releases from liability
  - Appellate Court – issue is whether disclaimer ADEQUATELY ADVISED owner of risk
  - For licensing enforcement, owner cannot consent to departure from accepted trade standards (a law established for public reason cannot be contravened by private agreement)
  - Independent obligation to public to adhere to established standards of performance
  - Contractor obligation to conform conduct to statutory standard of workmanship “cannot be diluted, circumvented, or released away by private consent
- Regulatory discipline upheld.
- Remember when before DRE was BRE after it was DRE and before it became DRE again!
- BRE under Dept. of Consumer Affairs. Could not have settlement that prohibited regulatory enforcement.
- DRE discipline authority for B&P Code 10176/10177 – Substantial misrepresentation, fraud, dishonest dealing, violations of real estate law





## 2020 Cases of Interest – Aljabban v Fontana Indoor Swap Meet

- ***Aljabban v Fontana Indoor Swap Meet*** (Filed 8/18/20, Published 9/10/20)
  - Q1. When is a licensee, not a licensee but a tenant instead?
  - Q2. When does an improvement belong to a landlord and not the tenant?
  - Q2. When can a security deposit be used to pay for damages to a property?
  - Q3. When does it \$680 loss cost more than \$135,000?
  
- A1. When you say so in a filing with the court.
- A2. When the lease says so.
- A3. If damage is caused by a residential tenant or a commercial tenant if the lease says so.
- A4. When there is a prevailing party attorney fee clause in a contract, and you LOSE the lawsuit.



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## 2020 Cases of Interest – Aljabban v Fontana Indoor Swap Meet

- (continued) ***Aljabban v Fontana Indoor Swap Meet*** (Filed 8/18/20, Published 9/10/20)
  - Aljabban operates beauty salon on swap meet.
  - When business purchased, Aljabban put in over \$30,000 to remodel.
  - Signed 1-year vendor's permit with manager. Agreement states it is a license agreement. Not intended to create a landlord-tenant relationship (paragraph 1). Monthly rent \$1340. Security deposit of \$2680. Security deposit forfeited if vendor assigns (paragraph 7). Management reserves right to use security deposit toward free rent or rent concession period (paragraph 15). Booth construction becomes permanent fixture and may not be removed by vendor (paragraph 4).
  - Manager terminates agreement because of lack of business even though vendor paying rent
  - Vendor comes with u-haul and tries to remove sinks, other fixture. Security guard stop.
  - Manager keeps \$680 of security deposit to pay for damage caused on termination. Returns \$2,000.
  - Vendor sues for recovery of \$680 and cost of improvements.
  - Trial court decides for management, plus attorney fees/costs of \$135,000.
  - Vendor appeals.



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## 2020 Cases of Interest – Aljabban v Fontana Indoor Swap Meet

(continued) ***Aljabban v Fontana Indoor Swap Meet*** (Filed 8/18/20, Published 9/10/20)

- Vendor argues that as licensee, allowed to keep improvements. Vendor lawsuit claims Aljabban a tenant. Court rules that Aljabban cannot change theory of case.
- Fixture if permanently attached by cement, plaster, nails, bolts, screws.
- Fixture belongs to owner unless agreement says otherwise.
- Trade fixtures belong to tenant if can be removed without injury to premises EXCEPT if agreement between the parties. Paragraph 15 of agreement.
- Civil Code 1950.7, commercial security deposit. 1950.5, residential security deposit.
- Landlord may use security deposit for defaults in rent, repair damages, clean IF deposit is made for those specific purposes. Court – This means these uses must be specified in the lease (vendor's permit). Paragraph 7 does not allow for that use of deposit. Vendor entitled to return of \$680.
- Trial court awarded attorney fees because manager won entire lawsuit.
- Since vendor won one claim on appeal, trial court must reconsider decision.
- Trial court must reconsider who is prevailing party, if anyone is.



## 2020 Cases of Interest – Aljabban v Fontana Indoor Swap Meet

- (continued) ***Aljabban v Fontana Indoor Swap Meet*** (Filed 8/18/20, Published 9/10/20)
  - C.A.R. Form SIP (Seller License to Remain in Possession)
    - Par. 1, Seller granted a license.
    - Par. 2, License fee (not rent)
    - Par. 3C, Delivery of Possession fee (not security deposit)
  - C.A.R. Form LR (Residential Lease or Month/Month Agreement)
    - Par. 25B, All improvements become property of landlord.
  - C.A.R. Form CL (Commercial Lease)
    - Par. 24, All improvements become property of landlord.
    - Par. 6, Security deposit can be used for unpaid rent, damages, clean
  - Prevailing Party Attorney fee clause
  - C.A.R. Form RPA (Residential Purchase Agreement), Par. 25.
  - C.A.R. Form LR (Residential Lease or Month/Month Agreement), Par. 36, not to exceed \$1,000
  - C.A.R. Form CL (Commercial Lease), Par. 41
  - C.A.R. attorney fees only apply if prevailing party attempted to mediate first



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Questions????





# YOUR VOTE IS YOUR VOICE!

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Remember to **VOTE** on November 3<sup>rd</sup>

Contra Costa residents should have received their ballots by mail.

If you have not received yours, go to **Where's My Ballot?** at  
[california.ballottrax.net/voter](https://california.ballottrax.net/voter)



If you need a simple summary of real-estate-related ballot information visit:  
[ccartoday.com/election-2020-primer](https://ccartoday.com/election-2020-primer)



**YES ON PROP 19** the Home  
Protection for Senior, Families, and Victims of  
Wildfire and Natural Disasters Act.



THANK YOU!

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