## New Construction Purchase Agreement Instructions for 73421 Corbin Rd, 29 Palms CA

# PLEASE READ CAREFULLY AND INSERT THE INFORMATION BELOW INTO YOUR OFFER ON THE NEW CONSTRUCTION PURCHASE AGREEMENT FORM IN THE PARAGRAPHS INDICATED. THANKS!

#### Paragraph 1.B:

a. Lot No: 18b. Phase No: 3c. Plan: Summerd. Tract No.: 17172-1

e. Planned Unit Development

f. Book: 323 g. Page: 76 – 79

h. San Bernardino County

Paragraph 4.B.COE: February 28th, 2025

Paragraph 4.D.3: NOT APPLICABLE – NO OPTIONS OR UPGRADES

Paragraph 4.J: No public report required

Paragraph Q.(10)-(14): Leave blank

Paragraph 4.R.: insert "Per current code"

Paragraph 4.S: Leave all items blank

Paragraph 4.T.: Standard warranty

#### Paragraph 38:

a. Block C: check the block and provide a copy of the Civil Code sections 895 – 945.5 to the Buyer. INCLUDED IN THE SUPPLEMENT SECTION ON THE MLS

b. Block D: Have the buyer initial block D

c. Block E: Agent for service of process is Bliss Holding Group, Inc., dba Chisel & Tool, 910 S San Gabriel Blvd, Pasadena, CA 91107

Paragraph 39: DO NOT INITIAL this paragraph

Paragraph 42: Initial this paragraph

Paragraph 44: Initial this paragraph



## DISCLOSURE REGARDING REAL ESTATE AGENCY RELATIONSHIP

(As required by the Civil Code) (C.A.R. Form AD, Revised 12/21)

 $\Box$  (If checked) This form is being provided in connection with a transaction for a leasehold interest exceeding one year as per Civil Code section 2079.13(j), (k), and (l).

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

#### **SELLER'S AGENT**

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

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

To the Buyer and the Seller:

- (a) Diligent exercise of reasonable skill and care in performance of the agent's duties.
- (b) A duty of honest and fair dealing and good faith.
- (c) A duty to disclose all facts known to the agent materially affecting the value or desirability of the property that are not known to, or within the diligent attention and observation of, the parties. An agent is not obligated to reveal to either party any confidential information obtained from the other party that does not involve the affirmative duties set forth above.

#### **BUYER'S AGENT**

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

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

To the Buyer and the Seller:

- (a) Diligent exercise of reasonable skill and care in performance of the agent's duties.
- (b) A duty of honest and fair dealing and good faith.
- (c) A duty to disclose all facts known to the agent materially affecting the value or desirability of the property that are not known to, or within the diligent attention and observation of, the parties. An agent is not obligated to reveal to either party any confidential information obtained from the other party that does not involve the affirmative duties set forth above.

#### AGENT REPRESENTING BOTH SELLER AND BUYER

A real estate agent, either acting directly or through one or more salespersons and broker associates, 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, a dual agent may not, without the express permission of the respective party, disclose to the other party confidential information, including, but not limited to, facts relating to either the Buyer's or Seller's financial position, motivations, bargaining position, or other personal information that may impact price, including the Seller's willingness to accept a price less than the listing price or the Buyer's willingness to pay a price greater than the price offered.

#### SELLER AND BUYER RESPONSIBILITIES

Either the purchase agreement or a separate document will contain a confirmation of which agent is representing you and whether that agent is representing you exclusively in the transaction or acting as a dual agent. Please pay attention to that confirmation to make sure it accurately reflects your understanding of your agent's role.

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

If you are a Buyer, you have the duty to exercise reasonable care to protect yourself, including as to those facts about the property which are known to you or within your diligent attention and observation.

Both Sellers and Buyers should strongly consider obtaining tax advice from a competent professional because the federal and state tax consequences of a transaction can be complex and subject to change.

Throughout your real property transaction you may receive more than one disclosure form, depending upon the number of agents assisting in the transaction. The law requires each agent with whom you have more than a casual relationship to present you with this disclosure form. You should read its contents each time it is presented to you, considering the relationship between you and the real estate agent in your specific transaction. This disclosure form includes the provisions of Sections 2079.13 to 2079.24, inclusive, of the Civil Code set forth on page 2. Read it carefully. I/WE ACKNOWLEDGE RECEIPT OF A COPY OF THIS DISCLOSURE AND THE PORTIONS OF THE CIVIL CODE PRINTED ON THE SECOND PAGE.

| 🗷 Buyer 🗌 Seller 🗌 Landlord 🗌 Tenant      |            | Date       |  |
|---|------------|------------|--|
| ☐ Buyer ☐ Seller ☐ Landlord ☐ Tenant      |            | Date       |  |
| Agent                                     |            | DRE Lic. # |  |
| Real Estate Broker (Firm)                 |            |            |  |
| By  | DRE Lic. # | Date       |  |
| (Salesperson or Broker-Associate, if any) |            |            |  |

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#### **CIVIL CODE SECTIONS 2079.13 – 2079.24 (2079.16 APPEARS ON THE FRONT)**

2079.13. As used in Sections 2079.7 and 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. The agent in the real property transaction bears responsibility for that agent's salespersons or broker associates who perform as agents of the agent. When a salesperson or broker associate 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 salesperson or broker associate functions. (b) "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 of real property. (c) "Commercial real property" means all real property in the state, except (1) single-family residential real property, (2) dwelling units made subject to Chapter 2 (commencing with Section 1940) of Title 5, (3) a mobilehome, as defined in Section 798.3, (4) vacant land, or (5) a recreational vehicle, as defined in Section 799.29. (d) "Dual agent" means an agent acting, either directly or through a salesperson or broker associate, as agent for both the seller and the buyer in a real property agent means an agent acting, either directly or through a salesperson or proker associate, as agent for both the seller and the buyer in a real property transaction. (e) "Listing agreement" means a written contract between a seller 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, including rendering other services for which a real estate license is required to the seller pursuant to the terms of the agreement. (f) "Seller's 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 seller's agent. (ħ) "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 buyer's agent that 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, and includes (1) single-family residential property, (2) multiunit residential property with more than four dwelling units, (3) commercial real property, (4) vacant land, (5) a ground lease coupled with improvements, or (6) a manufactured home as defined in Section 18007 of the Health and Safety Code, or a mobilehome as defined in Section 18008 of the Health and Safety Code, 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 retained by a buyer, seller, or both a buyer and seller to act in that transaction, and includes a listing or an offer to purchase. (I) "Sell," "sale," or "sold" refers to a transaction for the transfer of real property from the seller to the buyer and includes exchanges of real property between the seller and buyer, transactions for the creation of a real property sales contract within the meaning of Section 2985, and transactions for the creation of a leasehold exceeding one year's duration. (m) "Seller" means the transferor in a real property transaction and includes an owner who lists real property with an agent, whether or not a transfer results, or who receives an offer to purchase real property of which he or she is the owner from an agent on behalf of another. "Seller" includes both a vendor and a lessor of real property. (n) "Buyer's agent" means an agent who represents a buyer in a real property transaction.

2079.14. A seller's agent and buyer's agent shall provide the seller and buyer in a real property transaction with a copy of the disclosure form specified in

Section 2079.16, and shall obtain a signed acknowledgment of receipt from that seller and buyer, except as provided in Section 2079.15, as follows: (a) The seller's agent, if any, shall provide the disclosure form to the seller prior to entering into the listing agreement. (b) The buyer's agent shall provide the disclosure form to the buyer as soon as practicable prior to execution of the buyer's offer to purchase. If the offer to purchase is not prepared by the buyer's agent, the buyer's agent shall present the disclosure form to the buyer not later than the next business day after receiving 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 shall set forth, sign, and date a written declaration of the facts of the refusal.

2079.16 Reproduced on Page 1 of this AD form.

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

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

| Seller's Brokerage Firm       | DO NOT COMPLETE. SAMPLE ONLY                                | License Number                   |
|-------------------------------|---|----------------------------------|
| Is the broker of (check one): | the seller; or both the buyer and seller. (dual agent)      |                                  |
| Seller's Agent                | DO NOT COMPLETE. SAMPLE ONLY                                | License Number                   |
| Is (check one): the Seller's  | Agent. (salesperson or broker associate) 🗌 both the Buyer's | and Seller's Agent. (dual agent) |
| Buyer's Brokerage Firm        | DO NOT COMPLETE. SAMPLE ONLY                                | License Number                   |
| Is the broker of (check one): | the buyer; or both the buyer and seller. (dual agent)       |                                  |
| Buyer's Agent                 | DO NOT COMPLETE. SAMPLE ONLY                                | License Number                   |
| Is (check one): the Buver's   | Agent. (salesperson or broker associate) both the Buver's   | and Seller's Agent. (dual agent) |

(d) The disclosures and confirmation required by this section shall be in addition to the disclosure required by Section 2079.14. An agent's duty to provide disclosure and confirmation of representation in this section may be performed by a real estate salesperson or broker associate affiliated with that broker. **2079.18** (Repealed pursuant to AB-1289)

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) A dual agent may not, without the express permission of the seller, disclose to the buyer any confidential information obtained from the seller.

(b) A dual agent may not, without the express permission of the buyer, disclose to the seller any confidential information obtained from the buyer. (c) "Confidential information" means facts relating to the client's financial position, motivations, bargaining position, or other personal information that may impact price, such as the seller is willing to accept a price less than the listing price or the buyer is willing to pay a price greater than the price offered. (d) 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 seller's agent from also being a buyer's agent. If a seller or buyer in a transaction chooses to not be represented by an agent, that 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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#### FAIR HOUSING AND DISCRIMINATION ADVISORY

(C.A.R. Form FHDA, Revised 6/23)

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:
  - A. FEDERAL FAIR HOUSING ACT ("FHA") 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:
  - C. 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;
  - D. 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: § 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 based on that person's belonging to, association with, or perceived membership in, certain classes or categories, such as the following, is prohibited. Other classes, categories or restrictions may also apply.

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

#### THE CALIFORNIA DEPARTMENT OF REAL ESTATE REQUIRES TRAINING AND SUPERVISION TO PREVENT HOUSING **DISCRIMINATION BY REAL ESTATE LICENSEES:**

- A. 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, disability, 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

CALIFORNIA

ASSOCIATION

OF REALTORS®

- Real estate licensees
- Mobilehome parks
- Insurance companies
- Landlords/Housing Providers
- Real estate brokerage firms
- Homeowners Associations ("HOAs");
- Government housing services
- Sublessors
- Property managers
- Banks and Mortgage lenders
- Appraisers

#### EXAMPLES OF CONDUCT THAT MAY NOT BE MOTIVATED BY DISCRIMINATORY INTENT BUT COULD HAVE A **DISCRIMINATORY EFFECT:**

- A. 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:
  - A. 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
  - Making any statement or advertisement that indicates any preference, limitation, or discrimination;

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- 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);
- 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);
- Denying a home loan or homeowner's insurance;
- Offering inferior terms, conditions, privileges, facilities or services;
- 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;
- Harassing a person;
- Taking an adverse action based on protected characteristics;
- Refusing to permit a reasonable modification to the premises, as requested by a person with a disability (such as refusing to allow a tenant who uses a wheelchair to install, at their expense, a ramp over front or rear steps, or refusing to allow a tenant with a disability from installing, at their own expense, grab bars in a shower or bathtub);
- 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;
- Retaliating for asserting rights under fair housing laws.

#### 10. EXAMPLES OF POSITIVE PRACTICES:

- 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.
- Real estate licensees should provide complete and objective information to all clients based on the client's selection criteria.
- 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.
- 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").
- 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.
  - Federal: https://www.hud.gov/program\_offices/fair\_housing\_equal\_opp
  - State: https://calcivilrights.ca.gov/housing/
  - Local: local Fair Housing Council office (non-profit, free service)
  - DRE: https://www.dre.ca.gov/Consumers/FileComplaint.html
  - Local Association of REALTORS®. List available at: https://www.car.org/en/contactus/rosters/localassociationroster.
  - 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.
  - Legally compliant senior housing is exempt from FHA, FEHA and Unruh as related to age or familial status only;
  - 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;
  - 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;
  - 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
  - Both FHA and FEHA do not apply to roommate situations. See, Fair Housing Council v Roommate.com LLC, 666 F.3d 1216 (2019).
  - 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/Housing Provider have read, understand and acknowledge receipt of a copy of this Fair Housing & Discrimination Advisory.

| Buyer/Tenant            | Date _                         |  |
|-------------------------|--------------------------------|--|
| Buyer/Tenant            | Date                           |  |
| Seller/Housing Provider | Tanihaha Enterprises, LLC Date |  |
| Seller/Housing Provider | Date                           |  |

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### POSSIBLE REPRESENTATION OF MORE THAN ONE BUYER OR SELLER - DISCLOSURE AND CONSENT

(C.A.R. Form PRBS, Revised 12/21)

A real estate broker (Broker), whether a corporation, partnership or sole proprietorship, may represent more than one buyer or seller. This multiple representation can occur through an individual licensed as a broker or salesperson or through different individual broker's or salespersons (associate licensees) acting under the Broker's license. The associate licensees may be working out of the same or different office locations.

Multiple Buyers: Broker (individually or through its associate licensees) may be working with many prospective buyers at the same time. These prospective buyers may have an interest in, and make offers on, the same properties. Some of these properties may be listed with Broker and some may not. Broker will not limit or restrict any particular buyer from making an offer on any particular property whether or not Broker represents other buyers interested in the same property.

Multiple Sellers: Broker (individually or through its associate licensees) may have listings on many properties at the same time. As a result, Broker will attempt to find buyers for each of those listed properties. Some listed properties may appeal to the same prospective buyers. Some properties may attract more prospective buyers than others. Some of these prospective buyers may be represented by Broker and some may not. Broker will market all listed properties to all prospective buyers whether or not Broker has another or other listed properties that may appeal to the same prospective buyers.

Dual Agency: If Seller is represented by Broker, Seller acknowledges that broker may represent prospective buyers of Seller's property and consents to Broker acting as a dual agent for both seller and buyer in that transaction. If Buyer is represented by Broker, buyer acknowledges that Broker may represent sellers of property that Buyer is interested in acquiring and consents to Broker acting as a dual agent for both buyer and seller with regard to that property.

In the event of dual agency, seller and buyer agree that: a dual agent may not, without the express permission of the respective party, disclose to the other party confidential information, including, but not limited to, facts relating to either the buyer's or seller's financial position, motivations, bargaining position, or other personal information that may impact price, including the seller's willingness to accept a price less than the listing price or the buyer's willingness to pay a price greater than the price offered; and except as set forth above, a dual agent is obligated to disclose known facts materially affecting the value or desirability of the Property to both parties.

Offers not necessarily confidential: Buyer is advised that seller or listing agent may disclose the existence, terms, or conditions of buyer's offer unless all parties and their agent have signed a written confidentiality agreement. Whether any such information is actually disclosed depends on many factors, such as current market conditions, the prevailing practice in the real estate community, the listing agent's marketing strategy and the instructions of the seller.

Buver and seller understand that Broker may represent more than one buver or more than one seller and even both buver and seller on the same transaction and consents to such relationships.

Seller and/or Buyer acknowledges reading and understanding this Possible Representation of More Than One Buyer or Seller - Disclosure and Consent and agrees to the agency possibilities disclosed.

| Seller X  | X                  |          |  |
|---|--------------------|----------|--|
| Seller  |                    | _ Date   |  |
| Buyer   |                    | _ Date   |  |
| Buyer   |                    | Date     |  |
| Buyer's Brokerage Firm                                      | DRE Lic #          |          |  |
| Ву  | DRE Lic#           | _ Date   |  |
| Seller's Brokerage Firm <b>Sand to Sea Properties, Inc.</b> | DRE Lic # 01799041 |          |  |
| Ву  | DRE Lic # 01379810 | Date     |  |
| Frank Delzompo  |                    | <u> </u> |  |

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PRBS REVISED 12/21 (PAGE 1 OF 1)



## WIRE FRAUD AND ELECTRONIC FUNDS TRANSFER ADVISORY

(C.A.R. Form WFA, Revised 12/21)

Property Address: <u>73421 Corbin Rd, Twentynine Palms, CA</u> 92277 ("Property").

#### WIRE FRAUD AND ELECTRONIC FUNDS TRANSFERS ADVISORY:

The ability to communicate and conduct business electronically is a convenience and reality in nearly all parts of our lives. At the same time, it has provided hackers and scammers new opportunities for their criminal activity. Many businesses have been victimized and the real estate business is no exception.

While wiring or electronically transferring funds is a welcome convenience, we all need to exercise extreme caution. Emails attempting to induce fraudulent wire transfers have been received and have appeared to be legitimate. Reports indicate that some hackers have been able to intercept emailed transfer instructions, obtain account information and, by altering some of the data, redirect the funds to a different account. It also appears that some hackers were able to provide false phone numbers for verifying the wiring or funds transfer instructions. In those cases, the victim called the number provided to confirm the instructions, and then unwittingly authorized a transfer to somewhere or someone other than the intended recipient.

#### **ACCORDINGLY, YOU ARE ADVISED:**

- 1. Obtain phone numbers and account numbers only from Escrow Officers, Property Managers, or Landlords at the beginning of the transaction.
- DO NOT EVER WIRE OR ELECTRONICALLY TRANSFER FUNDS PRIOR TO CALLING TO CONFIRM THE TRANSFER INSTRUCTIONS. ONLY USE A PHONE NUMBER YOU WERE PROVIDED PREVIOUSLY. Do not use any different phone number or account number included in any emailed transfer instructions.
- 3. Orally confirm the transfer instruction is legitimate and confirm the bank routing number, account numbers and other codes before taking steps to transfer the funds.
- 4. Avoid sending personal information in emails or texts. Provide such information in person or over the telephone directly to the Escrow Officer, Property Manager, or Landlord.
- 5. Take steps to secure the system you are using with your email account. These steps include creating strong passwords, using secure WiFi, and not using free services.

If you believe you have received questionable or suspicious wire or funds transfer instructions, immediately notify your bank, and the other party, and the Escrow Office, Landlord, or Property Manager. The sources below, as well as others, can also provide information:

Federal Bureau of Investigation: https://www.fbi.gov/; the FBI's IC3 at www.ic3.gov; or 310-477-6565

National White Collar Crime Center: http://www.nw3c.org/

On Guard Online: https://www.onguardonline.gov/

NOTE: There are existing alternatives to electronic and wired fund transfers such as cashier's checks. By signing below, the undersigned acknowledge that each has read, understands and has received a copy of this Wire Fraud and Electronic Funds Transfer Advisory.

| Buyer/Tenant             |                           | Date |  |
|--------------------------|---------------------------|------|--|
| Buyer/Tenant             |                           | Date |  |
| Seller/Landlord <b>x</b> | Tanihaha Enterprises, LLC | Date |  |
| Seller/Landlord          |                           | Date |  |

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WFA REVISED 12/21 (PAGE 1 OF 1)



©

## **NEW CONSTRUCTION PURCHASE AGREEMENT** AND JOINT ESCROW INSTRUCTIONS (C.A.R. FORM NCPA, Revised 6/23)

|            |       | epared:<br>FER:   |
|------------|-------|---|
|            | _     | THIS IS AN OFFER FROM ("Buyer").  |
|            |       | FOR THE PURCHASE of the following described real estate together with the dwelling to be erected thereon and further described  |
|            |       |   |
|            |       | as: Lot/Unit No   |
|            |       | Recorded in Book 323 of Maps at page 76-79 Official Records of San Bernardino County,   |
|            |       |   |
|            |       | (Postal/Mailing address may be different from city jurisdiction. Buyer is advised to investigate.)  |
|            | C.    | THE TERMS OF THE PURCHASE ARE SPECIFIED BELOW AND ON THE FOLLOWING PAGES.   |
|            | Б.    | <ol> <li>CLOSE OF ESCROW</li> <li>Close Of Escrow shall occur at the earlier of: (i) the time specified in paragraph 4B or (ii) no later than 10 Days after Buyer receives notice from Seller of the issuance of a certificate of occupancy from the applicable local government ("Closing Date"). Seller shall notify Buyer when work is completed and Seller intends to request the final inspection. If, through no fault of Buyer, escrow does not close within 1 year after Acceptance, then Buyer shall not be obligated to close escrow, unless Otherwise Agreed or specified in this Agreement.</li> <li>Seller agrees to complete construction of the Property and file a notice of completion thereon on or before the time specified in paragraph 4B, which shall not be more than 1 year after Acceptance. Seller shall have the unilateral right to extend the Close Of Escrow beyond the Closing Date to any other date that is up to 1 year after Acceptance for any delays related to acts of God, strike, labor dispute, or unavailability or shortage of materials necessary to complete construction of the Property. Seller shall in no event be responsible to Buyer or any third parties for any such delays.</li> <li>If escrow does not close on or before the time specified in paragraph 4B, or after 1 year of Acceptance, as otherwise extended by Seller and Buyer in writing after Acceptance or by Seller under paragraph 1D(2), due to no fault of Buyer, then Seller shall, within 15 Days after the time specified in paragraph 4B or as extended, return Buyer's deposit, including:         (i) all third-party charges such as those specified in paragraphs 40 and 41; and (ii) charges for Optional Items specified in paragraph 2. In clarification of the foregoing, Buyer shall have the option to either: (a) cancel this Agreement based on the Close Of Escrow as established in paragraph 18G; (b) continue with the purchase of the Property and close no later</li> </ol> |
|            |       | than <b>10 Days</b> after Buyer receives notice from Seller of the issuance of a certificate of occupancy from the applicable local government; or (c) pursue any other legal remedies. If Buyer fails to notify Seller that Buyer is electing to continue, then Seller, after first serving a Notice to Buyer to Perform (C.A.R. Form NBP) to make an election, may cancel this Agreement, and then return Buyer's deposit, including: (i) all third-party charges such as those specified in <b>paragraphs 40</b> and <b>41</b> ; and (ii) charges for Optional Items specified in <b>paragraph 2</b> .  (4) If Buyer is at fault, Seller shall not be obligated to return any amount paid to Seller as liquidated damages pursuant to  |
|            | E.    | <ul> <li>paragraph 42, if applicable.</li> <li>Buyer and Seller are referred to herein as the "Parties." Brokers and Agents are not Parties to this Agreement.</li> </ul>   |
| 2.         | OP.   | TIONAL ITEMS:   |
|            | A.    | <b>SELECTIONS:</b> Buyer agrees to make any color and optional items selections, if applicable, from the choices offered by Seller  |
|            |       | or Seller's agents within <b>15 Days</b> after such choices are offered. If Buyer does not make such selections within such time period, then Seller may make such selections, which shall be final. Buyer shall not have the right to make any such selection  |
|            |       | which would delay the Close Of Escrow.  |
|            | B.    | <ul> <li>(1) UPGRADES: If, concurrent with or subsequent to the execution of this Agreement, Buyer requests any changes or extras from Seller, an Options and Upgrades addendum (C.A.R. Form NCOU), a copy of which is provided with this Agreement, shall be executed by Buyer and Seller, and Buyer shall deposit into escrow a cash deposit against the agreed cost of such changes or extras ("Option Deposit"). Note to Seller: For property sold subject to a public report, you must use the Options and Upgrades amendment provided with this NCPA or for any other options and upgrades amendment you intend to use you must submit them to, and have them be accepted by, the DRE.</li> <li>(2) INCREASE IN PURCHASE PRICE: If after execution of this Agreement you select options and upgrades as provided in paragraph 2B(1), the total purchase price will increase by the amount of options and upgrades selected.</li> </ul>  |
|            |       | (3) <b>TREATMENT OF OPTION DEPOSIT:</b> The Option Deposit shall be held in escrow and be paid to Seller at closing. If   |
|            |       | escrow does not close and Seller deems Buyer is in default, disposition of the Option Deposit shall be made in  |
|            |       | accordance with the provisions of paragraph 42 of this Agreement, unless Otherwise Agreed. In the event of Seller   |
| 3          | ΔG    | default, any Option Deposit paid pursuant to this paragraph shall be returned to Buyer.  ENCY:  |
| <b>J</b> . |       | <b>DISCLOSURE:</b> The Parties each acknowledge receipt of a "Disclosure Regarding Real Estate Agency Relationships" (C.A.R.  |
|            |       | Form AD) if represented by a real estate licensee. Buyer's Agent is not legally required to give to Seller's Agent the AD form Signed by Buyer. Seller's Agent is not legally obligated to give to Buyer's Agent the AD form Signed by Seller.  CONFIRMATION: The following agency relationships are hereby confirmed for this transaction.   |
|            |       | Seller's Brokerage Firm Sand to Sea Properties, Inc. License Number 01799041  Is the broker of (check one): X the Seller; or both the Buyer and Seller (Dual Agent).  |
|            |       |   |
|            |       | Seller's Agent Frank Delzompo License Number 01379810  Is (check one): X the Seller's Agent (Salesperson or broker associate); or both the Buyer's and Seller's Agent (Dual Agent).  Buyer's Brokerage Firm License Number  |
|            |       | Is the broker of (check one): the Buyer; or both the Buyer and Seller (Dual Agent).   |
|            |       | Buyer's Agent License Number  |
|            |       | Is (check one): the Buyer's Agent (Salesperson or broker associate); or both the Buyer's and Seller's Agent (Dual Agent).   |
|            |       | ^   |
| © 20       | 23, C | alifornia Association of REALTORS®, Inc.  |
| NC         | PA R  | REVISED 6/23 (PAGE 1 OF 18) Buyer's Initials / Seller's Initials 🗶 /  |
|            |       | V CONSTRUCTION PURCHASE AGREEMENT AND JOINT ESCROW INSTRUCTIONS (NCPA PAGE 1 OF 18)   |

| Propert | Property Address: 73421 Corbin Rd, Twentynine Palms, CA 92277 Date:  |  |   |   |  |
|---------|--|--|---|---|--|
| D. PO   | <ul> <li>More than one Brokerage represents Seller, Buyer. See, Additional Broker Acknowledgement (C.A.R. Form ABA).</li> <li>POTENTIALLY COMPETING BUYERS AND SELLERS: The Parties each acknowledge receipt of a representation of More than One Buyer or Seller - Disclosure and Consent" (C.A.R. Form PRBS).</li> </ul> |  |   |   |  |
|         | (If checked) REFERRAL LICENSEE: (print Firm Name) is a   |  |   |   |  |
|         | Referral Licensee only and shall be compensated \$ or % of the Purchase Price. Buyer and Seller  |  |   |   |  |
|         |  |  | oduced Buyer to the Property and does not r   | epresent Buyer or Seller in this                            |  |
|         |  |  | that any agency relationship with Referral Lice   |   |  |
|         |  |  | ated for this Property as of the date of Buyer  |   |  |
|         |  |  | tween Buyer and Seller. Note to Referral Lice   |   |  |
|         |  |  | nt in the transaction add a Confirmation of Re  | eal Estate Agency Relationships                             |  |
|         | hat time (C.A.   |  | OCTC: The items in this newspaper are control   | and the American  |  |
|         |  |  | OSTS: The items in this paragraph are contr<br>This form is 18 pages. The Parties are advised |   |  |
| 110     | Paragraph  |  | Terms and Conditions  | Additional Terms  |  |
| A       | #<br>6, 6B (cash)  | Term Purchase Price  |   | ☐ All Cash  |  |
| A       | 0, 0D (Cash)   | Purchase Price   | \$(excluding options and upgrades)  | All Cash  |  |
| В       | 1D   | Close of Escrow (COE)  | Days after Acceptance   |   |  |
|         |  |  | OR on X <u>02/28/2025</u> (date) (mm/dd/yyyy)   |   |  |
| С       | 45   | Expiration of Offer  | 3 calendar days after all Buyer Signature(s) or   |   |  |
|         |  |  | (date) at 5PM or AM/  |   |  |
|         |  |  |   |   |  |
| D(1)    | 6A(1)  | Initial Deposit Amount   | \$ ( % of purchase price)   | Delivered to Escrow (or Seller)                             |  |
|         |  |  | (% number above is for calculation purposes   | within 3 (or) business days                                 |  |
|         |  |  | and is not a contractual term)  | after Acceptance by wire transfer OR Personal Check         |  |
|         |  |  |   | OR OR   |  |
| D(2)    | 6A(2)  | Increased Deposit  | \$ ( % of purchase price)   | Upon removal of all contingencies                           |  |
| D(2)    | 0A(2)  | (Money placed into escrow after the                                | (% number above is for calculation purposes   | OR (date)   |  |
|         |  | initial deposit. Use form DID at time                              | and is not a contractual term)  | OR  |  |
|         |  | increased deposit is made.)  |   |   |  |
| D(3)    | 2, 6A(4)   | Option and Upgrade Deposit   | \$ not applicable   | Options and Upgrades purchased                              |  |
|         |  | (Money placed into escrow for the purchase of optional or upgraded |   | after execution of this Agreement may alter Purchase Price. |  |
|         |  | items concurrent with this contract.)                              |   | may alter i dioridoe i noc.                                 |  |
| E(1)    | 6C(1)  | Loan Amount(s): First  | \$(% of purchase price)   | Conventional or, if checked,                                |  |
| ,       |  | Interest Rate  | Fixed rate or Initial adjustable rate   | FHA (Forms FVAC/HID attached)                               |  |
|         |  | Points   | not to exceed%     Buyer to pay up to points to obtain rate                                   | VA (Form FVAC attached)                                     |  |
|         |  | Folitis  | above   | Seller Financing Other:                                     |  |
|         | •  | If FHA or VA checked, Deliver list of                              | 17 (or) Days after Acceptance   |   |  |
|         |  | lender required repairs  | , ==, ==, ===, =======================  |   |  |
| E(2)    | 6C(2)  | Additional Financed Amount   | \$ (% of purchase price)  | Conventional or, if checked,                                |  |
|         |  | Interest Rate  | Fixed rate or Initial adjustable rate   | Seller Financing Other:                                     |  |
|         |  | Points   | not to exceed%     Buyer to pay up to points to obtain rate                                   | □ Julei.<br>  |  |
|         |  | 1 onto   | above   |   |  |
| E(3)    | 8A   | Occupancy Type   | Primary, or if checked, Secondary Investment  | nt  |  |
| F       | 6D   | Balance of Down Payment  | \$  |   |  |
|         |  | PURCHASE PRICE TOTAL   | \$  |   |  |
| 0(4)    | Loc  | Callan Ovadit if annu ta Buran                                     | ( ( ( ( ( ( ( ( ( ( ( ( ( ( ( ( ( ( (   | O - Harris and distants a sounding data also single         |  |
| G(1)    | 6E   | Seller Credit, if any, to Buyer                                    | \$(% of purchase price) (% number above is for calculation purposes                           | Seller credit to be applied to closing costs OR             |  |
|         |  |  | and is not a contractual term)  | Other:  |  |
| G(2)    | ADDITIONAL   | FINANCE TERMS:   |   |   |  |
|         |  |  |   |   |  |
| G(3)    | 21   |  | n of Buyer to compensate Buyer's Broker under a   |   |  |
|         | l  |  | s offer, if any, to compensate Buyer's Broker is unaff  | ected unless Otherwise Agreed                               |  |
| H(1)    | 6B   | Verification of All Cash (sufficient funds)                        | Attached to the offer or 3 (or) Days after Acceptance   |   |  |
| 11/6    | 7.0  | ,  | '   |   |  |
| H(2)    | 7A   | Verification of Down Payment and Closing Costs                     | Attached to the offer or 3 (or) Days after Acceptance   |   |  |
| H(3)    | 7B   | Verification of Loan Application                                   | Attached to the offer or 3 (or) Days  | Prequalification Preapproval                                |  |
| (-)     |  |  | after Acceptance  | Fully underwritten preapproval                              |  |

**Intentionally Left Blank** 

| riopert | y Addicss. 75  | +21 COIDIII Ku, Twentynnie Panns,  | CA 32211   | ale.   |
|---------|----------------|--|--|--|
| J       | 12             | Public Report Status   | Final Public Report  No Public Report Required  Conditional Public Report  Amended/Renewed Public Report | If Conditional Public Report is checked: Final Public Report shall be issued within 6 months or 30 months of the date of issuance of the Conditional Public Report.    |
| K       | 19             | Final Verification of Condition  | 5 (or) Days prior to COE   |  |
| L       | 26             | Assignment Request   | 17 (or) Days after Acceptance  |  |
| M       | 9              | CONTINGENCIES  | TIME TO REMOVE CONTINGENCIES   | CONTINGENCY REMOVED  |
| M(1)    | 9A             | Loan(s)  | 17 (or) Days after Acceptance  | ☐ No loan contingency  |
| M(2)    | 9B, 15         | Investigation of Property  | 17 (or) Days after Acceptance  | REMOVAL OR WAIVER OF   |
| M(3)    | 9C, 18A        | Review of Seller Documents   | 17 (or) Days after Acceptance, or 5 Days after Delivery, whichever is later                              | CONTINGENCY: Any contingency in M(1)-M(7) may  |
| M(4)    | 9D, 12         | Review of Public Report  | 17 (or) Days after Acceptance or 5 Days after Delivery, whichever is later                               | be removed or waived by checking<br>the applicable box above or<br>attaching a Contingency Removal   |
| M(5)    | 9E, 17         | Preliminary ("Title") Report   | 17 (or) Days after Acceptance or 5 Days after Delivery, whichever is later                               | (C.A.R. Form CR-B) and checking the applicable box therein. Removal  |
| M(6)    | 9F, 13F        | Common Interest Disclosures<br>required by Civil Code § 4525 or this<br>Agreement                        | 17 (or) Days after Acceptance, or 5 Days after Delivery, whichever is later                              | or Waiver at time of offer is against<br>Agent advice. See paragraph 8H.   |
| M(7)    | 9G, 10C        | Review of leased or liened items<br>(Such as for solar panels or propane<br>tanks or PACE or HERO liens) | 17 (or) Days after Acceptance, or 5 Days after Delivery, whichever is later                              | ☐ CR-B attached  |
|         |                | Possession   | Time for Performance   | Additional Terms   |
| N       |                | Delivery of Possession   | Upon notice of recordation<br>On COE date  | Property shall be delivered vacant unless Otherwise Agreed.  |
| 0       |                |  | Intentionally Left Blank   |  |
| Р       |                | Documents/Fees/Compliance  | Time for Performance   |  |
| P(1)    | 18A            | Seller Delivery of Documents   | 7 (or) Days after Acceptance   |  |
| P(2)    | 22C            | Sign and return Escrow Holder<br>General Provisions, Supplemental<br>Instructions                        | 5 (or) Days after Delivery   |  |
| P(3)    | 13F(2)         | Time to pay fees for ordering HOA Documents  | 3 (or) Days after Acceptance   |  |
| P(4)    | 32             | Evidence of representative authority   | 3 Days after Acceptance  |  |
| Q       | Allocation of  |  |  |  |
|         | Paragraph<br># | Item Description   | Who Pays (if Both is checked, cost to be split equally unless Otherwise Agreed)                          | Additional Terms   |
| Q(1)    | 13A, 13B       | Natural Hazard Zone Disclosure<br>Report, including tax information                                      | Buyer Seller Both  | Environmental Other  |
|         |                |  | Provided by: Property ID   | ·<br>  |
| Q(2)    | 22C            | Escrow Fees  | Buyer Seller Both  | Escrow Holder: Central Escrow,   |
|         |                |  | Each to pay their own fees   | Samantha Ma  |
| Q(3)    | 17G            | Owner's title insurance policy   | Buyer Seller Both  | Title Company (If different from Escrow Holder): <u>Fidelity National</u>  |
| Q(4)    |                | Buyer's Lender title insurance policy  | Buyer  | Unless Otherwise Agreed, Buyer shall purchase any title insurance policy insuring Buyer's lender.  |
| Q(5)    |                | County transfer tax, fees  | Buyer Seller Both  |  |
| Q(6)    |                | City transfer tax, fees  | Buyer Seller Both  |  |
| Q(7)    | 13F(2)         | HOA fee for preparing disclosures  | Seller   |  |
| Q(8)    | , ,            | HOA certification fee  | Buyer  |  |
| Q(9)    |                | HOA transfer fees  | Buyer Seller Both  | Unless Otherwise Agreed, Seller  |
| -101    |                |  |  | shall pay for separate HOA move-<br>out fee and Buyer shall pay for<br>separate move-in fee. Applies if<br>separately billed or itemized with<br>cost in transfer fee. |

NCPA REVISED 6/23 (PAGE 3 OF 18)

Buyer's Initials

Seller's Initials X\_\_\_\_/



|       | Paragraph<br>#   | Item Description   | Who Pays (if Both is checked, cost to be  |  |  |
|-------|--|--|---|--|--|
| Q(10) | #  | Termite pre-spray or treatment   | split equally unless Otherwise Agreed)  | _  |  |
|       |  | 1 1  | Duver Caller Deth   |  |  |
| Q(11) |  | fees or costs  | Buyer Seller Both   |  |  |
| Q(12) |  | fees or costs  | Buyer Seller Both   | _  |  |
| Q(13) |  | Report   | Buyer Seller Both   | _  |  |
| Q(14) |  | Report   | Buyer Seller Both   |  |  |
| R     | 14   | INSULATION INFORMATION:  |   |  |  |
|       |  |  |   | _ R-Value  |  |
|       |  | Ceilings: Type   | Thickness   | R-Value  |  |
|       |  |  | Thickness   | R-Value  |  |
|       | 40.44  | Other all per current code: Type SELLER ESTIMATES FOR THIRD PA                     | Thickness   | R-Value  |  |
| S     | 40, 41   |  | Preliminary Title Reports   | Escrow Services  |  |
|       |  |  | Loan Processing Fees  |  |  |
| Т     | 36   | WARRANTY BEING PROVIDED: Stan  | dard Warranty   |  |  |
| U     |  |  | t of the attached Fair Appraisal Act Addendum (C.   |  |  |
| V     |  |  | o the extent that they impair or limit the rights or re                                   |  |  |
|       |  | nent. Note to Seller: For property sold s<br>• Agreement to, and have them be acce | subject to a public report, you must submit any   | addenda form(s) you intend to                                  |  |
|       |  | Agreement to, and have them be acce  | pled by, the bite.  |  |  |
|       |  |  |   |  |  |
|       |  | VISORIES AND DISCLOSURES: (ch  |   |  |  |
| A.    | BUYER ANI  | D SELLER ADVISORIES: (Note: Al   | Advisories below are provided for reference   | ence purposes only and are not                                 |  |
|       |  |  | RIES incorporated into this Agreement.)   |  |  |
|       |  | evestigation Advisory (C.A.R. Form B   |   | on Advisory (C.A.R. Form FHDA)                                 |  |
|       | x wire Frau  | d Advisory (C.A.R. Form WFA)   | Cal. Consumer Privacy Act Ac  | cy disclosure from their own Agent.)                           |  |
|       | ☐ Wildfire D   | isaster Advisory (C.A.R. Form WFDA   |   |  |  |
|       |  | isory (C.A.R. Form TA)   | Short Sale Information and Ad   |  |  |
|       |  | isory (C.A.R. Form REO)  | Probate Advisory (C.A.R. For  |  |  |
|       | Other  |  | Other   | ·  |  |
| В.    |  | DISCLOSURES:   |   |  |  |
|       |  | ed, Buyer acknowledges receipt of th   |   | 1 1/2 1 2 1 2 2  |  |
|       |  |  |   | nded/Renewed Public Report<br>Report                           |  |
|       |  |  |   | report<br>er's Warranty  |  |
|       |  | <u> </u>   |   | y Disclosures  |  |
|       |  | •  |   | sportation Corridors   |  |
|       | Newl   | y converted condominium 🔲 lı   | ndustrial, Commercial, Airport Zone   | ·  |  |
|       | DRE  | 2790.9 (for properties for completed   | or occupied more than 3 years prior to a pub  | olic report)   |  |
|       |  |  |   |  |  |
|       | (2) ADDITI   | ONAL DISCLOSURES: Seller shall p   | provide Buyer with the following additional dis   | sclosures:   |  |
| 6. AD | DITIONAL TE  | DMS AFFECTING DUDCHASE DDIC  | E: Buyer represents that funds will be good wh  | en deposited with Escrow Holder                                |  |
| O. AD |  | NIIS AIT ECTING FONCHASE FINC  | L. Duyer represents that funds will be good wi  | en deposited with Escrow Holder.                               |  |
|       | (1) INITIAL  | <b>DEPOSIT:</b> Buyer shall deliver dep  | osit directly to the party selected in parag  | raph 4D(1). If being delivered to                              |  |
|       | Seller, S  | Seller must have obtained a bond or  | bonds meeting the requirements of B&P Coo<br>has not obtained such bond(s), then depo     | de §§ 11013.2(c) or 11013.4(b) or                              |  |
|       | Escrow.  | Note to Seller: If the purchase ag   | reement is signed under the authority of  | a conditional Public Report. all                               |  |
|       | funds n  | nust be impounded and held in a n  | eutral escrow depository per B&P Code 8   | § 11013.4(a) or 11013.2(a).                                    |  |
|       | (2) INCREA   | ASED DEPOSIT: Increased deposit  | (paragraph 4D(2)) to be delivered to Escrolliquidated damages in this Agreement, the      | w Holder in the same manner as                                 |  |
|       | increase   | ed deposit into the liquidated damag   | es amount by signing a new liquidated dama  | ages clause (C.A.R. Form DID) at                               |  |
|       | the time   | the increased deposit is delivered to  | Escrow Holder.  | ,  |  |
|       | (3) OPTION   | I DEPOSIT: Option deposit (paragra   | ph 4D(3)) to be delivered to Escrow Holder in   | the same manner and subject to                                 |  |
|       | (4) <b>RETEN</b>   | TION OF DEPOSIT: Paragraph 42.   | ect to the terms of the Options and Upgrades if initialed by all Parties or otherwise inc | corporated into this Agreement.                                |  |
|       | and if a   | pplicable an Options and Upgrade   | Addendum (C.A.R. Form NCOU), specific   | es a remedy for Buyer's default.                               |  |
|       | Buyer a  | and Seller are advised to consult w  | vith a qualified California real estate attori  | ney: (i) Before adding any other                               |  |
|       | ciause<br>failure  | of Buyer to complete the pure  | lease or forfeiture of deposit or making<br>hase. Any such clause shall be deem           | a veposit non-retundable) for<br>led invalid unless the clause |  |
|       | indeper  | ndently satisfies the statutory lie  | quidated damages requirements set for   | th in the Civil Code; and (ii)                                 |  |
| _     | Regarding possible liability and remedies if Buyer fails to deliver the deposit.   |  |   |  |  |
| В.    | B. ALL CASH OFFER: If an all cash offer is specified in paragraph 4A, no loan is needed to purchase the Property. This Agreement is NOT contingent on Buyer obtaining a loan. Buyer shall, within the time specified in paragraph 4H(1), Deliver |  |   |  |  |
|       | written verifi   | cation of funds sufficient for the purch   | nase price and closing costs.   | _  |  |
| NODA  |  | (DACE 4 OF 40)   |   |  |  |

Property Address: 73421 Corbin Rd, Twentynine Palms, CA 92277

Date: \_

| 7. |     | DITIONAL FINANCING TERMS:  |
|----|-----|--|
|    | Α.  | VERIFICATION OF DOWN PAYMENT AND CLOSING COSTS: Written verification of Buyer's down payment and closing costs   |
|    |     | may be made by Buyer or Buyer's lender or loan broker pursuant to <b>paragraph 7B</b> .  |
|    | В.  | VERIFICATION OF LOAN APPLICATIONS: Buyer shall Deliver to Seller, within the time specified in paragraph 4H(3) a letter  |
|    |     | from Buyer's lender or loan broker stating that, based on a review of Buyer's written application and credit report, Buyer is  |
|    |     | prequalified or preapproved for any NEW loan specified in paragraph 4E. If any loan specified in paragraph 4E is an adjustable   |
|    |     | rate loan, the prequalification or preapproval letter shall be based on the qualifying rate, not the initial loan rate.  |
|    | C.  |  |
|    |     | limited to, as applicable, all cash, amount of down payment, or contingent or non-contingent loan). Seller has agreed to a specific  |
|    |     | Closing Date, purchase price, and to sell to Buyer in reliance on Buyer's specified financing. Buyer shall pursue the financing  |
|    |     | specified in this Agreement, even if Buyer also elects to pursue an alternative form of financing. Seller has no obligation to   |
|    |     | cooperate with Buyer's efforts to obtain any financing other than that specified in this Agreement but shall not interfere with closing  |
|    |     | at the purchase price on the COE date (paragraph 4B) even if based upon alternate financing. Buyer's inability to obtain alternate   |
| _  | ٠.  | financing does not excuse Buyer from the obligation to purchase the Property and close escrow as specified in this Agreement.  |
| 8. |     | OSING AND POSSESSION:  |
|    | Α.  | <b>OCCUPANCY:</b> Buyer intends to occupy the Property as indicated in <b>paragraph 4E(3)</b> . Occupancy may impact available   |
|    | _   | financing.   |
|    | В.  | CONDITION OF PROPERTY ON CLOSING:  |
|    |     | (1) Seller agrees to complete, in a good workmanlike manner, the improvements upon the Property, and shall furnish all labor   |
|    |     | and materials. Such improvements shall be constructed substantially in conformance with the plans and specifications on  |
|    |     | file with, and approved by, the appropriate governmental authorities.  |
|    |     | (2) All debris and personal property not included in the sale shall be removed by Close Of Escrow.   |
|    | _   | (3) No custom work may be performed by Buyer on the Property until after the Close Of Escrow.  |
|    | C.  | CHANGES IN CONSTRUCTION FROM MODEL: The model plan or property description represents the intended proposal  |
|    |     | and should indicate items included in the purchase. Buyer acknowledges that Seller's models or descriptions may not reflect  |
|    |     | exactly the Property which could be due to changes in design and components made after the construction of the models.   |
|    |     | Buyer also acknowledges that Seller reserve the right to make changes mandated by the building inspectors or other governmental Uniform Building Code enforcement officials, and that Buyer's consent shall be required only if such changes |
|    |     | are material or substantial in nature. If Buyer does not consent, Buyer shall have the right to cancel this Agreement in writing   |
|    |     | and to recover all deposits paid. Acceptance of title by Buyer at Close Of Escrow shall satisfy all consent requirements.  |
|    | n   | At Close Of Escrow: (i) Seller assigns to Buyer any assignable warranty rights for items included in the sale; and (ii) Seller shall   |
|    | υ.  | Deliver to Buyer available Copies of any such warranties. Agents cannot and will not determine the assignability of any warranties.  |
|    | E.  | Seller shall, on Close Of Escrow unless Otherwise Agreed and even if Seller remains in possession, provide keys, passwords,  |
|    |     | codes and/or means to operate all locks, mailboxes, security systems, alarms, home automation systems, intranet and  |
|    |     | Internet-connected devices included in the purchase price, garage door openers, and all items included in this Agreement. If   |
|    |     | the Property is a condominium or located in a common interest development, Seller shall be responsible for securing or   |
|    |     | providing any such items for Association amenities, facilities, and access. Buyer may be required to pay a deposit to the  |
|    |     | Homeowners' Association ("HOA") to obtain keys to accessible HOA facilities.   |
| 9. | CO  | NTINGENCIES AND REMOVAL OF CONTINGENCIES:  |
|    |     | LOAN(S):   |
|    |     | (1) This Agreement is, unless otherwise specified in paragraph 4M(1) or an attached CR form, contingent upon Buyer   |
|    |     | obtaining the loan(s) specified. If contingent, Buyer shall act diligently and in good faith to obtain the designated loan(s). If  |
|    |     | there is no appraisal contingency or the appraisal contingency has been waived or removed, then failure of the   |
|    |     | Property to appraise at the purchase price does not entitle Buyer to exercise the cancellation right pursuant to   |
|    |     | the loan contingency if Buyer is otherwise qualified for the specified loan and Buyer is able to satisfy lender's  |
|    |     | non-appraisal conditions for closing the loan.   |
|    |     | (2) Buyer is advised to investigate the insurability of the Property as early as possible, as this may be a requirement for  |
|    |     | lending. Buyer's ability to obtain insurance for the Property, including fire insurance, is part of Buyer's Investigation of   |
|    |     | Property contingency. Failure of Buyer to obtain insurance may justify cancellation based on the Investigation contingency   |
|    |     | but not the loan contingency.  |
|    |     | (3) Buyer's contractual obligations regarding deposit, balance of down payment and closing costs <b>are not contingencies</b> of   |
|    |     | this Agreement, unless Otherwise Agreed.   |
| NO | D   | DEVICED C/02 (DACE E OF 40)  |
|    |     | REVISED 6/23 (PAGE 5 OF 18)  Buyer's Initials/ Seller's Initials X/  |
|    | NE\ | N CONSTRUCTION PURCHASE AGREEMENT AND JOINT ESCROW INSTRUCTIONS (NCPA PAGE 5 OF 18)  |

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FIRST LOAN: This loan will provide for conventional financing UNLESS FHA, VA, Seller Financing (C.A.R. Form SFA), or

ADDITIONAL FINANCED AMOUNT: If an additional financed amount is specified in paragraph 4E(2), that amount will provide for conventional financing UNLESS Seller Financing (C.A.R. Form SFA), or Other is checked in paragraph 4E(2). BUYER'S LOAN STATUS: Buyer authorizes Seller and Seller's Authorized Agent to contact Buyer's lender(s) to determine the status of any Buyer's loan specified in paragraph 4E, or any alternate loan Buyer pursues, whether or not a contingency of this Agreement. If the contact information for Buyer's lender(s) is different from that provided under the

(4) FHA/VA: If FHA or VA is checked in paragraph 4E(1), a FHA/VA amendatory clause (C.A.R. Form FVAC) shall be incorporated and Signed by all Parties. Buyer shall, within the time specified in paragraph 4E(1), Deliver to Seller written notice (C.A.R. Form RR or AEA) (i) of any lender requirements that Buyer requests Seller to pay for or otherwise correct or (ii) that there are no lender requirements. Notwithstanding Seller's agreement that Buyer may obtain FHA or VA

**LIMITS ON CREDITS TO BUYER:** Any credit to Buyer, from any source, for closing or other costs that is agreed to by the Parties ("Contractual Credit") shall be disclosed to Buyer's lender, if any, and made at Close Of Escrow. If the total credit allowed by Buyer's lender ("Lender Allowable Credit") is less than the Contractual Credit, then (i) the Contractual Credit from Seller shall be reduced to the Lender Allowable Credit, and (ii) in the absence of a separate written agreement between the Parties, there shall be no automatic adjustment to the purchase price to make up for the difference between the Contractual

terms of paragraph 7B, Buyer shall Deliver the updated contact information within 1 Day of Seller's request.

financing, Seller has no obligation to pay or satisfy any or all lender requirements unless agreed in writing.

D. BALANCE OF PURCHASE PRICE (DOWN PAYMENT) (including all-cash funds) to be deposited with Escrow Holder

Date:

Tanihaha - 73421

Property Address: 73421 Corbin Rd, Twentynine Palms, CA 92277

Other is checked in paragraph 4E(1).

pursuant to Escrow Holder instructions.

Credit and the Lender Allowable Credit.

LOAN(S):

- Property Address: 73421 Corbin Rd, Twentynine Palms, CA 92277

  (4) NO LOAN CONTINGENCY: If "No loan contingency" is checked in paragraph 4M(1), obtaining any loan specified is NOT a contingency of this Agreement. If Buyer does not obtain the loan specified, and as a result is unable to purchase the Property, Seller may be entitled to Buyer's deposit or other legal remedies.
  - B. INVESTIGATION OF PROPERTY: This Agreement is, as specified in paragraph 4M(2), contingent upon Buyer's acceptance
  - of the condition of, and any other matter affecting, the Property. **REVIEW OF SELLER DOCUMENTS:** This Agreement is, as specified in **paragraph 4M(4)**, contingent upon Buyer's review and approval of Seller's documents required in paragraph 18A.
  - REVIEW OF PUBLIC REPORT: This Agreement is, as specified in paragraph 4M(4), contingent upon Buyer's review and approval of the Public Report specified in paragraph 4J and signing DRE form RE 614E, "Receipt for Public Report."
  - - (1) This Agreement is, as specified in paragraph 4M(5), contingent upon Buyer's ability to obtain the title policy provided for in paragraph 17G and on Buyer's review of a current Preliminary Report and items that are disclosed or observable even if not on record or not specified in the Preliminary Report, and satisfying Buyer regarding the current status of title. Buyer is advised to review all underlying documents and other matters affecting title, including, but not limited to, any documents or deeds referenced in the Preliminary Report and any plotted easements.
    - (2) Buyer has **5 Days** after receipt to review a revised Preliminary Report, if any, furnished by the Title Company and cancel the transaction if the revised Preliminary Report reveals material or substantial deviations from a previously provided Preliminary Report.
  - F. CONDOMINIUM/PLANNED DEVELOPMENT DISCLOSURES (IF APPLICABLE): This Agreement is, as specified in paragraph 4M(6), contingent upon Buyer's review and approval of Common Interest Disclosures required by Civil Code § 4525 and under paragraph 13F ("CI Disclosures")
  - G. BUYER REVIEW OF LEASED OR LIENED ITEMS CONTINGENCY: Buyer's review of and ability and willingness to assume any lease, maintenance agreement or other ongoing financial obligation, or to accept the Property subject to any lien, disclosed pursuant to paragraph 10C, is, as specified in paragraph 4M(7), a contingency of this Agreement. Any assumption of the lease shall not require any financial obligation or contribution by Seller. Seller, after first Delivering a Notice to Buyer to Perform, may cancel this Agreement if Buyer, by the time specified in **paragraph 4M(7)**, refuses to enter into any necessary written agreements to accept responsibility for all obligations of Seller disclosed leased or liened items.
  - H. REMOVAL OR WAIVER OF CONTINGENCIES WITH OFFER: Buyer shall have no obligation to remove a contractual contingency unless Seller has provided all required documents, reports, disclosures, and information pertaining to that contingency. If Buyer does remove a contingency without first receiving all required information from Seller, Buyer is relinquishing any contractual rights that apply to that contingency. If Buyer removes or waives any contingencies without an adequate understanding of the Property's condition or Buyer's ability to purchase, Buyer is acting against the advice of Agent.
  - **REMOVAL OF CONTINGENCY OR CANCELLATION:** 
    - (1) For any contingency specified in paragraph 4M, 9, or elsewhere, Buyer shall, within the applicable period specified, remove the contingency or cancel this Agreement.
    - (2) For the contingencies for review of Seller Documents, Public Report, Preliminary Report, and Condominium/Planned Development Disclosures, Buyer shall, within the time specified in paragraph 4M or 5 Days after Delivery of Seller Documents or CI Disclosures, whichever occurs later, remove the applicable contingency in writing or cancel this Agreement.
    - (3) If Buyer does not remove a contingency within the time specified, Seller, after first giving Buyer a Notice to Buyer to Perform (C.A.R. Form NBP), shall have the right to cancel this Agreement.
- 10. ITEMS INCLUDED IN AND EXCLUDED FROM SALE:
  - A. NOTE TO BUYER AND SELLER: Items listed as included or excluded in the Multiple Listing Service (MLS), flyers, marketing materials, or disclosures are NOT included in the purchase price or excluded from the sale unless specified in this Agreement, the model plan/property description, or as Otherwise Agreed. Any items included herein are components of the home and are not intended to affect the price. All items are transferred without Seller warranty.
  - B. ITEMS INCLUDED IN SALE: Items included are those specifically indicated in this Agreement, the model plan/property description, or as Otherwise Agreed.
  - LEASED OR LIENED ITEMS AND SYSTEMS: Seller, within the time specified in paragraph 4P(1), shall (i) disclose to Buyer if any item or system specified in this Agreement or otherwise included in the sale is leased, or not owned by Seller, or is subject to any maintenance or other ongoing financial obligation, or specifically subject to a lien or other encumbrance or loan, and (ii) Deliver to Buyer all written materials (such as lease, warranty, financing, etc.) concerning any such item.
- 11. ALLOCATION OF COSTS FOR INSPECTIONS, REPORTS, TESTS, AND CERTIFICATES: Paragraphs in 4Q only determines who is to pay for the inspection, report, test, certificate or service mentioned; unless Otherwise Agreed they do not determine who is to pay for any work recommended or identified in any such document. Agreements for payment of required work should be specified elsewhere in paragraph 4Q, or 4U, or in a separate agreement (such as C.A.R. Forms RR, RRRR, ADM or AEA). Any reports in these paragraphs shall be Delivered in the time specified in Paragraph 4P(1).
- 12. PUBLIC REPORTS: The following information describes the current status of the public report process specified in paragraph 4J.
  - FINAL PUBLIC REPORT: A public report is required to be delivered to Buyer prior to the execution of this Agreement.
  - NO PUBLIC REPORT REQUIRED: No public report is required.
  - CONDITIONAL PUBLIC REPORT: If the Property is subject to a Conditional Public Report under the B&P Code, escrow will not close, funds will not be released from the escrow, and any interest contracted for and the subject of the escrow will not be conveyed until a current Final Public Report is delivered to Buyer. Furthermore, the entire sum of money paid or advanced by Buyer shall be returned to Buyer under B&P Code § 11013.4(a) or 11013.2(a) if (i) the Final Public Report has not been issued within time specified in **paragraph 4J**. Buyer has the ability to cancel the Agreement if the Final Public Report has not been issued unless a conditional public report is renewed for another 6 months, or (ii) the Buyer is dissatisfied with the Final Public Report because of a change pursuant to B&P Code § 11012.
  - D. AMENDED/RENEWED PUBLIC REPORT: An amended/renewed public report is required to be delivered to Buyer prior to execution of this Agreement.



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Buyer's Initials

Seller's Initials X

| Property Address: 73421 Corbin Rd, Twentynine Palms, CA 92277                         | Date:                                 |
|---|---------------------------------------|
| 13. DISCLOSURES:  |                                       |
| A. STATUTORY DISCLOSURES WHEN NO PUBLIC REPORT IS REQUIRED:                           |                                       |
| (1) TDS, NHD, AND OTHER STATUTORY AND SUPPLEMENTAL DISCLOSURES:                       |                                       |
| (A) Seller shall, within the time specified in paragraph 4P(1), Deliver to Buyer:     | unless exempt, fully completed        |
| disclosures or notices required by §§ 1102 et. seq. and 1103 et. seq. of the Ci       |                                       |
| Statutory Disclosures include, but are not limited to, a Real Estate Transfer Disclos |                                       |
|   | · · · · · · · · · · · · · · · · · · · |

- (A) Seller shall, within the time specified in paragraph 4P(1), Deliver to Buyer: unless exempt, fully completed disclosures or notices required by §§ 1102 et. seq. and 1103 et. seq. of the Civil Code ("Statutory Disclosures"). Statutory Disclosures include, but are not limited to, a Real Estate Transfer Disclosure Statement (C.A.R. Form TDS), Natural Hazard Disclosure Statement ("NHD"), notice or actual knowledge of release of illegal controlled substance, notice of special tax and/or assessments (or, if allowed, substantially equivalent notice regarding the Mello-Roos Community Facilities Act of 1982 and Improvement Bond Act of 1915) and, if Seller has actual knowledge, of industrial use and military ordnance location (C.A.R. Form SPQ or ESD), and, if the Property is in a high or very high fire hazard severity area, the information, notices, documentation, and agreements required by §§ 1102.6(f) and 1102.19 of the Civil Code (C.A.R. Form FHDS).
- (B) The Real Estate Transfer Disclosure Statement required by this paragraph is considered fully completed if Seller has completed the section titled Coordination with Other Disclosure Forms by checking a box (Section I), and Seller has completed and answered all questions and Signed the Seller's Information section (Section II) and the Seller's Agent, if any, has completed and Signed the Seller's Agent's section (Section III), or, if applicable, an Agent Visual Inspection Disclosure (C.A.R. Form AVID). Section V acknowledgment of receipt of a Copy of the TDS shall be Signed after all previous sections, if applicable, have been completed. Nothing stated herein relieves a Buyer's Agent, if any, from the obligation to (i) conduct a reasonably competent and diligent visual inspection of the accessible areas of the Property and disclose, on Section IV of the TDS, or an AVID, material facts affecting the value or desirability of the Property that were or should have been revealed by such an inspection or (ii) complete any sections on all disclosures required to be completed by Buyer's Agent.
- (C) Seller shall, within the time specified in **paragraph 4P(1)**, provide "Supplemental Disclosures" as follows: (i) unless exempt from the obligation to provide a TDS, complete a Seller Property Questionnaire (C.A.R. Form SPQ) by answering all questions and Signing and Delivering a Copy to Buyer; (ii) if exempt from the obligation to provide a TDS, complete an Exempt Seller Disclosure (C.A.R. Form ESD) by answering all questions and Signing and Delivering a Copy to Buyer.
- (D) In the event Seller or Seller's Agent, prior to Close Of Escrow, becomes aware of adverse conditions materially affecting the Property, or any material inaccuracy in disclosures, information or representations previously provided to Buyer under this paragraph, Seller shall, in writing, promptly provide a subsequent or amended TDS, Seller Property Questionnaire or other document, in writing, covering those items. Any such document shall be deemed an amendment to the TDS or SPQ. However, a subsequent or amended disclosure shall not be required for conditions and material inaccuracies of which Buyer is otherwise aware, or which are discovered by Buyer or disclosed in reports or documents provided to or ordered and paid for by Buyer.
- (2) **DEFENSIBLE SPACE DISCLOSURE AND ADDENDUM:** For any transaction in which a TDS is required and the property is located in a high or very high fire hazard severity zone, Seller shall, within the time specified in **paragraph 4P(1)**, Deliver to Buyer (i) a disclosure of whether the Property is in compliance with any applicable defensible space laws designed to protect a structure on the Property from fire; and (ii) an addendum allocating responsibility for compliance with any such defensible space law (C.A.R. Form FHDS).
- (3) WAIVER PROHIBITED: Waiver of Statutory and other Disclosures in paragraph 13 are prohibited by Law.
- (4) **RETURN OF SIGNED COPIES:** Buyer shall, within the time specified in **paragraph 4M(3)** OR **5 Days** after Delivery of any disclosures specified in **paragraph 13** and defensible space addendum in **paragraph 13A(2)**, whichever is later, return Signed Copies of the disclosures, and if applicable, addendum, to Seller.
- (5) TERMINATION RIGHTS:
  - (A) Statutory and Other Disclosures: If any disclosure specified in paragraphs 13A(1) and (2), or subsequent or amended disclosure to those just specified, is Delivered to Buyer after the offer is Signed, Buyer shall have the right to terminate this Agreement within 3 Days after Delivery in person, or 5 Days after Delivery by deposit in the mail, or by an electronic record or email satisfying the Uniform Electronic Transactions Act (UETA), by giving written notice of rescission to Seller or Seller's Authorized Agent. If Buyer does not rescind within this time period, Buyer has been deemed to have approved the disclosure and shall not have the right to cancel.
  - (B) Defensible Space Compliance: If, by the time specified in paragraph 13A(4), Buyer does not agree to the terms regarding defensible space compliance Delivered by Seller, as indicated by mutual signatures on the FHDS, then Seller, after first Delivering a Notice to Buyer to Perform, may cancel this Agreement.
- B. NATURAL HAZARD ZONES: If a Natural Hazard Disclosure Statement is not required under paragraph 13A(1)(A), Seller shall, within the time specified in paragraph 4P(1), disclose if Property is located in any of the following: Special Flood Hazard Areas; Potential Flooding (inundation) Areas, Very High Fire Hazard Severity Zones; State Fire Responsibility Areas; Earthquake Fault Zones; Seismic Hazard Zones; or any other federal, state, or local designated zone for which disclosure is required by Law.
- C. WITHHOLDING TAXES: Buyer and Seller hereby instruct Escrow Holder to withhold the applicable required amounts to comply with federal and California withholding Laws and forward such amounts to the Internal Revenue Service and Franchise Tax Board, respectively. However, no federal withholding is required if, prior to Close Of Escrow, Seller Delivers (i) to Buyer and Escrow Holder a fully completed affidavit (C.A.R. Form AS) sufficient to avoid withholding pursuant to federal withholding Law (FIRPTA); OR (ii) to a qualified substitute (usually a title company or an independent escrow company) a fully completed affidavit (C.A.R. Form AS) sufficient to avoid withholding pursuant to federal withholding Law AND the qualified substitute Delivers to Buyer and Escrow Holder an affidavit signed under penalty of perjury (C.A.R. Form QS) that the qualified substitute has received the fully completed Seller's affidavit and the Seller states that no federal withholding is required; OR (iii) to Buyer other documentation satisfying the requirements under Internal Revenue Code § 1445 (FIRPTA). No withholding is required under California Law if, prior to Close Of Escrow, Escrow Holder has received sufficient documentation from Seller that no withholding is required, and Buyer has been informed by Escrow Holder.
- D. MEGAN'S LAW DATABASE DISCLOSURE: Notice: Pursuant to § 290.46 of the Penal Code, information about specified registered sex offenders is made available to the public via an Internet Web site maintained by the Department of Justice at www.meganslaw.ca.gov. Depending on an offender's criminal history, this information will include either the address at which the offender resides or the community of residence and ZIP Code in which he or she resides. (Neither Seller nor Agent are required to check this website. If Buyer wants further information, Agent recommends that Buyer obtain information from this website during Buyer's investigation contingency period. Agents do not have expertise in this area.)

| woodio during Bayor o invodigation | contingency period. 7 to | jointo do not ne | ave expertise in this dreat, |             |                              |
|------------------------------------|--------------------------|------------------|------------------------------|-------------|------------------------------|
| NCPA REVISED 6/23 (PAGE 7 OF 18)   | Buyer's Initials         |                  | Seller's Initials X          |             | EQUAL HOUSING<br>OPPORTUNITY |
| NEW CONSTRUCTION PURCHASE          | AGREEMENT AND            | JOINT ESCR       | OW INSTRUCTIONS (N           | NCPA PAGE 7 | OF 18)                       |

- Property Address: 73421 Corbin Rd, Twentynine Palms, CA 92277

  E. 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 Website. (Neither Seller nor Agent are required to check this website. If Buyer wants further information, Agent recommends that Buyer obtain information from this website during Buyer's investigation contingency period. Agents do not have expertise in this area.)
  - CONDOMINIUM/PLANNED DEVELOPMENT DISCLOSURES:
    - (1) Seller shall, within the time specified in paragraph 4P(1), disclose to Buyer whether the Property is a condominium or is located in a planned development, other common interest development, or otherwise subject to covenants, conditions, and restrictions (C.A.R. Form SPQ or ESD).
    - If the Property is a condominium or is located in a planned development or other common interest development with a HOA, Seller shall, within the time specified in paragraph 4P(3), order from, and pay any required fee for the following items to the HOA (C.A.R. Form HOA-IR): (i) Copies of any documents required by Law (C.A.R. Form HOA-RS); (ii) disclosure of any pending or anticipated claim or litigation by or against the HOA; (iii) a statement containing the location and number of designated parking and storage spaces; (iv) Copies of the most recent 12 months of HOA minutes for regular and special meetings; (v) the names and contact information of all HOAs governing the Property; (vi) pet restrictions; and (vii) smoking restrictions ("CI Disclosures"). Seller shall itemize and Deliver to Buyer all CI Disclosures received from the HOA and any CI Disclosures in Seller's possession. Seller shall, as directed by Escrow Holder, deposit funds into escrow or direct to HOA or management company to pay for any of the above.
  - G. SOLAR POWER SYSTEMS: For properties with any solar panels or solar power systems, Seller shall, within the time specified in paragraph 4P(1), Deliver to Buyer all known information about the solar panels or solar power system. Seller may use the Solar Advisory and Questionnaire (C.A.R. Form SOLAR).

    NATURAL AND ENVIRONMENTAL HAZARDS: Seller shall, within the time specified in paragraph 4P(1), if required by Law:
  - (i) Deliver to Buyer the earthquake guide and environmental hazards booklet, and for all residential property with 1-4 units and any manufactured or mobile home built before January 1, 1960, fully complete and Deliver the Residential Earthquake Risk Disclosure Statement; and (ii) even if exempt from the obligation to provide a NHD, disclose if the Property is located in a Special Flood Hazard Area; Potential Flooding (Inundation) Area; Very High Fire Hazard Zone; State Fire Responsibility Area; Earthquake Fault Zone; Seismic Hazard Zone; and (iii) disclose any other zone as required by Law and provide any other information required for those zones.
  - PROPOSITION 65 WARNING

MATERIALS INCLUDED IN THE CONSTRUCTION OF THIS HOUSE WILL EXPOSE YOU TO FORMALDEHYDE, A SUBSTANCE KNOWN TO CAUSE CANCER. FURTHER INFORMATION MAY BE OBTAINED FROM THE BUILDÉR/

The following information is intended to explain the warning furnished by Seller of this home for exposures to formaldehyde, a substance known to the State of California to cause cancer. The exposures are caused by materials of which the house is or will be built

The United States Environmental Protection Agency, the California Air Resources Board, and other agencies have measured the presence of formaldehyde in the indoor air of homes in California. Levels of formaldehyde that present a significant cancer risk have been measured in most homes. Formaldehyde is present in the air because it is emitted by a variety of building materials and home products purchased by Seller from materials suppliers. These materials include carpeting, pressed wood products, insulation, plastics, and glues.

This home, if constructed prior to entering into this Agreement, has not been tested, and if constructed after entering into this Agreement, will not be tested. Most homes that have been tested elsewhere do contain formaldehyde, although the concentrations vary from home to home with no obvious explanation for the differences. One of the problems is that many suppliers of building materials and home products do not provide information on chemical ingredients to builders. In the absence of specific information on these homes, and in light of the materials used in their construction, Seller believes that a warning is necessary.

Buyer may have further questions about these issues. Seller is willing to share any further information Seller has obtained and will provide, upon request, a list of known materials suppliers that may be contacted for further information, and whether any inquiry has been made by Seller.

- KNOWN MATERIAL FACTS: Seller shall, within the time specified in paragraph 4P(1), DISCLOSE KNOWN MATERIAL FACTS AND DEFECTS affecting the Property, including, but not limited to, known insurance claims within the past five years, or provide Buyer with permission to contact insurer to get such information (C.A.R. Form ARC), and make any and all other disclosures required by Law.
- 14. INSULATION: The Federal Trade Commission requires that a new home seller must include in every new home sales contract the following information regarding type, thickness, and R-value of insulation to be installed in each part of the residence and is specified in paragraph 4R.
- 15. BUYER'S INVESTIGATION OF PROPERTY AND MATTERS AFFECTING PROPERTY: Buyer shall, within the time specified in paragraph 4M(2), have the right, at Buyer's expense unless Otherwise Agreed, complete all Buyer Investigations (does not include access to the Property), approve all disclosures reports, and other applicable information; and approval all other matters affecting the Property (including those concerning the registered sex offender database on paragraph 13D).
- 16. ENTRY UPON PROPERTY
  - Buyer agrees to cooperate with Seller in the construction of the Property in accordance with the terms of this Agreement. Buyer understands that, in order to allow work to progress in an orderly fashion, no interference with the work may be permitted. Because of requirements of the California and Federal Occupational and Safety and Health Acts, as well as insurance requirements of Seller and its subcontractors, Buyer further understands and agrees that Buyer may not enter upon the construction site. Should Buyer or Buyer's guests or agents visit the Property prior to Close Of Escrow, Buyer agrees to indemnify and hold Seller harmless from any and all liability, claims, demands, damages, and costs arising from, or related to, Buyer's or Buyer's guests' or agents' entry upon the Property.
  - After this Agreement is fully executed and during the term of the escrow, neither Buyer no Buyer's agent may enter upon the Property for the purpose of showing the Property to any prospective purchaser thereof from Buyer.
  - After this Agreement is fully executed and during the term of escrow, Buyer shall not place any signs on, about, or near the Property without the prior written consent of Seller.

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|----|-----|-------|-------|------|-----|-----|---------------------|-----|
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| /er's Initials | / | Seller's Initials 🗶 | / |
|----------------|---|---------------------|---|

|         |       | l clear of such lien or matter.   |
|---------|-------|---|
|         |       | ler shall within <b>7 Days</b> after request, give Escrow Holder necessary information to clear title.  |
| D.      |       | ler shall, within the time specified in paragraph 4P(1), disclose to Buyer all matters known to Seller affecting title, whether   |
| _       |       | ecord or not.   |
| E.      |       | uyer is a legal entity and the Property purchase price is at least \$300,000 and the purchase price is made without a bank  |
|         |       | n or similar form of external financing, a Geographic Targeting Order (GTO) issued by the Financial Crimes Enforcement  |
|         |       | work, U.S. Department of the Treasury, requires title companies to collect and report certain information about the Buyer,  |
| F.      |       | pending on where the Property is located. Buyer agrees to cooperate with the title company's effort to comply with the GTO.  Ver shall, after Close Of Escrow, receive a recorded grant deed or any other conveyance document required to convey title  |
| • • •   |       | r example, for stock cooperative or tenancy in common, respectively, an assignment of stock certificate or assignment of  |
|         | sell  | er's interest in the real property), including oil, mineral and water rights if currently owned by Seller. Title shall vest as  |
|         |       | ignated in Buyer's vesting instructions. The recording document shall contain Buyer's post-closing mailing address to   |
|         | ena   | able Buyer's receipt of the recorded conveyance document from the County Recorder. THE MANNER OF TAKING TITLE   |
|         |       | Y HAVE SIGNIFICANT LEGAL AND TAX CONSEQUENCES. CONSULT AN APPROPRIATE PROFESSIONAL.   |
| G.      |       | er shall receive a "ALTA/CLTA Homeowner's Policy of Title Insurance" or equivalent policy of title insurance, if applicable   |
|         | to t  | the type of property and buyer. Escrow Holder shall request this policy. If a ALTA/CLTA Homeowner's Policy of Title   |
|         |       | urance is not offered, Buyer shall receive a CLTA Standard Coverage policy unless Buyer has chosen another policy and   |
|         | inst  | ructed Escrow Holder in writing of the policy chosen and agreed to pay any increase in cost. Buyer should consult with the  |
|         |       | e Company about the availability, and difference in coverage, and cost, if any, between a ALTA/CLTA Homeowner's Policy  |
|         |       | I a CLTA Standard Coverage policy and other title policies and endorsements. Buyer should receive notice from the Title   |
|         |       | mpany on its Preliminary (Title) Report of the type of coverage offered. If Buyer is not notified on the Preliminary (Title)  |
|         | Rel   | port or is not satisfied with the policy offered, and Buyer nonetheless removes the contingency for Review of the Preliminary port, Buyer will receive the policy as specified in this paragraph.   |
| 18. TIN | IE P  | ERIODS; REMOVAL OF CONTINGENCIES; CANCELLATION RIGHTS: The following time periods may only be   |
|         |       | ed, altered, modified or changed by mutual written agreement. Any removal of contingencies or cancellation under  |
| thi     | s par | agraph by either Buyer or Seller must be exercised in good faith and in writing (C.A.R. Form CR or CC).   |
| A.      | SE    | LLER DELIVERY OF DOCUMENTS: Seller shall, within the time specified in paragraph 4P(1), Deliver to Buyer all reports,   |
|         |       | closures and information ("Reports") for which Seller is responsible as specified in paragraphs 10C, 11, 13A(1) and (2),  |
|         |       | 3, 13C, 13F, 13G, 13I, 17A, 17D, 32, 34, 35, and 36. This paragraph does not apply to the delivery of the Public Report.  |
| ъ       |       | e paragraphs 4 and 12 for Public Report delivery requirements.  |
| В.      |       | YER REVIEW OF DOCUMENTS; CONTINGENCY REMOVAL OR CANCELLATION  Purer has the time appeifed in paragraph 4M to: (i) perform Purer Investigations; review all displayures. Paparts, logge  |
|         | (1)   | Buyer has the time specified in <b>paragraph 4M</b> to: (i) perform Buyer Investigations; review all disclosures, Reports, lease documents to be assumed by Buyer pursuant to <b>paragraph 10C</b> , and other applicable information, which Buyer receives   |
|         |       | from Seller; and approve all matters affecting the Property; and (ii) Deliver to Seller Signed Copies of Statutory and Other  |
|         |       | Disclosures Delivered by Seller in accordance with <b>paragraph 13A(4)</b> .  |
|         | (2)   | Buyer shall, by the end of the times specified in paragraph 4M (or as Otherwise Agreed), Deliver to Seller a removal of the   |
|         | ` '   | applicable contingency or cancellation of this Agreement (C.A.R. Form CR or CC). However, if any report, disclosure, or   |
|         |       | information for which Seller is responsible is not Delivered within the time specified in paragraph 4M(3-7), then Buyer has   |
|         |       | <b>5 Days</b> after Delivery of any such items, or the times specified in <b>paragraph 4M</b> , whichever is later, to Deliver to Seller a  |
|         |       | removal of the applicable contingency or cancellation of this Agreement. If Delivery of any Report occurs after a contractual   |
|         |       | contingency pertaining to that Report has already been waived or removed, the Delivery of the Report does not revive the contingency but there may be a right to terminate for a subsequent or amended disclosure under <b>paragraph 13A(1)(D)</b> .  |
|         | (3)   | Continuation of Contingency: Even after the end of the time specified in paragraph 4M and before Seller cancels, if at all,   |
|         | (5)   | pursuant to <b>paragraph 18C</b> , Buyer retains the right, in writing, to either (i) remove remaining contingencies, or (ii) cancel  |
|         |       | this Agreement based on a remaining contingency. Once Buyer's written removal of all contingencies is Delivered to  |
|         |       | Seller, Seller may not cancel this Agreement pursuant to paragraph 18C(1).  |
| C.      |       | LLER RIGHT TO CANCEL:   |
|         | (1)   | SELLER RIGHT TO CANCEL; BUYER CONTINGENCIES: If, by the time specified in this Agreement, Buyer does not  |
|         |       | Deliver to Seller a removal of the applicable contingency or cancellation of this Agreement, then Seller, after first   |
|         |       | Delivering to Buyer a Notice to Buyer to Perform (C.A.R. Form NBP), may cancel this Agreement. In such event, Seller shall authorize the return of Buyer's deposit, except for fees incurred by Buyer.  |
|         | (2)   | SELLER RIGHT TO CANCEL; BUYER CONTRACT OBLIGATIONS: Seller, after first Delivering to Buyer a Notice to   |
|         | (2)   | Buyer to Perform, may cancel this Agreement if, by the time specified in this Agreement, Buyer does not take the following  |
|         |       | action(s): (i) Deposit funds as required by paragraph 4D(1-3) or if the funds deposited pursuant to paragraph 4D(1-3) are   |
|         |       | not good when deposited; (ii) Deliver updated contact information for Buyer's lender(s) as required by paragraph 6C(3);   |
|         |       | (iii) Deliver a notice of FHA or VA costs or terms, if any, as specified by paragraph 6C(4) (C.A.R. Form RR); (iv) Deliver  |
|         |       | verification, or a satisfactory verification if Seller reasonably disapproves of the verification already provided, as required   |
|         |       | by paragraph 6B or 7A; (v) Deliver a letter as required by paragraph 7B; (vi) In writing assume or accept leases or liens   |
|         |       | specified in paragraph 9G; (viii) Return Statutory and Other Disclosures as required by paragraph 13A(4); (viii) Cooperate  |
|         |       | with the title company's effort to comply with the GTO as required by <b>paragraph 17E</b> ; (ix) Sign or initial a separate liquidated   |
|         |       | damages form for an increased deposit as required by <b>paragraph 6A(2)</b> and <b>42</b> ; <b>(x)</b> Provide evidence of authority to Sign in a representative capacity as specified in <b>paragraph 32</b> ; or <b>(xi)</b> Perform any additional Buyer contractual obligation(s)   |
|         |       | included in this Agreement. In such event, Seller shall authorize the return of Buyer's deposit, except for fees incurred by  |
|         |       | Buyer and other expenses already paid by Escrow Holder pursuant to this Agreement prior to Seller's cancellation.   |
|         |       | = 1, 1 5. p 5. p 5. p 5. p 5. p |
| NCPA    | REVI  | SED 6/23 (PAGE 9 OF 18) Buyer's Initials / Seller's Initials /  |
| NF      | N CC  | ONSTRUCTION PURCHASE AGREEMENT AND JOINT ESCROW INSTRUCTIONS (NCPA PAGE 9 OF 18)  |

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Buyer shall, within the time specified in paragraph 4P(1), be provided a current Preliminary Report by the person responsible

for paying for the title policy in **paragraph 4P(1)**, be provided a current Preliminary Report by the person responsible for paying for the title policy in **paragraph 4Q(3)**. If Buyer is responsible for paying, Buyer shall act diligently and in good faith to obtain such Preliminary Report within the time specified. The Preliminary Report is only an offer by the title insurer to issue a policy of title insurance and may not contain every item affecting title. The company providing the Preliminary Report shall, prior to issuing a Preliminary Report, conduct a search of the General Index for all Sellers except banks or other institutional lenders selling properties they acquired through foreclosure (REOs), corporations, and government entities.

Title is taken in its present condition subject to all encumbrances, easements, covenants, conditions, restrictions, rights and other matters, whether of record or not, as of the date of Acceptance except for: (i) monetary liens of record unless Buyer is assuming those obligations or taking the Property subject to those obligations; and (ii) those matters which Seller has agreed to remove in writing. For any lien or matter not being transferred upon sale, Seller will take necessary action to deliver title free

Date:

Tanihaha - 73421

Property Address: 73421 Corbin Rd, Twentynine Palms, CA 92277

17. TITLE AND VESTING:

Property Address: 73421 Corbin Rd, Twentynine Palms, CA 92277 Date:

(3) **SELLER RIGHT TO CANCEL; SELLER CONTINGENCIES:** Seller may cancel this Agreement by good faith exercise of any Seller contingency included in this Agreement, or Otherwise Agreed, so long as that contingency has not already been removed or waived in writing.

D. BUYER RIGHT TO CANCEL:

- (1) **BUYER RIGHT TO CANCEL; SELLER CONTINGENCIES:** If, by the time specified in this Agreement, Seller does not Deliver to Buyer a removal of the applicable contingency or cancellation of this Agreement, then Buyer, after first Delivering to Seller a Notice to Seller to Perform (C.A.R. Form NSP), may cancel this Agreement. In such event, Seller shall authorize the return of Buyer's deposit, including fees and expenses incurred by Buyer and other expenses already paid by Escrow Holder pursuant to this Agreement prior to Buyer's cancellation.
- paid by Escrow Holder pursuant to this Agreement prior to Buyer's cancellation.

  BUYER RIGHT TO CANCEL; SELLER CONTRACT OBLIGATIONS: If, by the time specified, Seller has not Delivered any item specified in paragraph 4P(1) or Seller has not performed any Seller contractual obligation included in this Agreement by the time specified, Buyer, after first Delivering to Seller a Notice to Seller to Perform, may cancel this Agreement.
- by the time specified, Buyer, after first Delivering to Seller a Notice to Seller to Perform, may cancel this Agreement.

  (3) BUYER RIGHT TO CANCEL; BUYER CONTINGENCIES: Buyer may cancel this Agreement by good faith exercise of any Buyer contingency included in paragraph 9, or Otherwise Agreed, so long as that contingency has not already been removed in writing.
- E. NOTICE TO BUYER OR SELLER TO PERFORM: The Notice to Buyer to Perform or Notice to Seller to Perform shall: (i) be in writing; (ii) be Signed by the applicable Buyer or Seller; and (iii) give the other Party at least 2 Days after Delivery (or until the time specified in the applicable paragraph, whichever occurs last) to take the applicable action. A Notice to Buyer to Perform or Notice to Seller to Perform may not be Delivered any earlier than 2 Days prior to the Scheduled Performance Day to remove a contingency or cancel this Agreement or meet an obligation specified in paragraph 18, whether or not the Scheduled Performance Day falls on a Saturday, Sunday or legal holiday. If a Notice to Buyer to Perform or Notice to Seller to Perform is incorrectly Delivered or specifies a time less than the agreed time, the notice shall be deemed invalid and void and Seller or Buyer shall be required to Deliver a new Notice to Buyer to Perform or Notice to Seller to Perform with the specified timeframe.

F. EFFECT OF REMOVAL OF CONTINGENCIES:

- (1) **REMOVAL OF BUYER CONTINGENCIES:** If Buyer removes any contingency or cancellation rights, unless Otherwise Agreed, Buyer shall conclusively be deemed to have: (i) completed all Buyer Investigations, and review of Reports and other applicable information and disclosures pertaining to that contingency or cancellation right; (ii) elected to proceed with the transaction; and (iii) assumed all liability, responsibility and expense for the non-delivery of any Reports, disclosures or information outside of Seller's control and for any Repairs or corrections pertaining to that contingency or cancellation right, or for the inability to obtain financing.
- cancellation right, or for the inability to obtain financing.

  (2) **REMOVAL OF SELLER CONTINGENCIES:** If Seller removes any contingency or cancellation rights, unless Otherwise Agreed, Seller shall conclusively be deemed to have: (i) satisfied themselves regarding such contingency, (ii) elected to proceed with the transaction; and (iii) given up any right to cancel this Agreement based on such contingency.
- G. DEMAND TO CLOSE ESCROW: Before Buyer or Seller may cancel this Agreement for failure of the other Party to close escrow pursuant to this Agreement, Buyer or Seller must first Deliver to the other Party a Demand to Close Escrow (C.A.R. Form DCE). The DCE shall: (i) be Signed by the applicable Buyer or Seller; and (ii) give the other Party at least 3 Days after Delivery to close escrow. A DCE may not be Delivered any earlier than 3 Days prior to the Scheduled Performance Day for the Close Of Escrow. If a DCE is incorrectly Delivered or specifies a time less than the agreed time, the DCE shall be deemed invalid and void, and Seller or Buyer shall be required to Deliver a new DCE.
- H. EFFECT OF CANCELLATION ON DEPOSITS: If Buyer or Seller gives written notice of cancellation pursuant to rights duly exercised under the terms of this Agreement, the Parties agree to Sign and Deliver mutual instructions to cancel the sale and escrow and release deposits, if any, to the Party entitled to the funds, less (i) fees and costs paid by Escrow Holder on behalf of that Party, if required by this Agreement; and (ii) any escrow fee charged to that party. Fees and costs may be payable to service providers and vendors for services and products provided during escrow. A release of funds will require mutual Signed release instructions from the Parties, judicial decision or arbitration award. A Party may be subject to a civil penalty of up to \$1,000 for refusal to Sign cancellation instructions if no good faith dispute exists as to which Party is entitled to the deposited funds (Civil Code § 1057.3). Note: Neither Agents nor Escrow Holder are qualified to provide any opinion on whether either Party has acted in good faith or which Party is entitled to the deposited funds. Buyer and Seller are advised to seek the advice of a qualified California real estate attorney regarding this matter.
- and Seller are advised to seek the advice of a qualified California real estate attorney regarding this matter.

  19. FINAL VERIFICATION OF CONDITION: Buyer shall have the right to make a final inspection of the Property accompanied by Seller within the time specified in paragraph 4K, NOT AS A CONTINGENCY OF THE SALE, but solely for the purpose of preparing a list of corrective work, if any, which may be necessary. Seller shall provide Buyer with notice at least 3 Days prior to the date on which the Property is to be inspected and shall have the right to accompany Buyer on such inspection. Buyer's failure to make the final inspection on the agreed date, the existence of minor defects in the welling, or any corrective work agreed to be performed by Seller pursuant to this paragraph shall not cause a delay in the Close Of Escrow or entitle Buyer to withhold any portion of the purchase price. Seller shall, prior to or after the Close Of Escrow, proceed diligently to complete all corrective work agreed to and acknowledged by Buyer and Seller in writing in a reasonably prompt manner in accordance with Seller's Warranty.

  20. PRORATIONS OF PROPERTY TAXES AND OTHER ITEMS: Unless Otherwise Agreed, the following items shall be PAID CURRENT
- and prorated between Buyer and Seller as of Close Of Escrow: real property taxes and assessments, interest, Seller rental payments, HOA regular assessments due prior to Close Of Escrow, premiums on insurance assumed by Buyer, payments on bonds and assessments assumed by Buyer, and payments on Mello-Roos and other Special Assessment District bonds and assessments that are now a lien. Seller shall pay any HOA special or emergency assessments due prior to Close Of Escrow. The following items shall be assumed by Buyer WITHOUT CREDIT toward the purchase price: prorated payments on Mello-Roos and other Special Assessment District bonds and assessments and HOA special or emergency assessments that are due after Close Of Escrow. Property will be reassessed upon change of ownership. Any supplemental tax bills delivered to Escrow Holder prior to closing shall be prorated and paid as follows: (i) for periods after Close Of Escrow, by Buyer; and (ii) for periods prior to Close Of Escrow, by Seller (see C.A.R. Form SPT or SBSA for further information). Seller agrees all service fees, maintenance costs and utility bills will be paid current up and through the date of Close Of Escrow. TAX BILLS AND UTILITY BILLS ISSUED AFTER CLOSE OF ESCROW SHALL BE HANDLED DIRECTLY BETWEEN BUYER AND SELLER. Prorations shall be made based on a 30-day month.

21. BROKERS AND AGENTS:

A. COMPENSATION: Seller or Buyer, or both, as applicable, agree to pay compensation to Broker as specified in a separate written agreement between Broker and that Seller or Buyer. Compensation is payable upon Close Of Escrow, or if escrow does not close, as otherwise specified in the agreement between Broker and that Seller or Buyer. If Seller agrees to pay Buyer's Broker (see paragraph 3G(3)), Seller shall be entitled to a copy of the portion of the written compensation agreement between Buyer and Buyer's Broker identifying the compensation to be paid. See C.A.R. Form SPBB for further information.

| NCPA REVISED 6/23 (PAGE 10 OF 18) | Buyer's Initials |              | Seller's Initials 🗶 | /            | EQUAL HOUS |
|-----------------------------------|------------------|--------------|---------------------|--------------|------------|
| NEW CONSTRUCTION PURCHASE AG      | REEMENT AN       | D JOINT ESCR | ROW INSTRUCTIONS (N | ICPA PAGE 10 |            |

Tanihaha - 73421

- Property Address: 73421 Corbin Rd, Twentynine Palms, CA 92277

  B. SCOPE OF DUTY: Buyer and Seller acknowledge and agree that Agent: (i) Does not decide what price Buyer should pay or Seller should accept; (ii) Does not guarantee the condition of the Property; (iii) Does not guarantee the performance, adequacy or completeness of inspections, services, products or repairs provided or made by Seller or others; (iv) Does not have an obligation to conduct an inspection of common areas or areas off the site of the Property; (v) Shall not be responsible for identifying defects on the Property, in common areas, or offsite unless such defects are visually observable by an inspection of reasonably accessible areas of the Property or are known to Agent; (vi) Shall not be responsible for inspecting public records or permits concerning the title or use of Property; (vii) Shall not be responsible for identifying the location of boundary lines or other items affecting title; (viii) Shall not be responsible for verifying square footage, representations of others or information contained in Investigation reports, Multiple Listing Service, advertisements, flyers or other promotional material; (ix) Shall not be responsible for determining the fair market value of the Property or any personal property included in the sale; (x) Shall not be responsible for providing legal or tax advice regarding any aspect of a transaction entered into by Buyer or Seller; and (xi) Shall not be responsible for providing other advice or information that exceeds the knowledge, education and experience required to perform real estate licensed activity.
- Buyer and Seller agree to seek legal, tax, insurance, title and other desired assistance from appropriate professionals. **REFERRAL LICENSEE COMPENSATION:** (If checked in **paragraph 3E**, Seller or Buyer, agree that Referral Licensee shall be compensated the amount specified in paragraph 3E. Note to Referral Licensee: Agency relationships can be established by conduct notwithstanding the classification as a referral licensee in the Agreement.

  22. JOINT ESCROW INSTRUCTIONS TO ESCROW HOLDER:
- - The following paragraphs, or applicable portions thereof, of this Agreement constitute the joint escrow instructions of Buyer and Seller to Escrow Holder, which Escrow Holder is to use along with any related counter offers and addenda, and any additional mutual instructions to close the escrow: paragraphs 1, 4A, 4B, 4D-G, 4P(2), 4Q, 4U, 6A(1-3), 6D, 6E, 11, 13F(2), 17 (except 17D), 18H, 20, 21A, 22, 26, 29, 31, 45, 46, and paragraph 3 of the Real Estate Brokers Section. If a Copy of the separate compensation agreement(s) provided for in paragraph 21A or paragraph 3 of the Real Estate Brokers Section is deposited with Escrow Holder by Agent, Escrow Holder shall accept such agreement(s) and pay out from Buyer's or Seller's funds, or both, as applicable, the Broker's compensation provided for in such agreement(s). The terms and conditions of this Agreement not set forth in the specified paragraphs are additional matters for the information of Escrow
  - Holder, but about which Escrow Holder need not be concerned.

    IF PROPERTY IS SUBJECT TO A PUBLIC REPORT OR EXEMPT FROM A PUBLIC REPORT PURSUANT TO BUSINESS AND PROFESSIONS CODE § 11010.4, THE FOLLOWING ADDITIONAL ESCROW INSTRUCTIONS APPLY:

    (1) BLANKET ENCUMBRANCE: Not as a condition of Seller's duty to complete construction under paragraph 1D(2), but
    - solely for the benefit of Buyer, the escrow shall not close, funds shall not be released from escrow, and title shall not be conveyed to Buyer, until all of the following conditions have been met: (i) Seller has complied with the purchase money handling requirements of B&P Code §§ 11013, 11013.1, 11013.2, or 11013.4, as applicable; and (ii) Buyer has been provided a policy of title insurance showing that the Property is free and clear of any blanket encumbrances as defined in § 11013. For purposes of compliance with § 11013.2(a), a release from a blanket encumbrance resulting from a deed of trust or mortgage shall require satisfaction with either of the following: (a) an instrument has been duly recorded unconditionally reconveying and releasing the Property from the lien or charge of such deed of trust; or (b) Buyer is notified that an agreement or demand constituting a release agreement as defined in DRE Regulation 2791.1(b)(2)(A) has been duly deposited with Escrow Holder and is available to Buyer on request for each deed of trust, and Buyer will be provided with a policy of title insurance insuring Buyer against loss by reason of such deed of trust.
    - COMMON INTEREST SUBDIVISION: If Seller discloses property is in a common interest subdivision, as required under paragraph 13F, the attached Common Interest Subdivision Supplemental Escrow Instructions (C.A.R. Form NCEI) are made a part of this Agreement. Note to Seller: For property subject to a public report, you must use the Common Interest Subdivision Supplemental Escrow Instructions provided with this NCPA or for any other supplemental escrow instructions you intend to use you must submit them to, and have them be accepted by, the DRE.
    - (3) If escrow does not close within 1 year after Acceptance of this Agreement, and Buyer and Seller have not extended the Closing Date in writing, and the failure to close escrow is not due to the default of Buyer, escrow is to be cancelled and all funds in escrow immediately returned to Buyer upon Buyer's request.
    - Subject to the requirements of Civil Code §§ 1675(c) or (d), 1676, 1677, and 1678, if funds deposited in escrow by Buyer have been disbursed on Seller's instructions as permitted by DRE Regulation 2791, the funds expended by Seller shall be reimbursed to escrow within 15 Days after Seller's failure to perform within 1 year after Acceptance of this Agreement, and Buyer and Seller have not extended the Closing Date in writing, and those funds shall be immediately returned to
    - (5) Escrow shall not close until Escrow Holder has received written notice from a title insurance company that each and every encumbrance, including without limitation, any mortgage or deed of trust, filed of record prior to the time of recording of the Declaration of Covenants, Conditions, and Restrictions has either been (i) fully reconveyed or (ii) expressly subordinated to the Declaration of Covenants, Conditions, and Restrictions.
  - Buyer and Seller will receive Escrow Holder's general provisions, if any, directly from Escrow Holder. To the extent the general provisions are inconsistent or conflict with this Agreement, the general provisions will control as to the duties and obligations of Escrow Holder only. Buyer and Seller shall Sign and return Escrow Holder's general provisions or supplemental instructions within the time specified in **paragraph 4P(2)**. Buyer and Seller shall execute additional instructions, documents and forms provided by Escrow Holder that are reasonably necessary to close the escrow and, as directed by Escrow Holder, within **3 Days**, shall pay to Escrow Holder or HOA or HOA management company or others any fee required by **paragraphs 4, 9, 11**, 13 or elsewhere in this Agreement.
  - D. A Copy of this Agreement including any counter offer(s) and addenda shall be delivered to Escrow Holder within 3 Days after Acceptance. Buyer and Seller authorize Escrow Holder to accept and rely on Copies and Signatures as defined in this Agreement as originals, to open escrow and for other purposes of escrow. The validity of this Agreement as between Buyer and Seller is not affected by whether or when Escrow Holder Signs this Agreement. Escrow Holder shall provide Seller's Statement of Information to Title Company when received from Seller, if a separate company is providing title insurance. If Seller delivers an affidavit to Escrow Holder to satisfy Seller's FIRPTA obligation under paragraph 13C, Escrow Holder shall deliver to Buyer, Buyer's Agent, and Seller's Agent a Qualified Substitute statement that complies with federal Law. If Escrow Holder's Qualified Substitute statement does not comply with federal law, the Parties instruct escrow to withhold all applicable required amounts under paragraph 13C.



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- Agents are not a party to the escrow except for the sole purpose of receiving compensation pursuant to paragraph 21A and paragraph 3 of the Real Estate Brokers Section. If a Copy of the separate compensation agreement(s) provided for in either of those paragraphs is deposited with Escrow Holder by Agent, Escrow Holder shall accept such agreement(s) and pay out from Buyer's or Seller's funds, or both, as applicable, the Broker's compensation provided for in such agreement(s). Buyer and Seller irrevocably assign to Brokers compensation specified in paragraph 21A, and irrevocably instruct Escrow Holder to disburse those funds to Brokers at Close Of Escrow or pursuant to any other mutually executed cancellation agreement. Compensation instructions can be amended or revoked only with the written consent of Brokers. Buyer and Seller shall release and hold harmless Escrow Holder from any liability resulting from Escrow Holder's payment to Broker(s) of compensation pursuant to this Agreement.
- Buyer and Seller acknowledge that Escrow Holder may require invoices for expenses under this Agreement. Buyer and Seller, upon request by Escrow Holder, within 3 Days or within a sufficient time to close escrow, whichever is sooner, shall provide any such invoices to Escrow Holder.
- Upon receipt, Escrow Holder shall provide Buyer, Seller, and each Agent verification of Buyer's deposit of funds pursuant to paragraph 6A(1). Once Escrow Holder becomes aware of any of the following, Escrow Holder shall immediately notify each Agent: (i) if Buyer's initial or any additional deposit or down payment is not made pursuant to this Agreement, or is not good at time of deposit with Escrow Holder; or (ii) if Buyer and Seller instruct Escrow Holder to cancel escrow.
- A Copy of any amendment that affects any paragraph of this Agreement for which Escrow Holder is responsible shall be delivered to Escrow Holder within 3 Days after mutual execution of the amendment.
- 23. SELECTION OF SERVICE PROVIDERS: Agents do not guarantee the performance of any vendors, service or product providers ("Providers"), whether referred by Agent or selected by Buyer, Seller or other person. Buyer and Seller may select ANY Providers of their own choosing
- 24. MULTIPLE LISTING SERVICE ("MLS"): Agents are authorized to report to the MLS that an offer has been accepted and, upon Close Of Escrow, the sales price and other terms of this transaction shall be provided to the MLS to be published and disseminated to persons and entities authorized to use the information on terms approved by the MLS. Buyer acknowledges that: (i) any pictures, videos, floor plans (collectively, "Images") or other information about the Property that has been or will be inputted into the MLS or internet portals, or both, at the instruction of Seller or in compliance with MLS rules, will not be removed after Close Of Escrow; (ii) California Civil Code § 1088(c) requires the MLS to maintain such Images and information for at least three years and as a result they may be displayed or circulated on the Internet, which cannot be controlled or removed by Seller or Agents; and (iii) Seller, Seller's Agent, Buyer's Agent, and MLS have no obligation or ability to remove such Images or information from the Internet.
- 25. ATTORNEY FEES AND COSTS: In any action, proceeding, or arbitration between Buyer and Seller arising out of this Agreement, the prevailing Buyer or Seller shall be entitled to reasonable attorney fees and costs from the non-prevailing Buyer or Seller, except as provided in paragraph 43.
- 26. ASSIGNMENT/NOMINATION: Buyer shall have the right to assign all of Buyer's interest in this Agreement to Buyer's own trust or to any wholly owned entity of Buyer that is in existence at the time of such assignment. Otherwise, Buyer shall not assign all or any part of Buyer's interest in this Agreement without first having obtained the separate written consent of Seller to a specified assignee. Such consent shall not be unreasonably withheld. Prior to any assignment, Buyer shall disclose to Seller the name of the assignee and the amount of any monetary consideration between Buyer and assignee. Buyer shall provide assignee with all documents related to this Agreement including, but not limited to, the Agreement and any disclosures. If assignee is a wholly owned entity or trust of Buyer, that assignee does not need to re-sign or initial all documents provided. Whether or not an assignment requires seller's consent, at the time of assignment, assignee shall deliver a letter from assignee's lender that assignee is prequalified or preapproved as specified in paragraph 7B. Should assignee fail to deliver such a letter, Seller, after first giving Assignee an Notice to Buyer to Perform, shall have the right to terminate the assignment. Buyer shall, within the time specified in paragraph 4L, Deliver any request to assign this Agreement for Seller's consent. If Buyer fails to provide the required information within this time frame, Seller's withholding of consent shall be deemed reasonable. Any total or partial assignment shall not relieve Buyer of Buyer's obligations pursuant to this Agreement unless Otherwise Agreed by Seller (C.A.R. Form AOAA). Parties shall provide any assignment agreement to Escrow Holder within 1 Day after the assignment. Any nomination by Buyer shall be subject to the same procedures, requirements, and terms as an assignment as specified in this paragraph.
- 27. SEVERABILITY: If any term, condition, or provision of this Agreement is declared illegal or invalid for any reason by a court of competent jurisdiction, or arbitrator, the remaining terms, conditions, and provisions shall, nevertheless, remain in full force and effect.
- EQUAL HOUSING OPPORTUNITY: The Property is sold in compliance with federal, state and local anti-discrimination Laws.
- 29. DEFINITIONS and INSTRUCTIONS: The following words are defined terms in this Agreement, shall be indicated by initial capital letters throughout this Agreement, and have the following meaning whenever used:
  - "Acceptance" means the time the offer or final counter offer is fully executed, in writing, by the recipient Party and is Delivered to the offering Party or that Party's Authorized Agent.
  - "Agent" means the Broker, salesperson, broker-associate or any other real estate licensee licensed under the brokerage firm identified in paragraph 3.
  - "Agreement" means this document and any counter offers and any incorporated addenda or amendments, collectively forming the binding agreement between the Parties. Addenda and amendments are incorporated only when Signed and Delivered by all Parties.
  - "As-Is" condition: Seller shall disclose known material facts and defects as specified in this Agreement. Buyer has the right to inspect the Property and, within the time specified, request that Seller make repairs or take other corrective action, or exercise any contingency cancellation rights in this Agreement. Seller is only required to make repairs specified in this Agreement or as Otherwise Agreed.
  - "Authorized Agent" means an individual real estate licensee specified in the Real Estate Broker Section.
  - "C.A.R. Form" means the most current version of the specific form referenced or another comparable form agreed to by the Parties.
  - "Close Of Escrow", including "COE", means the date the grant deed, or other evidence of transfer of title, is recorded for any G real property, or the date of Delivery of a document evidencing the transfer of title for any non-real property transaction.
  - "Copy" means copy by any means including photocopy, facsimile and electronic.

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Buyer's Initials / Seller's Initials X Property Address: 73421 Corbin Rd, Twentynine Palms, CA 92277

- Date: Counting Days is done as follows unless Otherwise Agreed: (1) The first Day after an event is the first full calendar date following the event, and ending at 11:59 pm. For example, if a Notice to Buyer to Perform (C.A.R. form NBP) is Delivered at 3 pm on the 7th calendar day of the month, or Acceptance of a counter offer is personally received at 12 noon on the 7th calendar day of the month, then the 7th is Day "0" for purposes of counting days to respond to the NBP or calculating the Close Of Escrow date or contingency removal dates and the 8th of the month is Day 1 for those same purposes. (Ž) All calendar days are counted in establishing the first Day after an event. (3) All calendar days are counted in determining the date upon which performance must be completed, ending at 11:59 pm on the last day for performance ("Scheduled") Performance Day"). (4) After Acceptance, if the Scheduled Performance Day for any act required by this Agreement, including Close Of Escrow, lands on a Saturday, Sunday, or Legal Holiday, the performing party shall be allowed to perform on the next day that is not a Saturday, Sunday or Legal Holiday ("Allowable Performance Day"), and ending at 11:59 pm. "Legal Holiday" shall mean any holiday or optional bank holiday under Civil Code §§ 7 and 7.1 and any holiday under Government Code § 6700. (5) For the purposes of COE, any day that the Recorder's office in the County where the Property is located is closed or any day that the lender or Escrow Holder under this Agreement is closed, the COE shall occur on the next day the Recorder's office in that County, the lender, and the Escrow Holder are open. (6) COE is considered Day 0 for purposes of counting days
- Seller is allowed to remain in possession, if permitted by this Agreement.
- "Day" or "Days" means calendar day or days. However, delivery of deposit to escrow is based on business days.

  "Deliver", "Delivered" or "Delivery" of documents, unless Otherwise Agreed, means and shall be effective upon personal receipt of the document by Buyer or Seller or their Authorized Agent. Personal receipt means (i) a Copy of the document, or as applicable, link to the document, is in the possession of the Party or Authorized Agent, regardless of the Delivery method used (i.e. e-mail, text, other), or (ii) an Electronic Copy of the document, or as applicable, link to the document, has been sent to any of the designated electronic delivery addresses specified in the Real Estate Broker Section on page 18. After Acceptance, Agent may change the designated electronic delivery address for that Agent by, in writing, Delivering notice of the change in designated electronic delivery address to the other Party. Links could be, for example, to DropBox or GoogleDrive or other functionally equivalent program. If the recipient of a link is unable or unwilling to open the link or download the documents or otherwise prefers Delivery of the documents directly, Recipient of a link shall notify the sender in writing, within 3 Days after Delivery of the link (C.A.R. Form RFR). In such case, Delivery shall be effective upon Delivery of the documents and not the link. Failure to notify sender within the time specified above shall be deemed consent to receive, and Buyer opening, the document by link.
- "DRE" means the Department of Real Estate.
- "Electronic Copy" or "Electronic Signature" means, as applicable, an electronic copy or signature complying with California Law. Buyer and Seller agree that electronic means will not be used by either Party to modify or alter the content or integrity of this Agreement without the knowledge and consent of the other Party. Unless Otherwise Agreed, Buyer and Seller agreed to the use of Electronic Signatures.
- "Law" means any law, code, statute, ordinance, regulation, rule or order, which is adopted by a controlling city, county, state or federal legislative, judicial or executive body or agency.
- "Legally Authorized Signer" means an individual who has authority to Sign for the principal as specified in paragraph 45 or
- "Otherwise Agreed" means an agreement in writing, signed by both Parties and Delivered to each.
- "Repairs" means any repairs (including pest control), alterations, replacements, modifications or retrofitting of the Property provided for under this Agreement.
  "Sign" or "Signed" means either a handwritten or Electronic Signature on an original document, Copy or any counterpart.
- 30. TERMS AND CONDITIONS OF OFFER: This is an offer to purchase the Property on the terms and conditions herein. The individual Liquidated Damages and Arbitration of Disputes paragraphs are incorporated in this Agreement if initialed by all Parties or if incorporated by mutual agreement in a Counter Offer or addendum. If at least one but not all Parties initial, a Counter Offer is required until agreement is reached. Seller has the right to continue to offer the Property for sale and to accept any other offer at any time prior to notification of Acceptance and to market the Property for backup offers after Acceptance. The Parties have read and acknowledge receipt of a Copy of the offer and agree to the confirmation of agency relationships. If this offer is accepted and Buyer subsequently defaults, Buyer may be responsible for payment of Brokers' compensation. This Agreement and any supplement, addendum or modification, including any Copy, may be Signed in two or more counterparts, all of which shall constitute one and the same writing. By signing this offer or any document in the transaction, the Party Signing the document is deemed to have read the document in its entirety
- 31. TIME OF ESSENCE; ENTIRE CONTRACT; CHANGES: Time is of the essence. All understandings between the Parties are incorporated in this Agreement. Its terms are intended by the Parties as a final, complete and exclusive expression of their Agreement with respect to its subject matter and may not be contradicted by evidence of any prior agreement or contemporaneous oral agreement. If any provision of this Agreement is held to be ineffective or invalid, the remaining provisions will nevertheless be given full force and effect. Except as Otherwise Agreed, this Agreement shall be interpreted, and disputes shall be resolved in accordance with the Laws of the State of California. Neither this Agreement nor any provision in it may be extended, amended, modified, altered or changed, except in writing Signed by Buyer and Seller.
- **LEGALLY AUTHORIZED SIGNER:** Wherever the signature or initials of the Legally Authorized Signer identified in **paragraph 45** or **46** appear on this Agreement or any related documents, it shall be deemed to be in a representative capacity for the entity described and not in an individual capacity, unless otherwise indicated. The Legally Authorized Signer (i) represents that the entity for which that person is acting already exists and is in good standing to do business in California and (ii) shall Deliver to the other Party and Escrow Holder, within the time specified in paragraph 4P(4), evidence of authority to act in that capacity (such as but not limited to: applicable portion of the trust or Certification Of Trust (Probate Code § 18100.5), letters testamentary, court order, power of attorney, corporate resolution, or formation documents of the business entity).
- 33. DOCUMENTATION TO SUBSEQUENT PURCHASERS: Buyer is instructed to give any subsequent purchasers all documents related to the sale and purchase that Buyer receives from Seller.
- MAINTENANCE RECOMMENDATIONS: Provided with the Agreement are Copies of all builder maintenance and preventative maintenance recommendations.
- 35. MANUFACTURED PRODUCTS MAINTENANCE AND LIMITED WARRANTIES: Provided with the Agreement are Copies of all manufactured products maintenance, preventative maintenance, and limited warranty information.



| 36. | A.                                   | LLER'S STANDARD WARRANTY: Seller (i) warrants the Property against defective to Civil Code §896; and (ii) warrants fit and finish iter applies if Seller receives notice of such defect approved under paragraph 15 or thereafter, min alterations or additions made other than by Seller by the Seller's Standard Warranty, Seller will, with in the Property.  | ms specified in Civ<br>(s) within the wa<br>or settling cracks<br>, are excluded from<br>hin a reasonable ti  | ril Code §900 for one year. Seller's Stand<br>rranty period. Items or defects that we<br>damage caused by Buyer or movers,<br>in Seller's Standard Warranty. For defec-<br>me, at Seller's option repair or replace a   | dard Warranty only<br>ere inspected and<br>or damage due to<br>ts that are covered<br>any covered defect   |
|-----|--------------------------------------|--|---|---|--|
| 37  | C.<br>D.<br>E.                       | Seller shall not be liable for, or have any obligation by Buyer at Close Of Escrow.  THE SELLER'S STANDARD WARRANTY IS PRINCLUDING ANY IMPLIED WARRANTY OF ME OF SELLER IN TORT, TO THE EXTENT SUCH SELLER'S STANDARD WARRANTY ALSO EXCENTRAT SUCH LIABILITY MAY BE DISCLAIMED UWHETHER OR NOT SELLER WARRANTS ANY KNOWN MATERIAL FACTS, AND TO MAKE OTH Buyer and Seller understand and acknowledge that INLDER LIMITED CONTRACTUAL WARRANTIES  | OVIDED IN LIEU RCHANTABILITY CH LIABILITY M. CLUDES LIABILIT NDER CALIFORN ASPECT OF THER DISCLOSUR Brokers or Referral   | OF ALL OTHER WARRANTIES, EXPRI<br>OF FITNESS, AND IN LIEU OF ANY S<br>AY BE DISCLAIMED UNDER CALIFO<br>Y FOR CONSEQUENTIAL DAMAGES<br>IIA LAW.<br>IE PROPERTY, SELLER IS OBLIGATE<br>ES REQUIRED BY LAW.<br>Licensee shall not be liable for any breach   | ESS OR IMPLIED, STRICT LIABILITY DRNIA LAW. THE TO THE EXTENT ED TO DISCLOSE of this paragraph.  |
| •   |                                      | rranties not specified in paragraph 36 of this Agree   |   |   | miniod contractadi   |
| 38. |                                      | OCEDURES FOR ACTIONS ON CONSTRUCTION de §§ 895-945.5 and all of the terms of paragraph   |   | ESCROW INSTRUCTION: This sale is  | governed by Civil  |
|     |                                      | "Notice: California law establishes procedures to construction defect. These procedures impact the Part 2 of Division 2 of the California Civil Code con   | hat must be follo   | homeowner. These procedures may be  |  |
|     | B.                                   | <b>Escrow Holder Instruction:</b> By signing this doc language specified in quotes in paragraph 38A ab   |   | s are instructing Escrow Holder to inse   | ert in the deed the  |
|     | C.                                   |  | parately provided   |   |  |
|     | D.                                   | a copy in the EPubs library in zipForm®.) By initialing here, Buyer and Seller acknowledge Civil Code §§ 895-945.5 provided.   | that each has red   | ceived and read this paragraph and the  | copy of California   |
|     |                                      |  |   |   |  |
|     |                                      | Buyer's Initials _   |   | Seller's Initials   | /  |
|     | E.                                   | AGENT FOR NOTICE: Claims and requests fo Chapter 4 of Title 7 of Part 2 of Division 2 of the person at the following address: Bliss Holding Grown By initialing here, Buyer and Seller acknow  | r information rela<br>California Civil Co<br>up, Inc., dba Chisel   | ting to construction defect allegations ode commencing with § 910 may be ma & Tool, 910 S. San Gabriel Blvd, Pasadena   | made pursuant to de to the following a CA 91107  |
|     | E.                                   | AGENT FOR NOTICE: Claims and requests fo Chapter 4 of Title 7 of Part 2 of Division 2 of the person at the following address: Bliss Holding Grown By initialing here, Buyer and Seller acknown   | r information rela<br>California Civil Co<br>up, Inc., dba Chisel   | ting to construction defect allegations ode commencing with § 910 may be ma & Tool, 910 S. San Gabriel Blvd, Pasadena   | made pursuant to de to the following a CA 91107  |
|     | E.                                   | <b>AGENT FOR NOTICE:</b> Claims and requests fo Chapter 4 of Title 7 of Part 2 of Division 2 of the person at the following address: <b>Bliss Holding Group</b>  | r information rela<br>California Civil Co<br>up, Inc., dba Chisel   | ting to construction defect allegations ode commencing with § 910 may be ma & Tool, 910 S. San Gabriel Blvd, Pasadena has read and understands this paragraph   | made pursuant to de to the following a CA 91107  |
| 39. | <b>NO</b><br>fortl                   | AGENT FOR NOTICE: Claims and requests fo Chapter 4 of Title 7 of Part 2 of Division 2 of the person at the following address: Bliss Holding Grown By initialing here, Buyer and Seller acknown   | r information rela California Civil Co up, Inc., dba Chisel wledge that each  | ting to construction defect allegations ode commencing with § 910 may be ma & Tool, 910 S. San Gabriel Blvd, Pasadena has read and understands this paragraph.  Seller's Initials  eller elects to engage in the non-adverse initialed in this paragraph. If initialed he   | made pursuant to de to the following a CA 91107 . h  |
|     | <b>NO</b><br>forti                   | AGENT FOR NOTICE: Claims and requests fo Chapter 4 of Title 7 of Part 2 of Division 2 of the person at the following address: Bliss Holding Grown By initialing here, Buyer and Seller acknow Buyer's Initials   | r information rela California Civil Co up, Inc., dba Chisel wledge that each  / A CIVIL CODE: S fect claims, unless tive procedure, se  | ting to construction defect allegations ode commencing with § 910 may be ma & Tool, 910 S. San Gabriel Blvd, Pasadena has read and understands this paragraph.  Seller's Initials  eller elects to engage in the non-adverse initialed in this paragraph. If initialed he to forth in the attached Addendum.  Seller's Initials   | made pursuant to de to the following a CA 91107 h  |
|     | <b>NO</b><br>forti                   | AGENT FOR NOTICE: Claims and requests for Chapter 4 of Title 7 of Part 2 of Division 2 of the person at the following address: Bliss Holding Grown By initialing here, Buyer and Seller acknow Buyer's Initials  | r information rela California Civil Co up, Inc., dba Chisel wledge that each  / A CIVIL CODE: S fect claims, unless tive procedure, se  | ting to construction defect allegations ode commencing with § 910 may be ma & Tool, 910 S. San Gabriel Blvd, Pasadena has read and understands this paragraph.  Seller's Initials  eller elects to engage in the non-adverse initialed in this paragraph. If initialed he to forth in the attached Addendum.  Seller's Initials   | made pursuant to de to the following a CA 91107 h  |
| 40. | NO fortl and VAR PUI cha Thir RE     | AGENT FOR NOTICE: Claims and requests for Chapter 4 of Title 7 of Part 2 of Division 2 of the person at the following address: Bliss Holding Grown By initialing here, Buyer and Seller acknow Buyer's Initials Buyer's Initials Buyer's Initials Buyer and Seller agree to be bound by the alternated Buyer and Seller agree to be bound by the alternated Buyer's Initials Buyer's deposits to Seller Buyer's deposits to Seller Buyer Seller Buyer's deposits to Seller Buyer Seller Buye | r information rela California Civil Co up, Inc., dba Chisel wledge that each  / A CIVIL CODE: S fect claims, unless tive procedure, se  / ARTIES INTEND 1 PARTIES: Pursua eller. These charge IT OF BUYER D | ting to construction defect allegations ode commencing with § 910 may be ma & Tool, 910 S. San Gabriel Blvd, Pasadena has read and understands this paragraph Seller's Initials  Beller elects to engage in the non-adverse initialed in this paragraph. If initialed he to forth in the attached Addendum.  Seller's Initials  FO OPT OUT OF NON-ADVERSARIAL  ant to DRE Regulation 2791(b), certaines under Regulation 2791(b), and the SEFAULT: In the event Seller has used | made pursuant to de to the following a CA 91107  h  arial procedure set ere, Seller opts out  PROCEDURES  In distributions and seller Estimates for deliver's deposits |
| 40. | NO forti and VAR PUI cha Thir RE pen | AGENT FOR NOTICE: Claims and requests for Chapter 4 of Title 7 of Part 2 of Division 2 of the person at the following address: Bliss Holding Grown By initialing here, Buyer and Seller acknow Buyer's Initials Buyer's Initials Buyer's Initials Buyer and Seller agree to be bound by the alternated Buyer and Seller agree to be bound by the alternated Buyer's Initials Buyer's Initial | r information rela California Civil Co up, Inc., dba Chisel wledge that each  / A CIVIL CODE: S fect claims, unless tive procedure, se  / ARTIES INTEND 1 PARTIES: Pursua eller. These charge IT OF BUYER D | ting to construction defect allegations ode commencing with § 910 may be ma & Tool, 910 S. San Gabriel Blvd, Pasadena has read and understands this paragraph Seller's Initials  Beller elects to engage in the non-adverse initialed in this paragraph. If initialed he to forth in the attached Addendum.  Seller's Initials  FO OPT OUT OF NON-ADVERSARIAL  ant to DRE Regulation 2791(b), certaines under Regulation 2791(b), and the SEFAULT: In the event Seller has used | made pursuant to de to the following a CA 91107  h  arial procedure set ere, Seller opts out  PROCEDURES  In distributions and seller Estimates for deliver's deposits |

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Date:

- 42. LIQUIDATED DAMAGES: IF BUYER FAILS TO COMPLETE THE PURCHASE OF THE PROPERTY BY REASON OF DEFAULT OF BUYER, SELLER MAY PURSUE ANY REMEDY IN LAW OR EQUITY THAT IT MAY HAVE AGAINST BUYER ON ACCOUNT OF THE DEFAULT; PROVIDED, HOWEVER, THAT BY PLACING THEIR INTIALS HERE, BUYER / AGREE THAT:
  - A. THE SUMS PAID ON DEPOSIT PURSUANT TO PARAGRAPHS 4D(1) AND 7A HEREOF PLUS ANY AMOUNTS PAID FOR ADDITIONAL ITEMS, EXTRAS AND/OR CUSTOMER SELECTED MATERIALS ORDERED BY BUYER ("PURCHASE MONEY DEPOSIT") SHALL CONSTITUTE LIQUIDATED DAMAGES PAYABLE TO SELLER IS BUYER FAILS TO COMPLETE THE PURCHASE OF THE PROPERTY BECAUSE OF A DEFAULT BY BUYER.
  - B. THE PAYMENT OF SUCH LIQUIDATED DAMAGES TO SELLER SHALL CONSTITUTE THE EXCLUSIVE REMEDY OF SELLER ON ACCOUNT OF THE DEFAULT OF BUYER.
  - C. LIQUIDATED DAMAGES SHALL BE PAYABLE TO SELLER OUT OF BUYER'S DEPOSIT TOWARD PURCHASE OF THE PROPERTY ACCORDING TO THE FOLLOWING PROCEDURES:
    - (1) SELLER SHALL GIVE WRITTEN NOTICE ("SELLER'S NOTICE AND DEMAND"), IN THE MANNER PRESCRIBED BY SECTION 116.340 OF THE CODE OF CIVIL PROCEDURE FOR SERVICE IN A SMALL CLAIMS ACTION, TO ESCROW HOLDER AND TO BUYER THAT BUYER IS IN DEFAULT UNDER THE CONTRACT AND THAT SELLER IS DEMANDING THAT ESCROW HOLDER REMIT THE PURCHASE MONEY DEPOSIT TO SELLER AS LIQUIDATED DAMAGES UNLESS, WITHIN 20 DAYS, BUYER GIVES ESCROW HOLDER BUYER'S WRITTEN OBJECTION TO DISBURSEMENT OF PURCHASE MONEY AS LIQUIDATED DAMAGES ("BUYER'S OBJECTION").
    - (2) BUYER HAS A PERIOD OF 20 DAYS FROM THE DATE OF RECEIPT OF SELLER'S NOTICE AND DEMAND IN WHICH TO GIVE ESCROW HOLDER BUYER'S OBJECTION.
    - (3) IF BUYER FAILS TO GIVE ESCROW HOLDER BUYER'S OBJECTION WITHIN 20 DAYS FROM THE DATE OF RECEIPT OF SELLER'S NOTICE AND DEMAND: (i) ESCROW HOLDER SHALL PROMPTLY REMIT THE AMOUNT DEMANDED TO SELLER; AND (ii) SELLER IS RELEASED FROM ANY OBLIGATION TO SELL THE PROPERTY TO BUYER.
    - (4) IF BUYER GIVES ESCROW HOLDER BUYER'S OBJECTION WITHIN 20 DAYS FROM THE DATE OF RECEIPT OF SELLER'S NOTICE AND DEMAND, THEN THE DETERMINATION AS TO WHETHER SELLER IS ENTITLED TO THE DISBURSEMENT OF PURCHASE MONEY AS LIQUIDATED DAMAGES, AND EVERY OTHER CAUSE OF ACTION THAT HAS ARISEN BETWEEN BUYER AND SELLER UNDER THIS AGREEMENT, SHALL BE DECIDED IN ACCORDANCE WITH PARAGRAPHS 43 AND 44 OF THIS AGREEMENT.
    - (5) IF THE DETERMINATION AS TO WHETHER SELLER IS ENTITLED TO THE DISBURSEMENT OF PURCHASE MONEY AS LIQUIDATED DAMAGES IS REFERRED TO ARBITRATION, ANY FEE TO INITIATE ARBITRATION SHALL BE PAID BY SELLER, BUT THE COST OF ARBITRATION SHALL ULTIMATELY BE BORNE AS DETERMINED BY THE ARBITRATOR.

      SELLER AGREES TO INDEMNIFY AND HOLD ESCROW HOLDER HARMLESS FROM ANY CLAIM BY BUYER ARISING OUT OF ANY DISTRIBUTIONS MADE BY ESCROW HOLDER IN ACCORDANCE WITH,

AND PURSUANT TO, THE PROVISIONS OF THIS PARAGRAPH.

REMITTANCE OF THE AFORESAID LIQUIDATED DAMAGES TO SELLER SHALL PRECLUDE ANY RIGHT OF ACTION SELLER MAY HAVE TO CONTEST THE REASONABLENESS OF THE AMOUNT ACTUALLY PAID AS LIQUIDATED DAMAGES OR THE VALIDITY OF THIS LIQUIDATED DAMAGES PROVISION.

NOTE 1: CIVIL CODE SECTION 1675(D) IS APPLICABLE TO THIS PROVISION. SECTION 1675(D) PROVIDES "IF THE AMOUNT ACTUALLY PAID PURSUANT TO THE LIQUIDATED DAMAGES PROVISION EXCEEDS 3 PERCENT OF THE PURCHASE PRICE, THE PROVISION IS INVALID UNLESS THE PARTY SEEKING TO UPHOLD THE PROVISION ESTABLISHES THAT THE AMOUNT ACTUALLY PAID IS REASONABLE AS LIQUIDATED DAMAGES.

NOTE 2: IF THE PROPERTY IS AN ATTACHED RESIDENTIAL CONDOMINIUM LOCATED WITHIN A STRUCTURE OF 10 OR MORE RESIDENTIAL CONDOMINIUM UNITS AND PARTIES HAVE AGREED TO LIQUIDATED DAMAGES IN THIS ADDENDUM, SELLER'S RETENTION OF ANY AMOUNT IS EXCESS OF 3 PERCENT OF THE PURCHASE PRICE SHALL BE SUBJECT TO CALIFORNIA CIVIL CODE § 1675(F).

#### 43. MEDIATION:

The Parties agree to mediate any dispute or claim arising between them out of this Agreement, or any resulting transaction, before resorting to arbitration or court action. The mediation shall be conducted through the C.A.R. Real Estate Mediation Center for Consumers (www.consumermediation.org) or through any other mediation provider or service mutually agreed to by the Parties. The Parties also agree to mediate any disputes or claims with Agent(s), who, in writing, agree to such mediation prior to, or within a reasonable time after, the dispute or claim is presented to the Agent. If, for any dispute or claim to which this paragraph applies, any Party (i) commences an action without first attempting to resolve the matter through mediation, or (ii) before commencement of an action, refuses to mediate after a request has been made, then that Party shall not be entitled to recover attorney fees, even if they would otherwise be available to that Party in any such action. THIS MEDIATION PROVISION APPLIES WHETHER OR NOT THE ARBITRATION PROVISION IS INITIALED.

The fees necessary to initiate the mediation shall be advanced by Seller, with the costs of the mediation to be borne as determined by the parties. If the parties cannot resolve their dispute through mediation and they proceed to arbitration or court, then the costs of mediation shall be borne as determined by the arbitrator of judge.

| uyer's Ini | tials |
|------------|-------|
|------------|-------|

Property Address: 73421 Corbin Rd, Twentynine Palms, CA 92277

B. ADDITIONAL MEDIATION TERMS: (i) Exclusions from this mediation agreement are specified in paragraph 44B; (ii) The obligation to mediate does not preclude the right of either Party to seek a preservation of rights under paragraph 44C; and (iii) Agent's rights and obligations are further specified in paragraph 44D. These terms apply even if the Arbitration of Disputes paragraph is not initialed.

#### 44. ARBITRATION OF DISPUTES:

- A. THE PARTIES AGREE THAT ANY CONTROVERSY BETWEEN THEM REGARDING LIQUIDATED DAMAGES, TERMINATION OF THIS AGREEMENT BEFORE CLOSE OF ESCROW, BUYER'S INTEREST IN THE PROPERTY OF OTHER ISSUES WHICH ARISE BEFORE CLOSE OF ESCROW, INCLUDING CONTROVERSY CREATED BY CONFLICTING NOTICES BY BUYER AND SELLER, AND THE DISPOSITION OF FUNDS HELD BY ESCROW HOLDER SHALL BE SETTLED BY ARBITRATION IN ACCORDANCE WITH THE COMMERCIAL ARBITRATION RULES OF THE AMERICAN ARBITRATION ASSOCIATION, PROVIDED THAT THOSE RULES ARE CONSISTENT WITH THE FOLLOWING REQUIREMENTS:
  - (1) THE FEES NECESSARY TO INITIATE THE ARBITRATION SHALL BE ADVANCED BY SELLER, WITH COSTS AND FEES (INCLUDING ONGOING COSTS AND FEES) TO BE PAID AS AGREED BY THE PARTIES. IF THE PARTIES CANNOT AGREE ON THE PAYMENT OF SUCH COSTS AND FEES, ALL COSTS AND FEES OF THE ARBITRATION SHALL ULTIMATELY BE BORNE AS DETERMINED BY THE ARBITRATION.
  - (2) THE ARBITRATION SHALL BE ADMINISTERED BY A NEUTRAL AND IMPARTIAL PERSON(S)
  - (3) A NEUTRAL AND IMPARTIAL INDIVIDUAL(S) SHALL BE APPOINTED TO SERVE AS ARBITRATOR(S) WITHIN THE SPECIFIED PERIOD OF TIME, WHICH SHALL IN NO EVENT BE MORE THAN 60 DAYS FROM THE ADMINISTRATOR'S RECEIPT OF A WRITTEN REQUEST FROM A PARTY TO ARBITRATE THE CLAIM OR DISPUTE. THE PROVISIONS OF SECTION 1297.121, OR 1297.124 OF THE CALIFORNIA CODE OF CIVIL PROCEDURE.
  - (4) THE VENUE OF THE ARBITRATION SHALL BE IN THE COUNTY WHERE THE PROPERTY IS LOCATED UNLESS THE BUYER AND SELLER AGREE TO SOME OTHER LOCATION.
  - (5) THE ARBITRATION SHALL BE COMMENCED PROMPTLY AND TIMELY IN ACCORDANCE WITH THE RULES OF ARBITRATION. IF THE RULES OF ARBITRATION DO NOT SPECIFY A DATE BY WHICH THE ARBITRATION MUST COMMENCE, THEN IT SHALL COMMENCE ON A DATE AGREED TO BY THE PARTIES. IF THE PARTIES CANNOT AGREE ON AN ARBITRATION COMMENCEMENT DATE, IT SHALL COMMENCE ON THE DATE DETERMINED BY THE ARBITRATOR(S).
  - (6) THE ARBITRATION SHALL BE CONDUCTED IN ACCORDANCE WITH RULES AND PROCEDURES WHICH ARE REASONABLE AND FAIR TO BUYER AND SELLER. THE AMERICAN ARBITRATION ASSOCIATION COMMERCIAL RULES OF ARBITRATION IN EFFECT AS OF THE DATE OF THIS AGREEMENT SHALL BE DEEMED IN COMPLIANCE WITH THIS REQUIREMENT.
  - (7) THE ARBITRATION SHALL CONCLUDE PROMPTLY AND TIMELY.
  - (8) THE ARBITRATOR(S) ARE AUTHORIZED TO PROVIDE ALL RECOGNIZED REMEDIES AVAILABLE IN LAW OR EQUITY FOR ANY CAUSE OF ACTION THAT IS THE BASIS OF THE ARBITRATION
  - (9) JUDGMENT UPON THE DECISION RENDERED BY THE ARBITRATOR(S) MAY BE ENTERED INTO ANY COURT HAVING PROPER JURISDICTION.
- B. EXCLUSIONS: The following matters are excluded from mediation and arbitration: (i) any matter that is within the jurisdiction of a probate, small claims or bankruptcy court; (ii) a judicial or non-judicial foreclosure or other action or proceeding to enforce a deed of trust, mortgage or installment land sale contract as defined in Civil Code § 2985; and (iii) an unlawful detainer action.
- C. PRESERVATION OF ACTIONS: The following shall not constitute a waiver nor violation of the mediation and arbitration provisions: (i) the filing of a court action to preserve a statute of limitations; (ii) the filing of a court action to enable the recording of a notice of pending action, for order of attachment, receivership, injunction, or other provisional remedies, provided the filing party concurrent with, or immediately after such filing, makes a request to the court for a stay of litigation pending any applicable mediation or arbitration proceeding; or (iii) the filing of a mechanic's lien.
- D. AGENTS; REFERRAL LICENSEE: Neither Agents nor Referral Licensee shall not be obligated nor compelled to mediate or arbitrate unless they agree to do so in writing. Any Agent(s) or Referral Licensee participating in mediation or arbitration shall not be deemed a party to this Agreement.
- E. "NOTICE: BY INITIALING IN THE SPACE BELOW YOU ARE AGREEING TO HAVE ANY DISPUTE ARISING OUT OF THE MATTERS INCLUDED IN THE 'ARBITRATION OF DISPUTES' PROVISION DECIDED BY NEUTRAL ARBITRATION AS PROVIDED BY CALIFORNIA LAW AND YOU ARE GIVING UP ANY RIGHTS YOU MIGHT POSSESS TO HAVE THE DISPUTE LITIGATED IN A COURT OR JURY TRIAL. BY INITIALING IN THE SPACE BELOW YOU ARE GIVING UP YOUR JUDICIAL RIGHTS TO DISCOVERY AND APPEAL, UNLESS THOSE RIGHTS ARE SPECIFICALLY INCLUDED IN THE 'ARBITRATION OF DISPUTES' PROVISION. IF YOU REFUSE TO SUBMIT TO ARBITRATION AFTER AGREEING TO THIS PROVISION, YOU MAY BE COMPELLED TO ARBITRATE UNDER THE AUTHORITY OF THE CALIFORNIA CODE OF CIVIL PROCEDURE. YOUR AGREEMENT TO THIS ARBITRATION PROVISION IS VOLUNTARY."

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

| Buyer's Initials/                 |                  |   | Seller's Ini        | tials | /   |
|-----------------------------------|------------------|---|---------------------|-------|-----|
|                                   |                  |   |                     |       |     |
| NCPA REVISED 6/23 (PAGE 16 OF 18) | Buyer's Initials | 1 | Seller's Initials 🗶 | /     | 1.5 |

|     |      | Address: 73421 Corbin Rd, Twentynine Palms, CA 92277  | Date:  |
|-----|------|---|--|
|     | BU'  | YER'S OFFER   |  |
|     | A.   | <b>EXPIRATION OF OFFER:</b> This offer shall be deemed revoked and the date and time specified in <b>paragraph 4C</b> , the offer is Signed by Seller   | and a Copy of the Signed offer is Delivered to Buyer or  |
|     | В.   | Buyer's Authorized Agent. Seller has no obligation to respond to an ENTITY BUYERS: (Note: If this paragraph is completed, a Re  |  |
|     |      | Form RCSD) is not required for the Legally Authorized Signers des   |  |
|     |      | <ol> <li>One or more Buyers is a trust, corporation, LLC, probate estate, pa</li> <li>This Agreement is being Signed by a Legally Authorized Signer capacity. See paragraph 32 for additional terms.</li> </ol> | artnership, holding a power of attorney or other entity. |
|     |      | (3) The name(s) of the Legally Authorized Signer(s) is/are:   | <u> </u>   |
|     |      | (4) If a trust, identify Buyer as trustee(s) of the trust or by simplified trust  | st name (ex. John Doe, co-trustee, Jane Doe, co-trustee  |
|     |      | or Doe Revocable Family Trust). (5) If the entity is a trust or under probate, the following is the full name of  | of the trust or probate case, including case #:          |
|     | C.   | The NCPA has 18 pages. Buyer acknowledges receipt of, and has read  | d and understands, every page and all attachments that   |
|     | D.   | make up the Agreement.  BUYER SIGNATURE(S):   |  |
|     |      | nature) By,   | Date:  |
|     | (0.8 | Printed name of BUYER:  |  |
|     |      | Printed Name of Legally Authorized Signer:  |  |
|     | (Sig | nature) By,   |  |
|     |      | Printed name of BUYER:  |  |
|     |      | Printed Name of Legally Authorized Signer:  |  |
| 40  |      | F MORE THAN TWO SIGNERS, USE Additional Signature Addendum (  | C.A.R. FORM ASA).  |
| 46. |      | CEPTANCE ACCEPTANCE OF OFFER: Seller warrants that Seller is the owne   | r of the Property or has the authority to execute this   |
|     |      | Agreement. Seller accepts the above offer and agrees to sell the Prope  |  |
|     |      | and acknowledges receipt of a Copy of this Agreement and authorizes   | Agent to Deliver a Signed Copy to Buyer.                 |
|     |      | Seller's acceptance is subject to the attached Counter Offer or Bac   |  |
|     |      | Seller shall return and include the entire agreement with any response. Seller Counter Offer (C.A.R. Form SCO or SMCO)  |  |
|     |      | Back-Up Offer Addendum (C.A.R. Form BUO)  |  |
|     |      | Note to Seller: For property sold subject to a public report, for an use with this Agreement, you must submit them to, and have them  |  |
|     | В.   | ■ Entity Sellers: (Note: If this paragraph is completed, a Represe Form RCSD) is not required for the Legally Authorized Signers des  | entative Capacity Signature Disclosure form (C.A.R.      |
|     |      | <ol> <li>One or more Sellers is a trust, corporation, LLC, probate estate, pa</li> <li>This Agreement is being Signed by a Legally Authorized Signer</li> </ol>   | artnership, holding a power of attorney or other entity. |
|     |      | capacity. See paragraph 32 for additional terms.  |  |
|     |      | <ul> <li>(3) The name(s) of the Legally Authorized Signer(s) is/are:</li></ul>  | et nome (ex. John Doe, ee trustee, Jane Doe, ee trustee  |
|     |      | or Doe Revocable Family Trust).   | st fiame (ex. John Doe, co-trustee, Jane Doe, co-trustee |
|     |      | (5) If the entity is a trust or under probate, the following is the full name of  | of the trust or probate case, including case #:          |
|     | C.   | The NCPA has 18 pages. Seller acknowledges receipt of, and has reach  | d and understands, every page and all attachments that   |
|     | _    | make up the Agreement.  |  |
|     |      | SELLER SIGNATURE(S):  |  |
|     | (Sig | gnature) By,  | Date:  |
|     |      | Printed name of SELLER: Tanihaha Enterprises, LLC   | Title if applicable                                      |
|     | (Sic | Printed Name of Legally Authorized Signer: <u>Isaac Bliss Ta</u> gnature) By,   |  |
|     | (Oig | Printed name of SELLER:   |  |
|     |      | Printed Name of Legally Authorized Signer:  | Title, if applicable,                                    |
|     |      | F MORE THAN TWO SIGNERS, USE Additional Signature Addendum (  |  |
| OF  | FER  | NOT ACCEPTED:/ No Counter Offer is being made. Thi  | s offer was not accepted by Seller (date)                |
|     |      | Seller's Initials   |  |



| PIC             | pperu                    | y Address: <u>73421 Corbin Rd, Twentynine Pair</u>  | ns, CA 922//   | Date:   |
|-----------------|--------------------------|---|--|---|
| 1.<br>2.        | Re<br>Ag                 | ESTATE BROKERS SECTION: al Estate Agents are not parties to the Agree ency relationships are confirmed as stated in   | n paragraph 3.   |   |
| 3.              | Sel<br>the<br>rec<br>(C. | operating Broker Compensation: Seller's Broker's proceeds in escrow, the amount seler's Broker's proceeds in escrow, the amount selection of the property is offered for sale or a reciprocal MLS iprocal MLS, in which the Property is offered for A.R. Form CBC). Declaration of License and uired or that an exemption exists. | pecified in the MLS, provided Buy<br>S. If Seller's Broker and Buyer's Br<br>or sale, then compensation must | er's Broker is a Participant of the MLS in which<br>oker are not both Participants of the MLS, or a<br>be specified in a separate written agreement |
| 4.              | Pre                      | esentation of Offer: Pursuant to the National Atten request, Seller's Agent shall confirm in writing  |  |   |
| 5.              |                          | ents' Signatures and designated electronic o  |  |   |
|                 | A.                       | Buyer's Brokerage Firm  |  | Lic.#   |
|                 |                          | Ву  | Lic. #   | <br>Date  |
|                 |                          | By  | <br>Lic. #   | DateDate  |
|                 |                          | Address   | City   | State Zip   |
|                 |                          | Email   |  | Phone #   |
|                 |                          | More than one brokerage firm represents B   | uyer. Additional Broker Acknowled  | knowledgement (C.A.R. Form AAA) attached. dgement (C.A.R. Form ABA) attached.   |
|                 |                          | Designated Electronic Delivery Address(es<br>☐ Email above ☐ Text to Phone # above  |  |   |
|                 | В.                       | Seller's Brokerage Firm Sand to Sea Propert   | ies, Inc.  | Lic. # <u>01799041</u>  |
|                 |                          | Ву  | Frank Delzompo Lic. # 013  | <b>379810</b> Date  |
|                 |                          | Ву  | Lic. #   | Date  |
|                 |                          | Address 27247 Madison Ave, Ste 400  | City <b>Temecula</b>   | State <i>CA</i> Zip 92590   |
|                 |                          | Email frank@sand2sea.us   |  | Phone # <u>(951)326-7330</u>  |
|                 |                          |   | resents Seller. Additional Agent Ac  | knowledgement (C.A.R. Form AAA) attached.   |
|                 |                          | Designated Electronic Delivery Address(es ☐ Email above ☐ Text to Phone # above   |  |   |
|                 |                          |   |  |   |
| Es<br>Off<br>pa | erow<br>er nu<br>ragra   | mbersaph 22 of this Agreement, any supplemental esc   | and,<br>crow instructions and the terms of   | sit in the amount of \$), Counter and agrees to act as Escrow Holder subject to Escrow Holder's general provisions.                                 |
|                 |                          | Holder is advised by  |  | cceptance of the Agreement is   |
|                 |                          | Holder  |  | Escrow #  |
| Ву              |                          |   |  | Date  |
| Ad              | dres                     | S   |  |   |
|                 |                          | Fax/E-mail  |  |   |
|                 |                          | Holder has the following license number #   |  |   |
|                 | Depa                     | artment of Financial Protection and Innovation, $lacksquare$  | _ Department of Insurance,   | partment of Real Estate.  |
| PR              | ESE                      | NTATION OF OFFER: / Agent or Seller Initials  | Seller's Brokerage Firm presented  | I this offer to Seller on (date).   |
|                 |                          |   |  |   |

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525 South Virgil Avenue, Los Angeles, California 90020



Tanihaha - 73421

#### **BUYER'S INVESTIGATION ADVISORY**

(C.A.R. Form BIA, Revised 12/21)



Property Address 73421 Corbin Rd, Twentynine Palms, CA 92277

- 1. IMPORTANCE OF PROPERTY INVESTIGATION: The physical condition of the land and improvements being purchased is not guaranteed by either Seller or Brokers. You have an affirmative duty to exercise reasonable care to protect yourself, including discovery of the legal, practical and technical implications of disclosed facts, and the investigation and verification of information and facts that you know or that are within your diligent attention and observation. A general physical inspection typically does not cover all aspects of the Property nor items affecting the Property that are not physically located on the Property. If the professionals recommend further investigations, including a recommendation by a pest control operator to inspect inaccessible areas of the Property, you should contact qualified experts to conduct such additional investigations.
- 2. BROKER OBLIGATIONS: Brokers do not have expertise in all areas and therefore cannot advise you on many items, such as those listed below. If Broker gives you referrals to professionals, Broker does not guarantee their performance.
- 3. YOU ARE STRONGLY ADVISED TO INVESTIGATE THE CONDITION AND SUITABILITY OF ALL ASPECTS OF THE PROPERTY, INCLUDING BUT NOT LIMITED TO THE FOLLOWING. IF YOU DO NOT DO SO, YOU ARE ACTING AGAINST THE ADVICE OF BROKERS.
  - **A. GENERAL CONDITION OF THE PROPERTY, ITS SYSTEMS AND COMPONENTS:** Foundation, roof (condition, age, leaks, useful life), plumbing, heating, air conditioning, electrical, mechanical, security, pool/spa (cracks, leaks, operation), other structural and non-structural systems and components, fixtures, built-in appliances, any personal property included in the sale, and energy efficiency of the Property.
  - **B. SQUARE FOOTAGE, AGE, BOUNDARIES:** Square footage, room dimensions, lot size, age of improvements and boundaries. Any numerical statements regarding these items are APPROXIMATIONS ONLY and have not been verified by Seller and cannot be verified by Brokers. Fences, hedges, walls, retaining walls and other barriers or markers do not necessarily identify true Property boundaries.
  - **C. WOOD DESTROYING PESTS:** Presence of, or conditions likely to lead to the presence of wood destroying pests and organisms.
  - **D. SOIL STABILITY:** Existence of fill or compacted soil, expansive or contracting soil, susceptibility to slippage, settling or movement, and the adequacy of drainage.
  - E. WATER AND UTILITIES; WELL SYSTEMS AND COMPONENTS; WASTE DISPOSAL: Water and utility availability, use restrictions and costs. Water quality, adequacy, condition, and performance of well systems and components. The type, size, adequacy, capacity and condition of sewer and septic systems and components, connection to sewer, and applicable fees.
  - **F. ENVIRONMENTAL HAZARDS:** Potential environmental hazards, including, but not limited to, asbestos, lead-based paint and other lead contamination, radon, methane, other gases, fuel oil or chemical storage tanks, contaminated soil or water, hazardous waste, waste disposal sites, electromagnetic fields, nuclear sources, and other substances, materials, products, or conditions (including mold (airborne, toxic or otherwise), fungus or similar contaminants).
  - **G. EARTHQUAKES AND FLOODING:** Susceptibility of the Property to earthquake/seismic hazards and propensity of the Property to flood.
  - H. FIRE, HAZARD, AND OTHER INSURANCE: The availability and cost of necessary or desired insurance may vary. The location of the Property in a seismic, flood or fire hazard zone, and other conditions, such as the age of the Property and the claims history of the Property and Buyer, may affect the availability and need for certain types of insurance. Buyer should explore insurance options early as this information may affect other decisions, including the removal of loan and inspection contingencies.
  - I. BUILDING PERMITS, ZONING, GOVERNMENTAL REQUIREMENTS, AND ADDRESS: Permits, inspections, certificates, zoning, other governmental limitations, restrictions, and requirements affecting the current or future use of the Property, its development or size. Postal/mailing address and zip code may not accurately reflect the city which has jurisdiction over the property.
  - J. RENTAL PROPERTY RESTRICTIONS: The State, some counties, and some cities impose restrictions that limit the amount of rent that can be charged, the maximum number of occupants, and the right of a landlord to terminate a tenancy. Deadbolt or other locks and security systems for doors and windows, including window bars, should be examined to determine whether they satisfy legal requirements.
  - K. SECURITY AND SAFETY: State and local Law may require the installation of barriers, access alarms, self-latching mechanisms and/or other measures to decrease the risk to children and other persons of existing swimming pools and hot tubs, as well as various fire safety and other measures concerning other features of the Property.

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BIA REVISED 12/21 (PAGE 1 OF 2)



Fax: 9515874160

| L. | NEIGHBORHOOD, AREA, SUBDIVISION CONDITIONS; PERSONAL FACTORS: Neighborhood or area                                 |
|----|--|
|    | conditions, including schools, law enforcement, crime statistics, registered felons or offenders, fire protection  |
|    | other government services, availability, adequacy and cost of internet connections or other technology services    |
|    | and installations, commercial, industrial or agricultural activities, existing and proposed transportation         |
|    | construction and development that may affect noise, view, or traffic, airport noise, noise or odor from any source |
|    | wild and domestic animals, other nuisances, hazards, or circumstances, protected species, wetland properties       |
|    | botanical diseases, historic or other governmentally protected sites or improvements, cemeteries, facilities and   |
|    | condition of common areas of common interest subdivisions, and possible lack of compliance with any governing      |
|    | documents or Homeowners' Association requirements, conditions and influences of significance to certain            |
|    | cultures and/or religions, and personal needs, requirements and preferences of Buyer.                              |

By signing below, Buyers acknowledge that they have read, understand, accept and have received a Copy of this Advisory. Buyers are encouraged to read it carefully.

| Buyer | Date |
|-------|------|
| Buyer | Date |

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BIA REVISED 12/21 (PAGE 2 OF 2)



#### FAIR APPRAISAL ACT ADDENDUM

(C.A.R. Form FAAA, 6/22)

| dated  |   | conditions are hereby incorporated in and made a part of the Purchase Agree   | The following   |
|--|---|---|---|
| in which   | _ ("Property").   | property known as 73421 Corbin Rd. Twentynine Palms. CA 92277   | dated   |
| Any appraisal of the property is required to be unbiased, objective, and not influenced by improper or illegal consideration including, but not limited to, any of the following: race, color, religion (including religious dress, grooming practices, gender (including, but not limited to, pregnancy, childbirth, breastfeeding, and related conditions, and gender idegender expression), sexual orientation, marital status, medical condition, military or veteran status, national origin language use and possession of a driver's license issued to persons unable to provide their presence in the United authorized under federal law), source of income, ancestry, disability (mental and physical, including, but not limiter AIDS status, cancer diagnosis, and genetic characteristics), genetic information, or age.  If a buyer or seller believes that the appraisal has been influenced by any of the above factors, the seller or buyer of this information to the lender or mortgage broker that retained the appraiser and may also file a complaint with the IReal Estate Appraisers at https://www2.brea.ca.gov/complaint/ or call (916) 552-9000 for further information on hor complaint.  By signing below, Buyer and Seller has each read, understands and acknowledges receipt of a copy of Appraisal Act Addendum.  Buyer | ed to as ("Seller")   | Tanihaha Enterprises. LLC is refe   | in which  |
| including, but not limited to, any of the following: race, color, religion (including religious dress, grooming practices, gender (including, but not limited to, pregnancy, childbirth, breastfeeding, and related conditions, and gender ide gender expression), sexual orientation, marital status, medical condition, military or veteran status, national origin language use and possession of a driver's license issued to persons unable to provide their presence in the United authorized under federal law), source of income, ancestry, disability (mental and physical, including, but not limited AIDS status, cancer diagnosis, and genetic characteristics), genetic information, or age.  If a buyer or seller believes that the appraisal has been influenced by any of the above factors, the seller or buyer of this information to the lender or mortgage broker that retained the appraiser and may also file a complaint with the Real Estate Appraisers at https://www2.brea.ca.gov/complaint/ or call (916) 552-9000 for further information on how complaint.  By signing below, Buyer and Seller has each read, understands and acknowledges receipt of a copy of Appraisal Act Addendum.  Buyer  | d to as ("Buyer").  | is refer  | and   |
| By signing below, Buyer and Seller has each read, understands and acknowledges receipt of a copy of Appraisal Act Addendum.  Buyer Date  Seller X Date   | practices, or both), ender identity and lad origin (including the United States is not limited to, HIV/ | to, any of the following: race, color, religion (including religious dress, grooming of limited to, pregnancy, childbirth, breastfeeding, and related conditions, and related conditions, and related condition, marital status, medical condition, military or veteran status, national orientation, marital status, medical condition, military or veteran status, national status, national distribution of a driver's license issued to persons unable to provide their presence in law), source of income, ancestry, disability (mental and physical, including, but nosis, and genetic characteristics), genetic information, or age.  The set of the appraisal has been influenced by any of the above factors, the seller der or mortgage broker that retained the appraiser and may also file a complain | including, but<br>gender (inclu<br>gender expre<br>language use<br>authorized ur<br>AIDS status,<br>If a buyer or s<br>this information |
| Appraisal Act Addendum.         Date           Buyer         Date           Seller X         Date  |   |   | ·   |
| Buyer Date   | copy of this Fair   |   |   |
| Seller X Date  |   | Date  | Buyer   |
|  |   | Date  | Buyer   |
| Tanihaha Enterprises, LLC  |   |   |   |
| Seller Date  |   |   |   |

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FAAA 6/22 (PAGE 1 OF 1)



#### CALIFORNIA CONSUMER PRIVACY ACT ADVISORY, DISCLOSURE AND NOTICE

(C.A.R. Form CCPA, Revised 12/22)

The California Consumer Privacy Act (commencing with Civil Code § 1798.100) ("CCPA"), as amended by California voters in 2020, grants to California residents certain rights in their private, personal information ("PI") that is collected by companies with whom they do business. Under the CCPA, PI is defined broadly to encompass non-public records information that could reasonably be linked directly or indirectly to you. PI could potentially include photographs of, or sales information about, your property.

During the process of buying and selling real estate your PI will be collected and likely shared with others, including real estate licensees, a Multiple Listing Service, real estate internet websites, service providers, lenders, and title and escrow companies, to name several possibilities. Businesses that are covered by the CCPA are required to grant you various rights in your PI, including the right to know what PI is collected, the right to know what PI is sold or shared and to whom, the right to request that the business correct or delete your PI, the right to "opt out" or stop the transfer of your PI to others, and the right to limit the use of certain PI which is considered "sensitive." You may get one or more notices regarding your CCPA rights from businesses you interact with in a real estate transaction. However, not all businesses that receive or share your PI are obligated to comply with the CCPA. Moreover, businesses that are otherwise covered under the CCPA may have a legal obligation to maintain PI, notwithstanding your instruction to the contrary. For instance, regardless of whether they are covered by CCPA, under California law, brokers and Multiple Listing Services are required to maintain their records for 3 years. If you wish to exercise your rights under CCPA, where applicable, you should contact the respective business directly.

You can obtain more information about the CCPA and your rights under the law from the State of California Department of Justice (oag.ca.gov/privacy/ccpa). Additionally, the California Privacy Protection Agency is authorized to promulgate regulations which may further clarify requirements of the CCPA (cppa.ca.gov/regulations/).

| Buyer/Seller/Landlord/Tenant | Date |
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I/we acknowledge receipt of a copy of this California Consumer Privacy Act Advisory, Disclosure and Notice.

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#### **SB 800**

**CIVIL CODE §§ 895 - 945.5** TITLE 7. REQUIREMENTS FOR ACTIONS FOR CONSTRUCTION DEFECTS

#### CHAPTER 1. Definitions [895-895.]

#### 895.

- (a) "Structure" means any residential dwelling, other building, or improvement located upon a lot or within a common area.
- (b) "Designed moisture barrier" means an installed moisture barrier specified in the plans and specifications, contract documents, or manufacturer's recommendations.
- (c) "Actual moisture barrier" means any component or material, actually installed, that serves to any degree as a barrier against moisture, whether or not intended as a barrier against moisture.
- (d) "Unintended water" means water that passes beyond, around, or through a component or the material that is designed to prevent that passage.
- (e) "Close of escrow" means the date of the close of escrow between the builder and the original homeowner. With respect to claims by an association, as defined in Section 4080, "close of escrow" means the date of substantial completion, as defined in Section 337.15 of the Code of Civil Procedure, or the date the builder relinquishes control over the association's ability to decide whether to initiate a claim under this title, whichever is later.
- (f) "Claimant" or "homeowner" includes the individual owners of single-family homes, individual unit owners of attached dwellings and, in the case of a common interest development, any association as defined in Section 4080.

#### CHAPTER 2. Actionable Defects [896 - 897]

#### 896.

In any action seeking recovery of damages arising out of, or related to deficiencies in, the residential construction, design, specifications, surveying, planning, supervision, testing, or observation of construction, a builder, and to the extent set forth in Chapter 4 (commencing with Section 910), a general contractor, subcontractor, material supplier, individual product manufacturer, or design professional, shall, except as specifically set forth in this title, be liable for, and the claimant's claims or causes of action shall be limited to violation of, the following standards, except as specifically set forth in this title. This title applies to original construction intended to be sold as an individual dwelling unit. As to condominium conversions, this title does not apply to or does not supersede any other statutory or common law.

- (a) With respect to water issues:
- (1) A door shall not allow unintended water to pass beyond, around, or through the door or its designed or actual moisture barriers, if any.
- (2) Windows, patio doors, deck doors, and their systems shall not allow water to pass beyond, around, or through the window, patio door, or deck door or its

- designed or actual moisture barriers, including, without limitation, internal barriers within the systems themselves. For purposes of this paragraph, "systems" include, without limitation, windows, window assemblies, framing, substrate, flashings, and trim, if any.
- (3) Windows, patio doors, deck doors, and their systems shall not allow excessive condensation to enter the structure and cause damage to another component. For purposes of this paragraph, "systems" include, without limitation, windows, window assemblies, framing, substrate, flashings, and trim, if any.
- (4) Roofs, roofing systems, chimney caps, and ventilation components shall not allow water to enter the structure or to pass beyond, around, or through the designed or actual moisture barriers, including, without limitation, internal barriers located within the systems themselves. For purposes of this paragraph, "systems" include, without limitation, framing, substrate, and sheathing, if any.
- (5) Decks, deck systems, balconies, balcony systems, exterior stairs, and stair systems shall not allow water to pass into the adjacent structure. For purposes of this paragraph, "systems" include, without limitation, framing, substrate, flashing, and sheathing, if any.
- (6) Decks, deck systems, balconies, balcony systems, exterior stairs, and stair systems shall not allow unintended water to pass within the systems themselves and cause damage to the systems. For purposes of this paragraph, "systems" include, without limitation, framing, substrate, flashing, and sheathing, if any.
- (7) Foundation systems and slabs shall not allow water or vapor to enter into the structure so as to cause damage to another building component.
- (8) Foundation systems and slabs shall not allow water or vapor to enter into the structure so as to limit the installation of the type of flooring materials typically used for the particular application.
- (9) Hardscape, including paths and patios, irrigation systems, landscaping systems, and drainage systems, that are installed as part of the original construction, shall not be installed in such a way as to cause water or soil erosion to enter into or come in contact with the structure so as to cause damage to another building component.
- (10) Stucco, exterior siding, exterior walls, including, without limitation, exterior framing, and other exterior wall finishes and fixtures and the systems of those components and fixtures, including, but not limited to, pot shelves, horizontal surfaces, columns, and plant-ons, shall be installed in such a way so as not to allow unintended water to pass into the structure or to pass beyond, around, or through the designed or actual moisture barriers of the system, including any internal barriers located within the system itself. For purposes of this paragraph, "systems" include, without limitation, framing, substrate, flashings, trim, wall assemblies, and internal wall cavities, if any.
- (11) Stucco, exterior siding, and exterior walls shall not allow excessive condensation to enter the structure and cause damage to another component. For purposes of this paragraph, "systems" include, without limitation, framing, substrate, flashings, trim, wall assemblies, and internal wall cavities, if any.
  (12) Retaining and site walls and their associated drainage systems shall not allow unintended water to pass beyond, around, or through its designed or actual moisture barriers including, without limitation, any internal barriers, so as to cause

damage. This standard does not apply to those portions of any wall or drainage system that are designed to have water flow beyond, around, or through them.

- (13) Retaining walls and site walls, and their associated drainage systems, shall only allow water to flow beyond, around, or through the areas designated by design.
- (14) The lines and components of the plumbing system, sewer system, and utility systems shall not leak.
- (15) Plumbing lines, sewer lines, and utility lines shall not corrode so as to impede the useful life of the systems.
- (16) Sewer systems shall be installed in such a way as to allow the designated amount of sewage to flow through the system.
- (17) Showers, baths, and related waterproofing systems shall not leak water into the interior of walls, flooring systems, or the interior of other components.
- (18) The waterproofing system behind or under ceramic tile and tile countertops shall not allow water into the interior of walls, flooring systems, or other components so as to cause damage. Ceramic tile systems shall be designed and installed so as to deflect intended water to the waterproofing system.
- (b) With respect to structural issues:
- (1) Foundations, load bearing components, and slabs, shall not contain significant cracks or significant vertical displacement.
- (2) Foundations, load bearing components, and slabs shall not cause the structure, in whole or in part, to be structurally unsafe.
- (3) Foundations, load bearing components, and slabs, and underlying soils shall be constructed so as to materially comply with the design criteria set by applicable government building codes, regulations, and ordinances for chemical deterioration or corrosion resistance in effect at the time of original construction.
- (4) A structure shall be constructed so as to materially comply with the design criteria for earthquake and wind load resistance, as set forth in the applicable government building codes, regulations, and ordinances in effect at the time of original construction.
- (c) With respect to soil issues:
- (1) Soils and engineered retaining walls shall not cause, in whole or in part, damage to the structure built upon the soil or engineered retaining wall.
- (2) Soils and engineered retaining walls shall not cause, in whole or in part, the structure to be structurally unsafe.
- (3) Soils shall not cause, in whole or in part, the land upon which no structure is built to become unusable for the purpose represented at the time of original sale by the builder or for the purpose for which that land is commonly used.
- (d) With respect to fire protection issues:
- (1) A structure shall be constructed so as to materially comply with the design criteria of the applicable government building codes, regulations, and ordinances for fire protection of the occupants in effect at the time of the original construction.
- (2) Fireplaces, chimneys, chimney structures, and chimney termination caps shall be constructed and installed in such a way so as not to cause an unreasonable risk of fire outside the fireplace enclosure or chimney.
- (3) Electrical and mechanical systems shall be constructed and installed in such a way so as not to cause an unreasonable risk of fire.
- (e) With respect to plumbing and sewer issues:

Plumbing and sewer systems shall be installed to operate properly and shall not materially impair the use of the structure by its inhabitants. However, no action may be brought for a violation of this subdivision more than four years after close of escrow.

(f) With respect to electrical system issues:

Electrical systems shall operate properly and shall not materially impair the use of the structure by its inhabitants. However, no action shall be brought pursuant to this subdivision more than four years from close of escrow.

- (g) With respect to issues regarding other areas of construction:
- (1) Exterior pathways, driveways, hardscape, sidewalls, sidewalks, and patios installed by the original builder shall not contain cracks that display significant vertical displacement or that are excessive. However, no action shall be brought upon a violation of this paragraph more than four years from close of escrow.
- (2) Stucco, exterior siding, and other exterior wall finishes and fixtures, including, but not limited to, pot shelves, horizontal surfaces, columns, and plant-ons, shall not contain significant cracks or separations.
- (3) (A) To the extent not otherwise covered by these standards, manufactured products, including, but not limited to, windows, doors, roofs, plumbing products and fixtures, fireplaces, electrical fixtures, HVAC units, countertops, cabinets, paint, and appliances shall be installed so as not to interfere with the products' useful life, if any.
- (B) For purposes of this paragraph, "useful life" means a representation of how long a product is warranted or represented, through its limited warranty or any written representations, to last by its manufacturer, including recommended or required maintenance. If there is no representation by a manufacturer, a builder shall install manufactured products so as not to interfere with the product's utility.
- (C) For purposes of this paragraph, "manufactured product" means a product that is completely manufactured offsite.
- (D) If no useful life representation is made, or if the representation is less than one year, the period shall be no less than one year. If a manufactured product is damaged as a result of a violation of these standards, damage to the product is a recoverable element of damages. This subparagraph does not limit recovery if there has been damage to another building component caused by a manufactured product during the manufactured product's useful life.
- (E) This title does not apply in any action seeking recovery solely for a defect in a manufactured product located within or adjacent to a structure.
- (4) Heating shall be installed so as to be capable of maintaining a room temperature of 70 degrees Fahrenheit at a point three feet above the floor in any living space if the heating was installed pursuant to a building permit application submitted prior to January 1, 2008, or capable of maintaining a room temperature of 68 degrees Fahrenheit at a point three feet above the floor and two feet from exterior walls in all habitable rooms at the design temperature if the heating was installed pursuant to a building permit application submitted on or before January 1, 2008.
- (5) Living space air-conditioning, if any, shall be provided in a manner consistent with the size and efficiency design criteria specified in Title 24 of the California Code of Regulations or its successor.

- (6) Attached structures shall be constructed to comply with interunit noise transmission standards set by the applicable government building codes, ordinances, or regulations in effect at the time of the original construction. If there is no applicable code, ordinance, or regulation, this paragraph does not apply. However, no action shall be brought pursuant to this paragraph more than one year from the original occupancy of the adjacent unit.
- (7) Irrigation systems and drainage shall operate properly so as not to damage landscaping or other external improvements. However, no action shall be brought pursuant to this paragraph more than one year from close of escrow.
- (8) Untreated wood posts shall not be installed in contact with soil so as to cause unreasonable decay to the wood based upon the finish grade at the time of original construction. However, no action shall be brought pursuant to this paragraph more than two years from close of escrow.
- (9) Untreated steel fences and adjacent components shall be installed so as to prevent unreasonable corrosion. However, no action shall be brought pursuant to this paragraph more than four years from close of escrow.
- (10) Paint and stains shall be applied in such a manner so as not to cause deterioration of the building surfaces for the length of time specified by the paint or stain manufacturers' representations, if any. However, no action shall be brought pursuant to this paragraph more than five years from close of escrow.
- (11) Roofing materials shall be installed so as to avoid materials falling from the roof.
- (12) The landscaping systems shall be installed in such a manner so as to survive for not less than one year. However, no action shall be brought pursuant to this paragraph more than two years from close of escrow.
- (13) Ceramic tile and tile backing shall be installed in such a manner that the tile does not detach.
- (14) Dryer ducts shall be installed and terminated pursuant to manufacturer installation requirements. However, no action shall be brought pursuant to this paragraph more than two years from close of escrow.
- (15) Structures shall be constructed in such a manner so as not to impair the occupants' safety because they contain public health hazards as determined by a duly authorized public health official, health agency, or governmental entity having jurisdiction. This paragraph does not limit recovery for any damages caused by a violation of any other paragraph of this section on the grounds that the damages do not constitute a health hazard.

#### 897.

The standards set forth in this chapter are intended to address every function or component of a structure. To the extent that a function or component of a structure is not addressed by these standards, it shall be actionable if it causes damage.

#### CHAPTER 3. Obligations [900 - 907]

#### 900.

As to fit and finish items, a builder shall provide a homebuyer with a minimum one-year express written limited warranty covering the fit and finish of the following building components. Except as otherwise provided by the standards specified in Chapter 2 (commencing with Section 896), this warranty shall cover the fit and finish of cabinets, mirrors, flooring, interior and exterior walls, countertops, paint finishes, and trim, but shall not apply to damage to those components caused by defects in other components governed by the other provisions of this title. Any fit and finish matters covered by this warranty are not subject to the provisions of this title. If a builder fails to provide the express warranty required by this section, the warranty for these items shall be for a period of one year.

#### 901.

A builder may, but is not required to, offer greater protection or protection for longer time periods in its express contract with the homeowner than that set forth in Chapter 2 (commencing with Section 896). A builder may not limit the application of Chapter 2 (commencing with Section 896) or lower its protection through the express contract with the homeowner. This type of express contract constitutes an "enhanced protection agreement."

#### 902.

If a builder offers an enhanced protection agreement, the builder may choose to be subject to its own express contractual provisions in place of the provisions set forth in Chapter 2 (commencing with Section 896). If an enhanced protection agreement is in place, Chapter 2 (commencing with Section 896) no longer applies other than to set forth minimum provisions by which to judge the enforceability of the particular provisions of the enhanced protection agreement.

#### 903.

If a builder offers an enhanced protection agreement in place of the provisions set forth in Chapter 2 (commencing with Section 896), the election to do so shall be made in writing with the homeowner no later than the close of escrow. The builder shall provide the homeowner with a complete copy of Chapter 2 (commencing with Section 896) and advise the homeowner that the builder has elected not to be subject to its provisions. If any provision of an enhanced protection agreement is later found to be unenforceable as not meeting the minimum standards of Chapter 2 (commencing with Section 896), a builder may use this chapter in lieu of those provisions found to be unenforceable.

#### 904.

If a builder has elected to use an enhanced protection agreement, and a homeowner disputes that the particular provision or time periods of the enhanced protection agreement are not greater than, or equal to, the provisions of Chapter 2 (commencing with Section 896) as they apply to the particular deficiency alleged by the homeowner, the homeowner may seek to enforce the application of the standards set forth in this chapter as to those claimed deficiencies. If a homeowner seeks to enforce a particular standard in lieu of a provision of the enhanced protection agreement, the homeowner shall give the builder written notice of that intent at the time the homeowner files a notice of claim pursuant to Chapter 4 (commencing with Section 910).

#### 905.

If a homeowner seeks to enforce Chapter 2 (commencing with Section 896), in lieu of the enhanced protection agreement in a subsequent litigation or other legal action, the builder shall have the right to have the matter bifurcated, and to have an immediately binding determination of his or her responsive pleading within 60 days after the filing of that pleading, but in no event after the commencement of discovery, as to the application of either Chapter 2 (commencing with Section 896) or the enhanced protection agreement as to the deficiencies claimed by the homeowner. If the builder fails to seek that determination in the timeframe specified, the builder waives the right to do so and the standards set forth in this title shall apply. As to any nonoriginal homeowner, that homeowner shall be deemed in privity for purposes of an enhanced protection agreement only to the extent that the builder has recorded the enhanced protection agreement on title or provided actual notice to the nonoriginal homeowner of the enhanced protection agreement. If the enhanced protection agreement is not recorded on title or no actual notice has been provided, the standards set forth in this title apply to any nonoriginal homeowners' claims.

#### 906.

A builder's election to use an enhanced protection agreement addresses only the issues set forth in Chapter 2 (commencing with Section 896) and does not constitute an election to use or not use the provisions of Chapter 4 (commencing with Section 910). The decision to use or not use Chapter 4 (commencing with Section 910) is governed by the provisions of that chapter.

#### 907.

A homeowner is obligated to follow all reasonable maintenance obligations and schedules communicated in writing to the homeowner by the builder and product manufacturers, as well as commonly accepted maintenance practices. A failure by a homeowner to follow these obligations, schedules, and practices may subject the homeowner to the affirmative defenses contained in Section 944.

# CHAPTER 4. Prelitigation Procedure [910 - 938]

### 910.

Prior to filing an action against any party alleged to have contributed to a violation of the standards set forth in Chapter 2 (commencing with Section 896), the claimant shall initiate the following prelitigation procedures:

- (a) The claimant or his or her legal representative shall provide written notice via certified mail, overnight mail, or personal delivery to the builder, in the manner prescribed in this section, of the claimant's claim that the construction of his or her residence violates any of the standards set forth in Chapter 2 (commencing with Section 896). That notice shall provide the claimant's name, address, and preferred method of contact, and shall state that the claimant alleges a violation pursuant to this part against the builder, and shall describe the claim in reasonable detail sufficient to determine the nature and location, to the extent known, of the claimed violation. In the case of a group of homeowners or an association, the notice may identify the claimants solely by address or other description sufficient to apprise the builder of the locations of the subject residences. That document shall have the same force and effect as a notice of commencement of a legal proceeding.

  (b) The notice requirements of this section do not preclude a homeowner from
- seeking redress through any applicable normal customer service procedure as set forth in any contractual, warranty, or other builder-generated document; and, if a homeowner seeks to do so, that request shall not satisfy the notice requirements of this section.

### **911**.

- (a) For purposes of this title, except as provided in subdivision (b), "builder" means any entity or individual, including, but not limited to a builder, developer, general contractor, contractor, or original seller, who, at the time of sale, was also in the business of selling residential units to the public for the property that is the subject of the homeowner's claim or was in the business of building, developing, or constructing residential units for public purchase for the property that is the subject of the homeowner's claim.
- (b) For the purposes of this title, "builder" does not include any entity or individual whose involvement with a residential unit that is the subject of the homeowner's claim is limited to his or her capacity as general contractor or contractor and who is not a partner, member of, subsidiary of, or otherwise similarly affiliated with the builder. For purposes of this title, these nonaffiliated general contractors and nonaffiliated contractors shall be treated the same as subcontractors, material suppliers, individual product manufacturers, and design professionals.

### 912.

A builder shall do all of the following:

(a) Within 30 days of a written request by a homeowner or his or her legal representative, the builder shall provide copies of all relevant plans, specifications,

mass or rough grading plans, final soils reports, Bureau of Real Estate public reports, and available engineering calculations, that pertain to a homeowner's residence specifically or as part of a larger development tract. The request shall be honored if it states that it is made relative to structural, fire safety, or soils provisions of this title. However, a builder is not obligated to provide a copying service, and reasonable copying costs shall be borne by the requesting party. A builder may require that the documents be copied onsite by the requesting party, except that the homeowner may, at his or her option, use his or her own copying service, which may include an offsite copy facility that is bonded and insured. If a builder can show that the builder maintained the documents, but that they later became unavailable due to loss or destruction that was not the fault of the builder, the builder may be excused from the requirements of this subdivision, in which case the builder shall act with reasonable diligence to assist the homeowner in obtaining those documents from any applicable government authority or from the source that generated the document. However, in that case, the time limits specified by this section do not apply.

- (b) At the expense of the homeowner, who may opt to use an offsite copy facility that is bonded and insured, the builder shall provide to the homeowner or his or her legal representative copies of all maintenance and preventative maintenance recommendations that pertain to his or her residence within 30 days of service of a written request for those documents. Those documents shall also be provided to the homeowner in conjunction with the initial sale of the residence.
- (c) At the expense of the homeowner, who may opt to use an offsite copy facility that is bonded and insured, a builder shall provide to the homeowner or his or her legal representative copies of all manufactured products maintenance, preventive maintenance, and limited warranty information within 30 days of a written request for those documents. These documents shall also be provided to the homeowner in conjunction with the initial sale of the residence.
- (d) At the expense of the homeowner, who may opt to use an offsite copy facility that is bonded and insured, a builder shall provide to the homeowner or his or her legal representative copies of all of the builder's limited contractual warranties in accordance with this part in effect at the time of the original sale of the residence within 30 days of a written request for those documents. Those documents shall also be provided to the homeowner in conjunction with the initial sale of the residence.
- (e) A builder shall maintain the name and address of an agent for notice pursuant to this chapter with the Secretary of State or, alternatively, elect to use a third party for that notice if the builder has notified the homeowner in writing of the third party's name and address, to whom claims and requests for information under this section may be mailed. The name and address of the agent for notice or third party shall be included with the original sales documentation and shall be initialed and acknowledged by the purchaser and the builder's sales representative.

This subdivision applies to instances in which a builder contracts with a third party to accept claims and act on the builder's behalf. A builder shall give actual notice to the homeowner that the builder has made such an election, and shall include the name and address of the third party.

(f) A builder shall record on title a notice of the existence of these procedures and a notice that these procedures impact the legal rights of the homeowner. This

information shall also be included with the original sales documentation and shall be initialed and acknowledged by the purchaser and the builder's sales representative.

- (g) A builder shall provide, with the original sales documentation, a written copy of this title, which shall be initialed and acknowledged by the purchaser and the builder's sales representative.
- (h) As to any documents provided in conjunction with the original sale, the builder shall instruct the original purchaser to provide those documents to any subsequent purchaser.
- (i) Any builder who fails to comply with any of these requirements within the time specified is not entitled to the protection of this chapter, and the homeowner is released from the requirements of this chapter and may proceed with the filing of an action, in which case the remaining chapters of this part shall continue to apply to the action.

### 913.

A builder or his or her representative shall acknowledge, in writing, receipt of the notice of the claim within 14 days after receipt of the notice of the claim. If the notice of the claim is served by the claimant's legal representative, or if the builder receives a written representation letter from a homeowner's attorney, the builder shall include the attorney in all subsequent substantive communications, including, without limitation, all written communications occurring pursuant to this chapter, and all substantive and procedural communications, including all written communications, following the commencement of any subsequent complaint or other legal action, except that if the builder has retained or involved legal counsel to assist the builder in this process, all communications by the builder's counsel shall only be with the claimant's legal representative, if any.

### 914.

(a) This chapter establishes a nonadversarial procedure, including the remedies available under this chapter which, if the procedure does not resolve the dispute between the parties, may result in a subsequent action to enforce the other chapters of this title. A builder may attempt to commence nonadversarial contractual provisions other than the nonadversarial procedures and remedies set forth in this chapter, but may not, in addition to its own nonadversarial contractual provisions, require adherence to the nonadversarial procedures and remedies set forth in this chapter, regardless of whether the builder's own alternative nonadversarial contractual provisions are successful in resolving the dispute or ultimately deemed enforceable.

At the time the sales agreement is executed, the builder shall notify the homeowner whether the builder intends to engage in the nonadversarial procedure of this section or attempt to enforce alternative nonadversarial contractual provisions. If the builder elects to use alternative nonadversarial contractual provisions in lieu of this chapter, the election is binding, regardless of whether the builder's alternative nonadversarial contractual provisions are successful in resolving the ultimate dispute or are ultimately deemed enforceable.

(b) Nothing in this title is intended to affect existing statutory or decisional law pertaining to the applicability, viability, or enforceability of alternative dispute resolution methods, alternative remedies, or contractual arbitration, judicial reference, or similar procedures requiring a binding resolution to enforce the other chapters of this title or any other disputes between homeowners and builders. Nothing in this title is intended to affect the applicability, viability, or enforceability, if any, of contractual arbitration or judicial reference after a nonadversarial procedure or provision has been completed.

### 915.

If a builder fails to acknowledge receipt of the notice of a claim within the time specified, elects not to go through the process set forth in this chapter, or fails to request an inspection within the time specified, or at the conclusion or cessation of an alternative nonadversarial proceeding, this chapter does not apply and the homeowner is released from the requirements of this chapter and may proceed with the filing of an action. However, the standards set forth in the other chapters of this title shall continue to apply to the action.

#### 916.

- (a) If a builder elects to inspect the claimed unmet standards, the builder shall complete the initial inspection and testing within 14 days after acknowledgment of receipt of the notice of the claim, at a mutually convenient date and time. If the homeowner has retained legal representation, the inspection shall be scheduled with the legal representative's office at a mutually convenient date and time, unless the legal representative is unavailable during the relevant time periods. All costs of builder inspection and testing, including any damage caused by the builder inspection, shall be borne by the builder. The builder shall also provide written proof that the builder has liability insurance to cover any damages or injuries occurring during inspection and testing. The builder shall restore the property to its pretesting condition within 48 hours of the testing. The builder shall, upon request, allow the inspections to be observed and electronically recorded, video recorded, or photographed by the claimant or his or her legal representative.
- (b) Nothing that occurs during a builder's or claimant's inspection or testing may be used or introduced as evidence to support a spoliation defense by any potential party in any subsequent litigation.
- (c) If a builder deems a second inspection or testing reasonably necessary, and specifies the reasons therefor in writing within three days following the initial inspection, the builder may conduct a second inspection or testing. A second inspection or testing shall be completed within 40 days of the initial inspection or testing. All requirements concerning the initial inspection or testing shall also apply to the second inspection or testing.
- (d) If the builder fails to inspect or test the property within the time specified, the claimant is released from the requirements of this section and may proceed with the filing of an action. However, the standards set forth in the other chapters of this title shall continue to apply to the action.

(e) If a builder intends to hold a subcontractor, design professional, individual product manufacturer, or material supplier, including an insurance carrier, warranty company, or service company, responsible for its contribution to the unmet standard, the builder shall provide notice to that person or entity sufficiently in advance to allow them to attend the initial, or if requested, second inspection of any alleged unmet standard and to participate in the repair process. The claimant and his or her legal representative, if any, shall be advised in a reasonable time prior to the inspection as to the identity of all persons or entities invited to attend. This subdivision does not apply to the builder's insurance company. Except with respect to any claims involving a repair actually conducted under this chapter, nothing in this subdivision shall be construed to relieve a subcontractor, design professional, individual product manufacturer, or material supplier of any liability under an action brought by a claimant.

### 917.

Within 30 days of the initial or, if requested, second inspection or testing, the builder may offer in writing to repair the violation. The offer to repair shall also compensate the homeowner for all applicable damages recoverable under Section 944, within the timeframe for the repair set forth in this chapter. Any such offer shall be accompanied by a detailed, specific, step-by-step statement identifying the particular violation that is being repaired, explaining the nature, scope, and location of the repair, and setting a reasonable completion date for the repair. The offer shall also include the names, addresses, telephone numbers, and license numbers of the contractors whom the builder intends to have perform the repair. Those contractors shall be fully insured for, and shall be responsible for, all damages or injuries that they may cause to occur during the repair, and evidence of that insurance shall be provided to the homeowner upon request. Upon written request by the homeowner or his or her legal representative, and within the timeframes set forth in this chapter, the builder shall also provide any available technical documentation, including, without limitation, plans and specifications, pertaining to the claimed violation within the particular home or development tract. The offer shall also advise the homeowner in writing of his or her right to request up to three additional contractors from which to select to do the repair pursuant to this chapter.

### 918.

Upon receipt of the offer to repair, the homeowner shall have 30 days to authorize the builder to proceed with the repair. The homeowner may alternatively request, at the homeowner's sole option and discretion, that the builder provide the names, addresses, telephone numbers, and license numbers for up to three alternative contractors who are not owned or financially controlled by the builder and who regularly conduct business in the county where the structure is located. If the homeowner so elects, the builder is entitled to an additional noninvasive inspection, to occur at a mutually convenient date and time within 20 days of the election, so as to permit the other proposed contractors to review the proposed site of the

repair. Within 35 days after the request of the homeowner for alternative contractors, the builder shall present the homeowner with a choice of contractors. Within 20 days after that presentation, the homeowner shall authorize the builder or one of the alternative contractors to perform the repair.

### 919.

The offer to repair shall also be accompanied by an offer to mediate the dispute if the homeowner so chooses. The mediation shall be limited to a four-hour mediation, except as otherwise mutually agreed before a nonaffiliated mediator selected and paid for by the builder. At the homeowner's sole option, the homeowner may agree to split the cost of the mediator, and if he or she does so, the mediator shall be selected jointly. The mediator shall have sufficient availability such that the mediation occurs within 15 days after the request to mediate is received and occurs at a mutually convenient location within the county where the action is pending. If a builder has made an offer to repair a violation, and the mediation has failed to resolve the dispute, the homeowner shall allow the repair to be performed either by the builder, its contractor, or the selected contractor.

## 920.

If the builder fails to make an offer to repair or otherwise strictly comply with this chapter within the times specified, the claimant is released from the requirements of this chapter and may proceed with the filing of an action. If the contractor performing the repair does not complete the repair in the time or manner specified, the claimant may file an action. If this occurs, the standards set forth in the other chapters of this part shall continue to apply to the action.

### 921.

complete the repair within 120 days.

(a) In the event that a resolution under this chapter involves a repair by the builder, the builder shall make an appointment with the claimant, make all appropriate arrangements to effectuate a repair of the claimed unmet standards, and compensate the homeowner for all damages resulting therefrom free of charge to the claimant. The repair shall be scheduled through the claimant's legal representative, if any, unless he or she is unavailable during the relevant time periods. The repair shall be commenced on a mutually convenient date within 14 days of acceptance or, if an alternative contractor is selected by the homeowner, within 14 days of the selection, or, if a mediation occurs, within seven days of the mediation, or within five days after a permit is obtained if one is required. The builder shall act with reasonable diligence in obtaining any such permit.

(b) The builder shall ensure that work done on the repairs is done with the utmost diligence, and that the repairs are completed as soon as reasonably possible, subject to the nature of the repair or some unforeseen event not caused by the builder or the contractor performing the repair. Every effort shall be made to

### 922.

The builder shall, upon request, allow the repair to be observed and electronically recorded, video recorded, or photographed by the claimant or his or her legal representative. Nothing that occurs during the repair process may be used or introduced as evidence to support a spoliation defense by any potential party in any subsequent litigation.

## <u>923.</u>

The builder shall provide the homeowner or his or her legal representative, upon request, with copies of all correspondence, photographs, and other materials pertaining or relating in any manner to the repairs.

### 924.

If the builder elects to repair some, but not all of, the claimed unmet standards, the builder shall, at the same time it makes its offer, set forth with particularity in writing the reasons, and the support for those reasons, for not repairing all claimed unmet standards.

### <u>925.</u>

If the builder fails to complete the repair within the time specified in the repair plan, the claimant is released from the requirements of this chapter and may proceed with the filing of an action. If this occurs, the standards set forth in the other chapters of this title shall continue to apply to the action.

### 926.

The builder may not obtain a release or waiver of any kind in exchange for the repair work mandated by this chapter. At the conclusion of the repair, the claimant may proceed with filing an action for violation of the applicable standard or for a claim of inadequate repair, or both, including all applicable damages available under Section 944.

### 927.

If the applicable statute of limitations has otherwise run during this process, the time period for filing a complaint or other legal remedies for violation of any provision of this title, or for a claim of inadequate repair, is extended from the time of the original claim by the claimant to 100 days after the repair is completed, whether or not the particular violation is the one being repaired. If the builder fails to acknowledge the claim within the time specified, elects not to go through this statutory process, or fails to request an inspection within the time specified, the ime period for filing a complaint or other legal remedies for violation of any provision of this title is extended from the time of the original claim by the claimant to 45 days after the time for responding to the notice of claim has expired. If the builder elects to attempt to enforce its own nonadversarial procedure in lieu of the

procedure set forth in this chapter, the time period for filing a complaint or other legal remedies for violation of any provision of this part is extended from the time of the original claim by the claimant to 100 days after either the completion of the builder's alternative nonadversarial procedure, or 100 days after the builder's alternative nonadversarial procedure is deemed unenforceable, whichever is later.

### 928.

If the builder has invoked this chapter and completed a repair, prior to filing an action, if there has been no previous mediation between the parties, the homeowner or his or her legal representative shall request mediation in writing. The mediation shall be limited to four hours, except as otherwise mutually agreed before a nonaffiliated mediator selected and paid for by the builder. At the homeowner's sole option, the homeowner may agree to split the cost of the mediator and if he or she does so, the mediator shall be selected jointly. The mediator shall have sufficient availability such that the mediation will occur within 15 days after the request for mediation is received and shall occur at a mutually convenient location within the county where the action is pending. In the event that a mediation is used at this point, any applicable statutes of limitations shall be tolled from the date of the request to mediate until the next court day after the mediation is completed, or the 100-day period, whichever is later.

## <u>929.</u>

(a) Nothing in this chapter prohibits the builder from making only a cash offer and no repair. In this situation, the homeowner is free to accept the offer, or he or she may reject the offer and proceed with the filing of an action. If the latter occurs, the standards of the other chapters of this title shall continue to apply to the action.(b) The builder may obtain a reasonable release in exchange for the cash payment. The builder may negotiate the terms and conditions of any reasonable release in terms of scope and consideration in conjunction with a cash payment under this chapter.

#### 930.

- (a) The time periods and all other requirements in this chapter are to be strictly construed, and, unless extended by the mutual agreement of the parties in accordance with this chapter, shall govern the rights and obligations under this title. If a builder fails to act in accordance with this section within the timeframes mandated, unless extended by the mutual agreement of the parties as evidenced by a postclaim written confirmation by the affected homeowner demonstrating that he or she has knowingly and voluntarily extended the statutory timeframe, the claimant may proceed with filing an action. If this occurs, the standards of the other chapters of this title shall continue to apply to the action.
- (b) If the claimant does not conform with the requirements of this chapter, the builder may bring a motion to stay any subsequent court action or other proceeding

until the requirements of this chapter have been satisfied. The court, in its discretion, may award the prevailing party on such a motion, his or her attorney's fees and costs in bringing or opposing the motion.

#### 931.

If a claim combines causes of action or damages not covered by this part, including, without limitation, personal injuries, class actions, other statutory remedies, or fraud-based claims, the claimed unmet standards shall be administered according to this part, although evidence of the property in its unrepaired condition may be introduced to support the respective elements of any such cause of action. As to any fraud-based claim, if the fact that the property has been repaired under this chapter is deemed admissible, the trier of fact shall be informed that the repair was not voluntarily accepted by the homeowner. As to any class action claims that address solely the incorporation of a defective component into a residence, the named and unnamed class members need not comply with this chapter.

#### 932.

Subsequently discovered claims of unmet standards shall be administered separately under this chapter, unless otherwise agreed to by the parties. However, in the case of a detached single family residence, in the same home, if the subsequently discovered claim is for a violation of the same standard as that which has already been initiated by the same claimant and the subject of a currently pending action, the claimant need not reinitiate the process as to the same standard. In the case of an attached project, if the subsequently discovered claim is for a violation of the same standard for a connected component system in the same building as has already been initiated by the same claimant, and the subject of a currently pending action, the claimant need not reinitiate this process as to that standard.

#### 933.

If any enforcement of these standards is commenced, the fact that a repair effort was made may be introduced to the trier of fact. However, the claimant may use the condition of the property prior to the repair as the basis for contending that the repair work was inappropriate, inadequate, or incomplete, or that the violation still exists. The claimant need not show that the repair work resulted in further damage nor that damage has continued to occur as a result of the violation. (Added by Stats. 2002, Ch. 722, Sec. 3. Effective January 1, 2003.)

### 934.

Evidence of both parties' conduct during this process may be introduced during a subsequent enforcement action, if any, with the exception of any mediation. Any repair efforts undertaken by the builder, shall not be considered settlement communications or offers of settlement and are not inadmissible in evidence on such a basis.

### 935.

To the extent that provisions of this chapter are enforced and those provisions are substantially similar to provisions in Section 6000, but an action is subsequently commenced under Section 6000, the parties are excused from performing the substantially similar requirements under Section 6000.

936.

Each and every provision of the other chapters of this title apply to general contractors, subcontractors, material suppliers, individual product manufacturers, and design professionals to the extent that the general contractors, subcontractors, material suppliers, individual product manufacturers, and design professionals caused, in whole or in part, a violation of a particular standard as the result of a negligent act or omission or a breach of contract. In addition to the affirmative defenses set forth in Section 945.5, a general contractor, subcontractor, material supplier, design professional, individual product manufacturer, or other entity may also offer common law and contractual defenses as applicable to any claimed violation of a standard. All actions by a claimant or builder to enforce an express contract, or any provision thereof, against a general contractor, subcontractor, material supplier, individual product manufacturer, or design professional is preserved. Nothing in this title modifies the law pertaining to joint and several liability for builders, general contractors, subcontractors, material suppliers, individual product manufacturer, and design professionals that contribute to any specific violation of this title. However, the negligence standard in this section does not apply to any general contractor, subcontractor, material supplier, individual product manufacturer, or design professional with respect to claims for which strict liability would apply.

#### 937.

Nothing in this title shall be interpreted to eliminate or abrogate the requirement to comply with Section 411.35 of the Code of Civil Procedure or to affect the liability of design professionals, including architects and architectural firms, for claims and damages not covered by this title.

#### 938.

This title applies only to new residential units where the purchase agreement with the buyer was signed by the seller on or after January 1, 2003.

## **CHAPTER 5. Procedure [941 - 945.5]**

#### 941.

- (a) Except as specifically set forth in this title, no action may be brought to recover under this title more than 10 years after substantial completion of the improvement but not later than the date of recordation of a valid notice of completion.
- (b) As used in this section, "action" includes an action for indemnity brought against a person arising out of that person's performance or furnishing of services or materials referred to in this title, except that a cross-complaint for indemnity may be filed pursuant to subdivision (b) of Section 428.10 of the Code of Civil Procedure in an action which has been brought within the time period set forth in subdivision (a).
- (c) The limitation prescribed by this section may not be asserted by way of defense by any person in actual possession or the control, as owner, tenant or otherwise, of such an improvement, at the time any deficiency in the improvement constitutes the proximate cause for which it is proposed to make a claim or bring an action.
- (d) Sections 337.15 and 337.1 of the Code of Civil Procedure do not apply to actions under this title.
- (e) Existing statutory and decisional law regarding tolling of the statute of limitations shall apply to the time periods for filing an action or making a claim under this title, except that repairs made pursuant to Chapter 4 (commencing with Section 910), with the exception of the tolling provision contained in Section 927, do not extend the period for filing an action, or restart the time limitations contained in subdivision (a) or (b) of Section 7091 of the Business and Professions Code. If a builder arranges for a contractor to perform a repair pursuant to Chapter 4 (commencing with Section 910), as to the builder the time period for calculating the statute of limitation in subdivision (a) or (b) of Section 7091 of the Business and Professions Code shall pertain to the substantial completion of the original construction and not to the date of repairs under this title. The time limitations established by this title do not apply to any action by a claimant for a contract or express contractual provision. Causes of action and damages to which this chapter does not apply are not limited by this section.

## 942.

In order to make a claim for violation of the standards set forth in Chapter 2 (commencing with Section 896), a homeowner need only demonstrate, in accordance with the applicable evidentiary standard, that the home does not meet the applicable standard, subject to the affirmative defenses set forth in Section 945.5. No further showing of causation or damages is required to meet the burden of proof regarding a violation of a standard set forth in Chapter 2 (commencing with Section 896), provided that the violation arises out of, pertains to, or is related to, the original construction.

### 943.

- (a) Except as provided in this title, no other cause of action for a claim covered by this title or for damages recoverable under Section 944 is allowed. In addition to the rights under this title, this title does not apply to any action by a claimant to enforce a contract or express contractual provision, or any action for fraud, personal injury, or violation of a statute. Damages awarded for the items set forth in Section 944 in such other cause of action shall be reduced by the amounts recovered pursuant to Section 944 for violation of the standards set forth in this title.
- (b) As to any claims involving a detached single-family home, the homeowner's right to the reasonable value of repairing any nonconformity is limited to the repair costs, or the diminution in current value of the home caused by the nonconformity, whichever is less, subject to the personal use exception as developed under common law.

### 944.

If a claim for damages is made under this title, the homeowner is only entitled to damages for the reasonable value of repairing any violation of the standards set forth in this title, the reasonable cost of repairing any damages caused by the repair efforts, the reasonable cost of repairing and rectifying any damages resulting from the failure of the home to meet the standards, the reasonable cost of removing and replacing any improper repair by the builder, reasonable relocation and storage expenses, lost business income if the home was used as a principal place of a business licensed to be operated from the home, reasonable investigative costs for each established violation, and all other costs or fees recoverable by contract or statute.

### <u>945.</u>

The provisions, standards, rights, and obligations set forth in this title are binding upon all original purchasers and their successors-in-interest. For purposes of this title, associations and others having the rights set forth in Sections 5980 and 5985 shall be considered to be original purchasers and shall have standing to enforce the provisions, standards, rights, and obligations set forth in this title.

#### 945.5.

A builder, general contractor, subcontractor, material supplier, individual product manufacturer, or design professional, under the principles of comparative fault pertaining to affirmative defenses, may be excused, in whole or in part, from any obligation, damage, loss, or liability if the builder, general contractor, subcontractor, material supplier, individual product manufacturer, or design professional, can demonstrate any of the following affirmative defenses in response to a claimed violation:

- (a) To the extent it is caused by an unforeseen act of nature which caused the structure not to meet the standard. For purposes of this section an "unforeseen act of nature" means a weather condition, earthquake, or manmade event such as war, terrorism, or vandalism, in excess of the design criteria expressed by the applicable building codes, regulations, and ordinances in effect at the time of original construction.
- (b) To the extent it is caused by a homeowner's unreasonable failure to minimize or prevent those damages in a timely manner, including the failure of the homeowner to allow reasonable and timely access for inspections and repairs under this title. This includes the failure to give timely notice to the builder after discovery of a violation, but does not include damages due to the untimely or inadequate response of a builder to the homeowner's claim.
- (c) To the extent it is caused by the homeowner or his or her agent, employee, general contractor, subcontractor, independent contractor, or consultant by virtue of their failure to follow the builder's or manufacturer's recommendations, or commonly accepted homeowner maintenance obligations. In order to rely upon this defense as it relates to a builder's recommended maintenance schedule, the builder shall show that the homeowner had written notice of these schedules and recommendations and that the recommendations and schedules were reasonable at the time they were issued.
- (d) To the extent it is caused by the homeowner or his or her agent's or an independent third party's alterations, ordinary wear and tear, misuse, abuse, or neglect, or by the structure's use for something other than its intended purpose.
- (e) To the extent that the time period for filing actions bars the claimed violation.
- (f) As to a particular violation for which the builder has obtained a valid release.
- (g) To the extent that the builder's repair was successful in correcting the particular violation of the applicable standard.
- (h) As to any causes of action to which this statute does not apply, all applicable affirmative defenses are preserved.