CALIFORNIA ASSOCIATION OF REALTORS®

TRUST ADVISORY

For Properties Being Sold by the Trustee of a Trust

(C.A.R. Form TA, Reviewed 6/25)

Property is being held in a revocable or irrevocable trust for the benefit of those persons or entities named as beneficiaries in the trust. For the purpose of the sale of Property, the trustee of the trust is treated as the Seller. Even if Seller is exempt from some obligations, Seller must still comply with many others. This Advisory is intended to inform Buyer and Seller of their rights and obligations independent of those established by the contract between them. **If Property is placed in a trust, any trustee must complete a TDS and other disclosures that would be required of other owners if: (i) any such trustee is a natural person AND (ii) the trust is a revocable trust, AND (iii) the trustee either is the former owner of Property or was an occupant in possession of Property within the preceding year. The disclosures are required of any trustee who meets the above requirements even if other trustees do not.**

1. **SELLER MAY BE EXEMPT FROM THE FOLLOWING:**
   - **A.** (1) **Disclosure Statements:** Seller, unless specified in **paragraph 1A(2)**, does not have to complete, sign and provide Buyer with a Real Estate Transfer Disclosure Statement or Natural Hazard Disclosure Statement (C.A.R Forms TDS and NHD). **Seller remains obligated to make the disclosures and comply with the items specified in Paragraph 1.**
     (2) If Property has been placed in a trust, the trustee(s) of the trust is considered the Seller for the purpose of complying with disclosure laws. Seller must complete, sign and provide Buyer with a TDS if **(i)** the Seller is a natural person, AND **(ii)** the trust is a revocable trust, AND **(iii)** the trustee is either a former owner of the Property or was an occupant in possession of the Property within the preceding year.
   - **B. Other Exemptions:** Unless **paragraph 1A(2)** applies, Seller is exempt from providing Buyer with a Mello- Roos district lien disclosure, an Improvement Bond Act of 1915 notice, a Supplemental Property Tax notice, a Notice of Private Transfer Fee pursuant to California Civil Code § 1102 et seq. and completing and providing either a Homeowner's or Commercial Property Owners Guide to Earthquake Safety, including any corresponding form.
   - **C. Exempt Seller Disclosures:** Even exempt Sellers have statutory or contractual obligations to make certain disclosures and may, or are required by contract to, use an Exempt Seller Disclosure (C.A.R. Form ESD) and is strongly encouraged to do so.
2. **SELLER MUST COMPLY WITH THE FOLLOWING:**
   - **A. Known Material Fact Disclosures:** Seller is obligated to disclose known material facts affecting the value and desirability of the Property even if the specific Real Estate Transfer Disclosure Statement Form is not required to be completed.
   - **B. Hazard Zones:** Seller is not exempt from applicable statutory obligations to disclose earthquake fault zones, seismic hazard zones, state fire responsibility areas, very high fire hazard severity zones, special flood hazard areas and flood hazard zones pursuant to the Public Resources Code, Government Code and United States.
   - **C. Smoke Alarms:** The sale is not exempt from the State requirements that, for residential one to four units, operable smoke alarms (smoke detectors) be in place. It is negotiable between Buyer and Seller who is to pay for the cost of compliance.
   - **D. Water Heaters:** The sale is not exempt from the State requirement that water heaters be properly anchored, braced or strapped and that Seller provide a written statement of compliance to Buyer.
   - **E. Lead-based Paint:** The Seller is not exempt from the federal obligation to: **(i)** disclose known lead-based paint and lead-based paint hazards; **(ii)** provide Buyer copies of reports or studies covering lead-based paint and hazards on the Property; **(iii)** provide Buyer with the pamphlet “Protect Your Family From Lead In Your Home;” and **(iv)** give Buyer a 10-day opportunity to inspect for lead-based paint and hazards, if the Property contains residential dwelling units and was constructed prior to 1978.
   - **F. Carbon Monoxide Devices:** The sale is not exempt from the State requirement that for all dwelling units in a residential one to four unit property, the owner must install a carbon monoxide device approved and listed by the State Fire Marshal in the dwelling unit if the dwelling unit has a fossil fuel burning heater or appliance, fireplace, or an attached garage.
   - **G. Water Conserving Plumbing Fixtures: The Sale is not exempt from the State requirement that (i) single family residences built before January 1, 1994 be equipped with water conserving plumbing fixtures by January 1, 2017 and multi-family and commercial properties be equipped with water conserving plumbing fixtures by January 1, 2019; (ii) Sellers disclose to Buyers the requirements of the law; and (iii) sellers disclose to Buyers whether the Property contains any non-compliant plumbing fixtures. See C.A.R. Form WCMD for further information.**

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H. Tax Withholding: The sale is not exempt from providing information pertaining to the withholding obligation under either the federal "FIRPTA" or the California withholding requirements upon the sale of real property. **Federal:** For federal purposes, a non-resident alien includes a fiduciary. A trustee is treated as a non-resident even if all beneficiaries are citizens or residents of the United States. State: The trust may be exempt from withholding (but not the completion of the real estate withholding certificate) if: **(i)** the trust was revocable prior to the decedent's death; **(ii)** the Property was last used as the decedent's principal residence; and **(iii)** the trustee is electing to treat the trust as part of the decedent's estate under IRC § 645 (see Instructions for FTB Form 593-C).

I. Megan's Law Database Disclosure: The sale is not exempt from the requirement that residential sales contracts contain the following notice regarding the availability of information about registered sex offenders: "Notice: Pursuant to § 290.46 of the Penal Code, information about specified registered sex offenders is made available to the public via an Internet Web site maintained by the Department of Justice at www.meganslaw.ca.gov. Depending on an offender's criminal history, this information will include either the address at which the offender resides or the community of residence and ZIP Code in which he or she resides." (Neither Seller nor Brokers are required to check this website. If Buyer wants further information, Broker recommends that Buyer obtain information from this website during Buyer's inspection contingency period. Brokers do not have expertise in this area.)

3. OTHER CONSIDERATIONS:

A. Local Law: Local law may impose obligations on the transfer of real property (such as the installation of low flow toilets or shower heads, emergency gas shut-off valves or installation of smoke detectors). Local law should be consulted to determine if sales by a trustee of a trust are exempt from such requirements.

B. Death: If the Property is being sold because of the death of an occupant of the Property, and if Buyer has concerns about the manner, location or details of the death, then Buyer should direct any specific questions to Seller.

4. BROKERS:

A. Inspection: The sale is not exempt from the Broker's obligation to conduct a reasonably competent and diligent visual inspection of the accessible areas of the Property and disclose to Buyer material facts revealed by such an inspection in the sale of residential property containing one-to-four dwelling units. Brokers may do so on C.A.R. Form AVID.

B. Agency: The sale is not exempt from the obligation to provide agency relationship disclosure and confirmation forms in the sale of residential property containing one-to-four dwelling units, commercial Property and vacant land.

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

Seller Teresa Ann Jackson **Teresa Ann Jackson** Date 3/18/2026

Seller Matthew Richard Johnson **Matthew Richard Johnson** Date 3/18/2026

AT TIME OF LISTING

Real Estate Broker **PB & Associates**

By Gloria Dias **Gloria Dias** Date 3/18/2026

AT TIME OF SALE

Buyer _____ Date _____

Buyer _____ Date _____

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