

SAN FRANCISCO PURCHASE AGREEMENT

SAN FRANCISCO ASSOCIATION OF REALTORS® STANDARD FORM

This is intended to be a legally binding contract for the purchase of real property in San Francisco

Date Prepared _____. This is an offer from _____ ("Buyer")
to purchase for the sum of \$ _____ the real property known as _____ ("Property").
This offer expires **3 or** ____ Days after being fully Signed by Buyer or on _____ (date) at _____ (time).
☐ (If checked) this is a purchase of a _____ % undivided interest in the Tenancy-in-Common (TIC) property shown above.
☐ (If checked) this is a purchase of stock in the cooperative apartment building shown above.

Buyer and Seller are collectively referred to as the "Parties"; Agents are **not** Parties to this Agreement.

1. AGENCY:

A. DISCLOSURE: The Parties each acknowledge receipt of a Disclosure Regarding Real Estate Relationships (C.A.R. form AD) if represented by a real estate licensee. Neither Agent is required to Deliver the agency form to the other Party.

B. AGENCY CONFIRMATION: The following agency relationships are hereby confirmed for this transaction:

Seller's Brokerage Firm _____ License Number _____
is the broker of (check one): ☐ the Seller; or ☐ both the Buyer and Seller (dual agent).

Seller's Agent _____ 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 _____ 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) ☐ both the Buyer's and Seller's Agent (dual agent).

☐ (If checked) More than one Brokerage represents ☐ Seller ☐ Buyer. See Additional Broker Acknowledgment (C.A.R. form ABA).

C. POTENTIALLY COMPETING BUYERS AND SELLERS AND/OR DUAL AGENCY: The Parties each acknowledge receipt of a Possible Representation of More than One Buyer or Seller Disclosure and Consent (C.A.R. form PRBS).

2. **ESCROW HOLDER:** Escrow Holder shall be _____. This Agreement, including all fully Signed and Delivered addenda, amendments and counter offers, shall constitute joint escrow instructions of the Parties. The Parties shall Sign and Deliver additional instructions consistent with this Agreement when requested to by Escrow Holder.

3. **CLOSE OF ESCROW ("COE"):** Escrow shall close on _____ (date) or ____ Days after Acceptance. If COE falls on a weekend or legal holiday, it shall be extended to the next business day.

4. **FINANCING TERMS:** ☐ (If checked) this is an **ALL CASH OFFER** and any loan terms shown below are inapplicable.

A. \$ _____ **INITIAL DEPOSIT** shall be Delivered by wire transfer or ☐ _____ payable to **Escrow Holder or to** ☐ _____ ("Payee"), which **Buyer or** ☐ **Buyer's Agent** shall deposit with Payee within **2 or** ____ business Days of Acceptance. Failure to Deliver the Initial Deposit or Additional Deposit within the time agreed is a material breach of this Agreement.

B. \$ _____ **ADDITIONAL DEPOSIT** shall be Delivered to Escrow Holder within **15 or** ____ days after Acceptance or ☐ **on or before** _____ (date).

C. \$ _____ **NEW FIRST LOAN:** This Agreement is **contingent** upon Buyer obtaining a new **conventional or** ☐ **FHA** ☐ **VA** ☐ **other** _____ first loan for a term of **30 or** ____ years at an initial annual rate of interest not to exceed _____ % for a loan which is fixed for the **entire term or** ☐ **fixed for an initial period of** ____ year(s) or ☐ ____ month(s) and thereafter adjustable according to the lender's predetermined schedule, secured by a first deed of trust on the Property, with a loan fee of zero or ☐ not more than ____ points. For an FHA/VA loan, an Amended Clause Addendum is attached (C.A.R. form FVAC).

D. \$ _____ **OTHER FINANCING:** This Agreement is **contingent** upon Buyer obtaining a new second loan or other additional financing on the following terms: _____.

Attached Addenda: ☐ Assumed Financing (C.A.R. form AFA), ☐ Seller Financing (C.A.R. form SFA).

E. \$ _____ **CASH BALANCE** shall be deposited by Buyer with Escrow Holder prior to COE.

F. \$ _____ **PURCHASE PRICE, EXCLUDING CLOSING COSTS** (Total of A through E).

5. **APPRAISAL:** This Agreement is contingent upon a written appraisal by Buyer's lender at no less than the Purchase Price or \$ _____ or, if no Buyer financing, by a licensed appraiser. Failure to appraise at the value specified herein permits Buyer to terminate this Agreement only if Buyer retains this appraisal contingency; the loan contingency is separate and distinct. Other matters included in the appraisal report such as square footage measurements and the condition of the Property fall under the Buyer's Investigation contingency and do not create termination rights under this appraisal contingency, nor do they require amendment of Seller's disclosures.

6. **OCCUPANCY TYPE:** Buyer intends to use the Property as a primary residence or ☐ secondary residence or ☐ investment property.

7. **PHYSICAL POSSESSION:** Physical possession of the Property shall be Delivered to Buyer **upon recordation of the deed or** ☐ An Addendum setting forth terms upon which Seller may continue to use the Property after COE is attached to and made a part of this Agreement. If the Property is tenant occupied, see paragraph 18.

8. **CONTINGENCIES AND DOCUMENT DELIVERY:** Paragraphs 8A-L are contingencies of this Agreement unless waived or removed by Buyer. Within the time specified in the Duration column and no less than 5 days after Delivery of the related documents, Buyer shall either (a) remove the contingency(ies), (b) negotiate a modification of terms, or (c) terminate this Agreement as set forth in paragraph 45. Referenced paragraphs below provide further explanation. Contingencies established by this Agreement continue even after the expiration date until a Party serves a Notice to Perform and terminates this Agreement per paragraph 45. Once a contingency is waived or removed, the other Party may not terminate this Agreement for lack of timely removal.

Para-graph	Contingency	Duration (after Acceptance)	Seller Delivery of documents to Buyer (duration after Acceptance) and any Additional Terms
A 4/14	Loans	21 or __ Days	
B 5	Appraisal	21 or __ Days	
C 10D	Leased or Liened items	15 or __ Days	Seller to Deliver required documents within 3 Days after Acceptance
D 15	Title Review	15 or __ Days	Buyer to order within 3 Days after Acceptance. Seller to disclose matters affecting title not shown in the Prelim within 5 Days
E 16	Buyer's Investigations	15 or __ Days	
F 17	HOA Disclosures	15 or __ Days	Seller to Deliver within 10 or __ Days after Acceptance
G 18A	Rental Leases and Estoppels	15 or __ Days	Seller to Deliver within 10 or __ Days after Acceptance
H 18B	Rental Property Accounting	15 or __ Days	Seller to Deliver within 10 or __ Days after Acceptance
I 22	Seller's Statutory Disclosures	15 or __ Days	Seller to Deliver no later than 7 Days after Acceptance
J 23A	SF Seller Disclosure	15 or __ Days	Seller to Deliver within 10 or __ Days after Acceptance
K 23B	Other Seller Disclosures	15 or __ Days	Seller to Deliver within 10 or __ Days after Acceptance
L	Other contingency	__ Days	See paragraph 49 or attached Addenda if any

9. **WAIVER OR REMOVAL OF CONTINGENCIES:** Agent warns Buyer NOT to waive or remove any contingency prior to receiving all documents related to the contingency. If Buyer ignores this warning, Buyer shall have no right to terminate this Agreement upon later receipt of documents from Seller or third parties, including the documents specified in paragraphs 10D, 15, 17 and 18 unless information in previously provided documents is materially changed per paragraph 25. Nothing in this paragraph shall relieve Seller of the obligation to provide disclosure documents required by law or paragraphs 22, 23 and 24. This paragraph shall not act as a waiver of any Buyer statutory termination right, or any separate contractual termination right that is not a contingency of this Agreement. Buyer's waiver or removal of any contingency in this Agreement requires a written contingency removal. ☐ (If checked) SFAR form CR is attached.)

10. **ITEMS INCLUDED OR EXCLUDED FROM THE SALE:** To the extent owned by Seller, rather than a staging company or real estate agent:
- A. FIXTURES:** Unless excluded in 10C below, all existing fixtures and fittings attached to the Property are included, free of liens, in the Purchase Price, **including:** electrical, lighting, plumbing and heating fixtures; hardware; solar systems (see C.A.R. form SOLAR); screens; awnings; shutters; drapes; attached floor coverings; affixed mirrors; television antennas/satellite dishes and related equipment; water softening systems; air coolers or conditioners; pool and spa and related equipment; mailbox; garage door openers and transmitters; trees, shrubs and outdoor plants planted in the ground; private telephone systems; home entry access and video devices, home automation, monitoring or security systems, together with any dedicated hardware and/or applicable software and passwords needed to operate them. ☐ (If checked) paragraphs 1 and 2 of the SFAR form FPPP (Seller Preferences) dated _____ replace paragraphs B and C below.

B. PERSONAL PROPERTY ITEMS INCLUDED: Items listed in the MLS, disclosures, or marketing materials are not included in the sale unless specified in this Agreement. The personal property checked below (and the fixtures referred to above) on the Property at Acceptance, are included in the sale, free of liens, but with no warranty of condition:

<input type="checkbox"/> All refrigerators	<input type="checkbox"/> All freezers	<input type="checkbox"/> Microwave	<input type="checkbox"/> Washers and dryers	<input type="checkbox"/> E/V chargers	<input type="checkbox"/> _____
<input type="checkbox"/> All ranges/stoves	<input type="checkbox"/> All dishwashers	<input type="checkbox"/> Wine cooler	<input type="checkbox"/> Bathroom mirrors	<input type="checkbox"/> Fireplace equipment	<input type="checkbox"/> See paragraph 49

C. ITEMS EXCLUDED FROM THE SALE: Furniture attached only for earthquake safety; externally mounted A/V (audio-visual) equipment (e.g. flat panel screens) and brackets (when removed, holes shall be repaired but not painted); and these additional exclusions: _____

D. LEASED OR LIENED ITEMS: Seller shall Deliver to Buyer all leases, warranties, maintenance agreements and other documents concerning any leased or liened items within the time specified in paragraph 8. This Agreement is contingent upon Buyer's review of and ability or willingness to assume any lease, lien or ongoing obligations disclosed by Seller. The assumption of any lease or lien shall not require any financial contribution by Seller. Seller may terminate this Agreement if Buyer refuses to enter into any necessary written agreements to accept responsibility for all obligations of Seller-disclosed leased or liened items. Upon removal of this contingency, Buyer agrees to assume all leases, liens and service agreements; and pay any applicable transfer fees.

11. **CONTRACT ADDENDA:** The following Addenda are incorporated and shall be signed and returned with this Agreement.
☐ Buyer's Intent to Exchange (C.A.R. form BXA) ☐ Seller's Intent to Exchange (C.A.R. form SXA)
☐ Backup Offer Addendum (SFAR form BOA-B) ☐ Sale of Buyer's property (C.A.R. form COP) ☐ Addendum # ____ (C.A.R. form ADM)
12. **INTENT TO EXCHANGE PROPERTY:** If checked in paragraph 11, one or both Parties intends to include this Property in an IRC §1031 exchange, subject to the terms of the attached Addenda. Any exchange is **not** a contingency of this Agreement unless specified as such in the Addendum or elsewhere. The other Party consents to an exchange on the condition that they incur no additional expense or liability.
13. **SALE OF BUYER'S PROPERTY:** If checked in paragraph 11, this Agreement is contingent upon the sale of a property owned by Buyer.
14. **FINANCING PROVISIONS:** Buyer affirms that only the loan(s) specified in paragraph 4 are needed to complete this purchase and shall act diligently and in good faith to obtain them. Agents urge Buyer to confirm loan(s) will fund before removing the financing contingency. Buyer represents that the funds required for the Deposits, Cash Balance and Closing Costs are available at Buyer's disposal, and that obtaining these funds is **not** a contingency of this Agreement. Buyer shall provide proof of such funds within 3 days of Acceptance if not provided with the offer, and permit Seller's Agent to contact Buyer's lender(s), solely to determine the status of Buyer's loan. Any credits to Buyer from any source shall be disclosed to Buyer's lenders. If the total credits exceed the lenders' limits such credits shall be reduced with no adjustment in Purchase Price to make up the difference. Seller relies on Buyer's stated financing and shall cooperate with it, including providing prompt access for appraisal(s), but nothing herein prohibits Buyer from pursuing alternative financing, and Seller shall not interfere with such efforts. Seller shall not refuse to close escrow if Buyer has obtained alternative financing.
15. **TITLE REVIEW:** Buyer, at Buyer's expense, shall order a Preliminary Report ("Prelim") from Escrow Holder. A Prelim is only an offer to issue a policy of title insurance and may not identify every issue affecting title. Buyer shall take title to the Property subject to all encumbrances, easements, rights, covenants, conditions, restrictions and other matters, whether of record or not, as of the Day of Acceptance except: (1) monetary liens which, unless otherwise agreed in writing, Seller will pay off from Seller's proceeds at COE; and (2) any matters which Seller has agreed in writing to remove prior to COE. Seller shall disclose to Buyer all matters known to Seller affecting title which are not shown on the Prelim. Buyer's review and approval of the Prelim, and of all matters affecting title, is a contingency of this Agreement. However, for an amended Prelim, Buyer's right to terminate this Agreement applies only if it contains material differences from the prior Prelim. At COE Buyer shall receive a grant deed conveying all of Seller's right, title and interest in the Property. Title shall vest as specified by Buyer. **The manner of taking title may have significant legal and tax consequences.** Buyer should consult with their legal and tax advisors. Buyer should direct all questions regarding title insurance coverage, its cost, and the availability of enhanced coverages, such as those offered by an ALTA policy, to the Escrow Holder or title company.
16. **BUYER'S INVESTIGATION CONTINGENCY:** This Agreement is contingent upon Buyer's approval, in Buyer's sole discretion, of any matter affecting the Property, including without limitation its physical condition, square footage, parking and storage availability, insurability, neighborhood issues, the intended use, or future development. Buyer shall have the right to conduct inspections of the Property by contractors, engineers, architects, and/or other experts, which inspections may include, but are not limited to, a general property inspection, a structural pest control inspection, inspection of the foundation, framing, roof, plumbing, sewer lines, heating, air conditioning, solar system and maintenance agreements, electrical and mechanical systems, appliances, retaining walls, geologic conditions, pool/spa and equipment, environmental hazards (such as asbestos, mold, electromagnetic fields, radon gas, lead paint or lead hazards, fuel or chemical storage tanks, and other materials or products), noise transmission, water/utility use restrictions, and location of property lines. Agents strongly recommend that Buyer retain Buyer's own professionals to investigate the condition of the Property including, but not limited to, its physical condition, matters affecting its use, and its value and desirability for the purposes intended by Buyer. Buyer acknowledges reports received from third parties do not constitute representations or warranties by either Seller or Agents as to the past, present or future condition, use or development potential of the Property. **Agents strongly recommend that Buyer obtain written inspection reports and conduct any further inspections recommended in those reports. Agents do not certify or verify lot size, boundary lines or interior square footage, nor information contained in inspection reports, advertising, or representations of others.** Seller shall permit inspections with reasonable advance notice from Buyer. No invasive testing is allowed, including 'test holes', without Seller's advance written consent. Buyer is responsible for damage caused by Buyer's inspections, which obligation survives termination of this Agreement. Buyer shall provide Seller with copies of all reports. Buyer shall not instigate any government inspection or review of the Property; this covenant survives termination of this Agreement. Prior to removal of this contingency, Buyer may request Seller make repairs or credit Buyer for the estimated costs of identified repair work, but Seller is not obligated to agree to any such request.
A. WAIVER: If Buyer waives any and all rights to perform the investigations specified above, then Buyer is proceeding against the advice of Agents, and Buyer hereby releases Seller and Agents from all claims, demands, and liabilities which in any way relate to or arise from any issue which would have been disclosed, detected and/or evaluated by such investigations.
B. INFORMATIONAL ACCESS: Buyer shall have reasonable access to the Property for informational purposes only for 21 or ____ days after Acceptance separate from this Investigation contingency, or ☐ Buyer waives access.
17. **HOMEOWNERS' ASSOCIATION ("HOA") DISCLOSURES:** If the Property is located in a Common Interest Development, which includes condominiums and cooperative apartments, this Agreement is contingent upon Buyer's review of the documents described below. Seller shall furnish Buyer with copies of the Property's legal description (including parking and storage spaces, if any), covenants, conditions and restrictions ("CC&Rs"), articles of incorporation, bylaws, rules and regulations currently in force, the most recent financial statements of the HOA, a current operating budget, the last 12 months' HOA meeting minutes, the reserve study, a Condominium/Cooperative Financial Disclosure Statement, and any other documents required by law. Seller shall also disclose all HOA dues, fees, special assessments, including

unpaid assessments and assessments levied but not due until a future date, any anticipated extraordinary maintenance or repair expenses, and any pending or anticipated litigation affecting the Property. Seller may be responsible to pay any undisclosed fees or assessments, as set forth in paragraph 19. **Seller shall promptly notify Buyer of any new or revised HOA documents received by Seller prior to COE.** Material changes to CC&Rs, the reserve study or other HOA documents; an increase in HOA dues of 10% or more or ☐ \$_____; or any new special assessment shall reinstate this contingency for **5 days**. Buyer is hereby advised that any structural pest control or other inspection of common areas may be subject to the approval of, and limited in scope by, the HOA. If the Property is new construction or newly converted to condominiums, and this is the first sale of this unit, Buyer shall pay a pro-rata share of any new insurance policy placed on the entire building; otherwise Seller will not receive any credit for insurance, other than through a proration of the established periodic HOA fee for this unit as of COE. If this is a purchase of a cooperative apartment, the attached Cooperative Apartment Purchase Addendum (SFAR form CAPA) includes additional contingencies with timeframes.

18. **RENTAL PROPERTY: Buyer purchases the Property subject to existing leases and the rights of any and all persons in possession.** If the Property is occupied by tenants and non-owner occupants (e.g. friends or relatives of Seller), this Agreement is contingent upon Buyer's review and approval of the following:

A. LEASES AND ESTOPPELS: Prior to COE, Seller agrees that no new (or changes to existing) leases or rental agreements shall be entered into without Buyer's prior written consent. Within 3 Days after Acceptance, Seller shall Deliver to all current tenants (and non-owner occupants): a) Residential Tenancy Estoppel Certificates, requesting from each of them the terms of their occupancy; and b) Protected Tenant Status forms to all eligible occupants. Seller shall Deliver to Buyer copies of all leases, rental agreements, applications and Rent Ordinance Rules and Regulations §6.14 notices as well as copies of all outstanding notices sent to tenants/occupants. Seller shall complete a Rental Property Statement (SFAR form SRPS) which requests specific information on the rental units, their tenancies and any issues with tenants/occupants. Seller shall Deliver to Buyer all completed Residential Tenancy Estoppel Certificates and Protected Tenant Status forms returned by tenants to Seller within 2 Days of receipt. Seller shall Deliver to Escrow Holder prior to COE: (1) all tenant deposits, including security deposits, last month's rents, cleaning, key or other deposits, and any required interest accrued thereon through COE, which deposits and interest shall be disbursed to Buyer at COE; and (2) copies of any notice(s) of the transfer of deposits given by Seller to tenants. **If it is intended that one or more tenant-occupied units be delivered vacant, the Parties should seek advice from a qualified San Francisco landlord-tenant attorney before removing contingencies.**

B. RENTAL PROPERTY ACCOUNTING: Seller shall Deliver to Buyer a true and complete statement of the income and expenses of the Property for the current year and years _____. This Agreement is contingent upon Buyer's approval of the statement(s).

C. RENTAL PERSONAL PROPERTY: All personal property on the Property at Acceptance owned by Seller and used in operation of the Property is included. Seller shall provide, within **7 Days** after Acceptance, an inventory of the personal property for Buyer's review and approval and that list shall supersede any items checked in paragraph 10B.

D. RESIDENTIAL RENT AND EVICTION CONTROLS: Local and statewide rent and eviction control laws severely impact the rights of residential property owners, including regulating: 1) the rent which may be charged and subsequent increases; 2) the duration and terms of the tenancy; 3) the number of occupants; 4) the ability to recover possession of the Property; 5) the right to move into the Property; and 6) the ability to subdivide, expand, improve or reconfigure the Property after commencing certain types of evictions. **Buyer should research documents filed with the San Francisco Rent Board pertaining to the Property and seek legal advice from a qualified San Francisco landlord-tenant attorney before removing contingencies.**

19. **CLOSING COST ALLOCATIONS:** Unless otherwise agreed in writing:

A. Buyer shall pay: escrow fees; title insurance premiums; new and assumed loan fees; supplemental taxes resulting from the Property's reassessment after COE; community enhancement fees; project certification fees, HOA move-in fees; and all special assessments due **after** COE.

B. Seller shall pay: City & County transfer tax; costs of loans paid off through escrow; property taxes for periods of time **before** COE; HOA document preparation, move-out, transfer and demand fees; all HOA special assessments due prior to COE; and any existing HOA fees or special assessments **not disclosed** by Seller prior to COE.

C. Buyer and Seller shall prorate, based on a 30-day month, and bring current at COE: property taxes; rents; operating expenses; interest on assumed loans; and HOA regular assessments (dues). Unless otherwise specified in this Agreement, all other expenses shall be paid by Buyer or Seller in accordance with Escrow Holder practice.

20. **ILLEGAL UNITS OR ROOMS:** Buyer understands that units, rooms, additions or alterations to the Property may not have been legally permitted. They may violate zoning, have been built without building permits, and a certificate of final completion and occupancy may not have been issued. Buyer may be required to bring them into compliance or to remove kitchens or other facilities at Buyer's expense. A substantial fine may be imposed and Buyer may be prevented from using or renting any illegal units. **Buyer should obtain legal advice from a qualified San Francisco attorney with respect to all legal issues regarding property rights.**

21. **SELLER'S STATUTORY AND CONTRACTUAL DISCLOSURES:** Buyer shall return to Seller Signed copies of the disclosure documents provided by Seller at least **5 Days** prior to COE.

22. **SELLER'S STATUTORY DISCLOSURES:** The following disclosures are required by law (as specified below) and shall be Delivered by Seller within the time specified in paragraph 8. Buyer's review and approval of these disclosures is a contingency of this Agreement. **The obligation to provide these disclosures and any statutory rescission/termination rights in 22A and 22B below shall not be waived or shortened by the Parties. By law, Buyer shall have no less than 5 days to review and remove the contingency in 22A below.**

A. REAL ESTATE TRANSFER DISCLOSURE STATEMENT ("TDS"): (Applies to properties with 1 to 4 residential units.) Unless exempt, Seller shall complete and Deliver to Buyer a TDS (Civil Code §1102), which shall be deemed complete when Seller has answered all questions in Sections I and II, explained all "Yes" answers, and Signed below Section II, and Seller's Agent has completed and Signed Section III. If the TDS is provided to Buyer prior to the making of an offer, there are no termination (or contingency) rights based on items disclosed.

B. NATURAL HAZARDS DISCLOSURE ("NHD"): (Applies to all properties.) Seller shall provide an NHD report disclosing if the Property is located in a flood, fire, seismic hazard or other zone for which disclosure is required by law. If a TDS is required, the NHD report shall also disclose if the Property is in a special tax district or area.

C. EARTHQUAKE RISK DISCLOSURE: (Applies only to 1 to 4 residential unit properties built prior to 1960.) Seller shall Deliver to Buyer the "Homeowner's Guide to Earthquake Safety" and complete a disclosure in compliance with California Government Code §8897.

D. LEAD-BASED PAINT HAZARDS DISCLOSURE: (Applies to all properties with residential units built prior to 1978.) Seller shall complete and Deliver to Buyer a Lead-Based Paint Hazards Disclosure and Addendum in compliance with 42 U.S.C. 4852d. Buyer shall have the opportunity to conduct a risk assessment or to inspect for the presence of lead-based paint hazards.

E. BUILDING PERMIT HISTORY: (Applies to all San Francisco properties with residential units, except new construction, per Housing code 351A.) Seller shall provide to Buyer a current Report of Residential Building Record ("3R"). Agents do not investigate or verify the accuracy of the information contained in a 3R. Buyer is advised to investigate to Buyer's own satisfaction the status of zoning, permits or code compliance with the local planning department and not rely on the 3R to determine if the Property meets Buyer's intended uses.

23. **SELLER'S CONTRACTUAL DISCLOSURES:** The following disclosures shall be Delivered by Seller within the time specified in paragraph 8. Buyer's review and approval of them is a contingency of this Agreement.

A. SAN FRANCISCO SELLER DISCLOSURE ("SFSD"): (Applies to all San Francisco properties.) Even if exempt from Delivery of a TDS, Seller shall complete and Deliver to Buyer the SFAR form SFSD, which shall be deemed complete when Seller has answered all applicable questions, explained all "Yes" answers, and initialed/Signed each applicable page. Seller's statutory disclosures contained in Section A of the SFSD are not waivable.

B. OTHER SELLER DOCUMENTS AND MATERIAL DEFECTS: Seller shall Deliver to Buyer all documents in Seller's possession, including without limitation, reports, investigations, disclosures, appraisals, surveys, easements, encroachments, boundary disputes, repair estimates, maintenance recommendations, warranties, and other documents whether prepared in the past or present, including any previous transaction, pertaining to the Property; and disclose all known material facts, defects and conditions affecting the Property.

24. **COMPLIANCE WITH OTHER LOCAL, STATE AND FEDERAL LAWS:** Buyer is advised to consult with the appropriate authorities to determine the extent to which other local, State and federal laws may affect the ownership and use of the Property.

A. SMOKE AND CARBON MONOXIDE DETECTORS: Unless an exemption applies, State and local law requires that every residential property be properly equipped with approved and functioning smoke (or heat) and carbon monoxide detectors. If such detectors are not installed on the Property in accordance with applicable law, Seller shall install and pay for the detectors prior to COE.

B. WATER HEATERS: California law requires water heaters to be strapped, braced or anchored to resist falling or displacement. The State Uniform Plumbing Code also requires that new or replacement water heaters located in a garage area be installed such that their ignition point is at least 18 inches above the floor. Seller shall bring water heaters into compliance prior to COE.

C. UNDERGROUND STORAGE TANKS ("USTs"): The Parties acknowledge that Article 21 of the San Francisco Health Code requires owners of real property in San Francisco with USTs located on or immediately adjacent to the Property to file a plan for their closure within 30 Days of discovery. If Seller has not provided Buyer with a written report by a licensed contractor specializing in USTs stating that no such tanks can be located, then Buyer is advised to conduct Buyer's own professional inspection, which Seller shall permit even if Buyer has waived or removed Buyer's Investigation contingency. If the inspection reveals the existence of USTs, then Seller shall, at Seller's expense, remove them and complete any necessary remedial work to the Property prior to COE. Buyer may be responsible for USTs found after COE.

D. ENERGY AND WATER CONSERVATION: Unless exempt, Seller shall order an energy and/or water conservation inspection. Seller shall pay for all requisite energy/water remediation work, not to exceed the maximum amount set by local law. Seller shall complete the work by COE and comply with all filing, recordation and other requirements.

25. **NEW MATERIAL FACTS:** If prior to COE, Seller or Seller's Agent becomes aware of any inaccurate or undisclosed material facts, Seller shall amend the TDS (if applicable) and the SFSD accordingly. Buyer shall then have 5 days from Delivery of the amendment to review and terminate this Agreement. Seller is not required to amend any disclosures for conditions already known to or discovered by Buyer, or contained in documents previously received by Buyer. Agents cannot determine whether a disclosure is inaccurate, new, or material.

26. **NOTICE REGARDING GAS AND HAZARDOUS LIQUID TRANSMISSION PIPELINES:** This notice is being provided 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 website maintained by the U.S. Department of Transportation at www.SFARforms.com/PipelineMap. 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.

27. **PROPERTY CONDITION AND KEYS:** Seller shall maintain this Property in the same general condition as when this Agreement was Accepted until possession is delivered to Buyer. Seller is not required to repair holes remaining after the removal of hanging items. Seller shall deliver the Property free of debris and in broom-clean condition. Seller shall provide Buyer, at possession, with keys and/or remote controls, codes or passwords, if any, to locks, mailboxes, alarms and garage doors. Buyer and Seller agree that Agents are not responsible for Seller's performance under this paragraph.

28. **WALK-THROUGH:** Buyer shall have the right to make a final inspection of the Property within **5 or ____ Days** prior to COE, not as a condition of the sale but solely to confirm that: (a) the Property is in substantially the same condition as on the Date of Acceptance, unless otherwise agreed to in writing; and (b) Seller has complied with all additional written obligations regarding the condition of the Property.
29. **HOME WARRANTY PLANS:** Buyer acknowledges the availability of home warranty plans which provide limited coverage against system and appliance failures, but has not relied upon any representation by Agents regarding the extent of coverage of any such plan.
☐ (If checked) A 1-year home warranty plan selected by Buyer shall be purchased at a cost not to exceed \$____, to be paid by _____, with any excess cost to be borne by Buyer, or ☐ A home warranty plan is declined by Buyer.
30. **MEGAN'S LAW:** Notice: Pursuant to Section 290.46 of the Penal Code, information about specified registered sex offenders is made available to the public via an Internet website maintained by the Department of Justice at www.SFARforms.com/MegansLaw. 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.
31. **FAIR APPRAISALS:** Any appraisal of the Property is required to be unbiased, objective, and not influenced by improper or illegal considerations, including, but not limited to, any of the following: race, color, religion (including religious dress, grooming practices, or both), gender (including, but not limited to, pregnancy, childbirth, breastfeeding, and related conditions, and gender identity and gender expression), sexual orientation, marital status, medical condition, military or veteran status, national origin (including language use and possession of a driver's license issued to persons unable to provide their presence in the United States is authorized under federal law), source of income, ancestry, disability (mental and physical, including, but not limited to, HIV/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 can report this information to the lender or mortgage broker that retained the appraiser and may also file a complaint with the Bureau of Real Estate Appraisers at www.SFARforms.com/BureauAppraisers or call (916) 552-9000 for further information on how to file a complaint.
32. **ASSIGNMENT:** The Parties agree Buyer may assign this Agreement to Buyer's trust or an entity wholly owned by Buyer, which trust or entity must be in existence at the time of the assignment. Such an assignee need not Sign documents previously Signed by Buyer. Buyer shall not assign all or part of Buyer's interest in this Agreement to a third-party assignee without first obtaining Seller's written consent to the assignment; which consent shall not be unreasonably withheld. Any total or partial assignment shall not relieve Buyer of obligations pursuant to this Agreement or delay COE. Third-party assignees shall acknowledge this Agreement and all disclosures provided by Seller. Buyer shall notify Seller (C.A.R. form AOA) of any total or partial assignment no later than 10 days prior to COE.
33. **TAX WITHHOLDING:** The California Revenue and Taxation Code §18662 requires Buyer to withhold from Seller's proceeds 3 1/3% of the gross sale price, unless Seller Signs an affidavit stating that the Property has been Seller's principal residence as defined in IRC §121, or another exemption applies. Further, if Seller is a foreign person or corporation, as defined in the Foreign Investment in Real Property Tax Act (FIRPTA), Buyer must, unless an exemption applies, withhold from Seller's proceeds up to 15% of the gross sale price of the Property. At least **7 or ____ Days** prior to COE, the Parties shall Deliver to Escrow Holder, acting as a Qualified Substitute under IRC §1445 and a State REEP, all documentation necessary to carry out the provisions of these laws. The Parties instruct Escrow Holder to deduct from Seller's proceeds any amounts required. If Escrow Holder receives a Non-Foreign affidavit from Seller, they shall give Buyer a Qualified Substitute Statement attesting to that, under penalty of perjury, prior to COE.
34. **NON-CONFIDENTIALITY OF OFFERS:** Buyer is advised that Seller or Seller's representatives may not treat the existence, terms or conditions of offers as confidential unless such is required by law, regulation or a pre-existing confidentiality agreement Signed by the Parties.
35. **MULTIPLE LISTING SERVICE:** The Parties consent to the publication of images, floor plans, descriptions, and transaction terms in the MLS and other internet websites. The Parties acknowledge information and images live in perpetuity on the internet. Agents cannot and will not attempt to remove information or images from internet websites, including the MLS and Agent's own website. Civil Code §1088(c) requires the MLS to maintain Property information and images for a minimum of 3 years.
36. **DEFINITIONS:** The following words are defined terms in this Agreement and have the following meaning whenever used:
- A. **ACCEPTANCE:** Acceptance occurs when Seller Signs Buyer's original offer and any attached Addenda without any changes and a Signed copy is Delivered to Buyer or Buyer's Agent, or when the last of any counter offers has been Signed by the receiving Party without any changes and a Signed copy of that counter offer is Delivered to the issuing Party. For Arbitration and Liquidated Damages both Parties must have initialed those paragraphs (or both not) for Acceptance.
 - B. **AGENT(S):** As used in this Agreement shall mean the licensed real estate agent and broker who represent the Buyer or the Seller in this transaction, including the preparation, negotiation and review of this Agreement.
 - C. **CLOSE OF ESCROW:** Means the date the grant deed or other evidence of the transfer of title to the Property is recorded.
 - D. **DAYS:** Days means calendar days, except where designated as business days. Day 1 is the first day after an event. If the performance date falls on a weekend or legal holiday, the date is extended to the next business day. Days end at 11:59pm. Time is of the essence.
 - E. **DELIVER/DELIVERY/DELIVERED:** All documents to be Delivered by a Party under this Agreement, including but not limited to the Acceptance, contingency removals, and/or any termination notice issued by Buyer or Seller, shall be in writing and effective only upon receipt by the other Party or that Party's Agent. Receipt means either (1) a copy of the document is in the possession of the Party or authorized Agent regardless of the Delivery method used (i.e. email, text, other), or (2) an electronic copy has been sent to the designated electronic delivery address specified in this Agreement.
 - F. **SIGN/SIGNED:** Signed means the application of a written signature or an electronic signature on an original document, counterpart, or copy. The Parties agree that electronic means will not be used by either of them to alter the content or integrity of the Agreement.

37. **LIQUIDATED DAMAGES:** If Buyer fails to complete this purchase because of Buyer's default, Seller shall retain, as liquidated damages, the deposit actually paid. If the Property is a dwelling with no more than four units, one of which Buyer intends to occupy, then the amount retained shall be no more than 3% of the Purchase Price. Any excess shall be returned to Buyer. Release of funds will require mutual, Signed release instructions from both Buyer and Seller, judicial decision or arbitration award. Notwithstanding any provision to the contrary above, the 3% limitation shall not apply if Buyer fails to make the Initial Deposit per the terms of this Agreement. **BUYER AND SELLER SHALL SIGN A SEPARATE LIQUIDATED DAMAGES AGREEMENT FOR ANY INCREASED DEPOSIT (C.A.R. form DID).**

Buyer's Initials

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Seller's Initials

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38. **MEDIATION OF DISPUTES:** If a dispute arises regarding this Agreement, Buyer and Seller agree to first attempt in good faith to settle the dispute by non-binding mediation before resorting to court action or binding arbitration. In mediation, a mutually acceptable resolution is sought rather than a settlement being imposed on the Parties. Mediation fees shall be paid equally by Buyer and Seller. The C.A.R. Real Estate Mediation Center for Consumers (www.consumermediation.org) shall be used unless another mediation provider is mutually agreed to by the Parties. Any Party who fails or refuses to mediate as required by this paragraph, shall not be entitled to any attorney's fees award under this Agreement. A court action filed to obtain a provisional remedy, including a notice of pending action or to stop the expiration of a statute of limitations, shall not be a violation of this paragraph provided the Party commencing the action agrees, pending mediation, to a stay of the court action. This paragraph shall apply regardless of whether the Parties also agree to arbitration. Agents are not parties to this Agreement and cannot be compelled to mediate or arbitrate disputes arising from this Agreement.

39. **ARBITRATION OF DISPUTES:** Any dispute or claim in law or equity arising out of this Agreement or any resulting transaction shall be decided by neutral binding arbitration in accordance with the rules of JAMS and not by court action, except as provided by California law for judicial review of arbitration proceedings. The Parties shall have the right to discovery in accordance with Code of Civil Procedure §1283.05. Arbitrators can award compensatory damages, punitive damages, and/or order specific performance, injunctive relief and declaratory relief. Judgment upon the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof. The following matters are excluded from arbitration hereunder: (a) a judicial or non-judicial foreclosure or other action or proceeding to enforce a deed of trust, mortgage, or real property sales contract as defined in Civil Code §2985; (b) an unlawful detainer action; (c) the filing or enforcement of a mechanic's lien; (d) any matter which is within the jurisdiction of a probate court or a Small Claims Court; or (e) an action for bodily injury or wrongful death. The filing of a judicial action to enable the recording of a notice of pending action, for order of attachment, receivership, injunction, or other provisional remedies, shall not constitute a waiver of the right to arbitrate under this provision.

"NOTICE: BY INITIALLING 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 INITIALLING 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

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Seller's Initials

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40. **LEGAL ADVICE:** Buyer and Seller acknowledge that they have not received or relied upon any representation by Agents regarding Liquidated Damages, Arbitration or any other contract issues, and that they have been advised by Agents to seek legal advice from a qualified real estate attorney.
41. **BROKERS' COMPENSATION:** The Parties instruct Escrow Holder to disburse to Brokers at COE compensation from funds in escrow in accordance with the terms set forth in the listing agreement for the Property or other compensation agreement. Compensation instructions are irrevocable and amended only with the written consent of the Buyer's and Seller's Brokers.
42. **FINCEN COMPLIANCE:** For Qualifying Purchases, within 3 Days of request by Escrow Holder, Buyer shall provide all required information, including the identity of the natural person(s) behind the purchasing entity, or Seller may terminate this Agreement.
43. **ATTORNEYS' FEES:** In any action, proceeding, or arbitration between Buyer and Seller arising out of this Agreement, the prevailing Party shall be entitled to reasonable attorney fees and costs from the non-prevailing Party.
44. **WIRE FRAUD:** The Parties acknowledge the risk of wire fraud and agree they are solely responsible for their own funds.

Property: _____ Date: _____

45. **TERMINATION:** Either Party may terminate this Agreement based upon a good faith exercise of any contingency or contractual or statutory right to terminate. Termination of this Agreement for failure of the other Party to perform a contractual obligation or remove a contingency shall be effective only after Delivery of a Notice to Perform to the other Party which provides at least **2 Days** to perform contractual terms or remove contingencies. In the event that the other Party does not perform as specified in the Notice, the noticing Party may terminate this Agreement. A Party may issue a Notice to Perform no earlier than **2 Days** prior to a contractual deadline. The obligation to close escrow requires a Notice to Perform. Termination by Buyer, as permitted by this Agreement or by law, shall entitle Buyer to the return of Buyer's deposit (less agreed escrow fees) and Seller shall so instruct Escrow Holder. Release of funds from escrow will require mutually consistent Signed instructions by both Parties, or the rendering of a judicial decision or arbitration award authorizing the release. All obligations in this Agreement, including the provisions of this paragraph, shall be performed in good faith.
46. **GENERAL PROVISIONS:** This Agreement, including all fully Signed and Delivered addenda, amendments and counter offers, contains the entire agreement of the Parties. Any purported or prior agreement or representation respecting the Property or the duties of Buyer and Seller in relation thereto which is not expressly set forth herein is null and void. No amendment to or modification of this Agreement shall be valid or enforceable unless in writing and Signed by Buyer and Seller. This Agreement shall be binding upon, and inure to the benefit of the Parties' respective heirs, successors and assigns. If any provision of this Agreement is held unenforceable by a court of competent jurisdiction, the remainder of the Agreement shall remain enforceable.
47. **LEGALLY AUTHORIZED SIGNER:** If checked below the signature lines, wherever the initials or signature of the identified Legally Authorized Signer appear on this Agreement, it shall be deemed to be in a representative capacity for the entity described and not in an individual capacity. The Legally Authorized Signer represents that the entity for which they are acting already exists and is in good standing to do business in California, and shall provide evidence of their authority to act in that capacity to Escrow Holder within **5 Days** of Acceptance.
48. **ACKNOWLEDGMENT OF RECEIPT:** The Parties hereby acknowledge receipt of a copy of this Agreement and represent that they have read and understand its provisions.
49. **ADDITIONAL TERMS AND CONDITIONS:** All Addenda Signed by Buyer and Seller shall be deemed a part of this Agreement. The following terms are also included: _____

Buyer _____ Date _____ Buyer _____ Date _____
☐ Signed in a representative capacity on behalf of _____ (full name of entity or trust)
Printed name of Legally Authorized Signer _____ Title (if applicable) _____

ACCEPTANCE

The undersigned Seller hereby accepts the foregoing offer and agrees to sell the Property on the terms and conditions set forth herein, or ☐ (if checked) accepts the above terms and conditions as amended by Seller's Counter Offer.

Seller _____ Date _____ Seller _____ Date _____
☐ Signed in a representative capacity on behalf of _____ (full name of entity or trust)
Printed name of Legally Authorized Signer _____ Title (if applicable) _____

AGENT COMPENSATION AGREEMENT AND ACKNOWLEDGMENT OF AGENCY RELATIONSHIPS

Seller's Brokerage Firm agrees to assign and pay to Buyer's Brokerage Firm from the commission as set forth in a written listing agreement between Seller and Seller's Broker, the amount specified in the MLS, or ☐ (if checked) in a separate written agreement between the Brokers. Any percentages shown shall be based upon the Purchase Price, unless otherwise specified. Broker(s) hereby agree to the terms and conditions for compensation stated above and acknowledge the agency relationships confirmed in this Contract.

Buyer's Brokerage Firm _____
By (Agent for Buyer) _____ Tel. _____ Date _____
Designated electronic delivery address(es) _____ ☐ See C.A.R. form DEDA

Seller's Brokerage Firm _____
By (Agent for Seller) _____ Tel. _____ Date _____
Designated electronic delivery address(es) _____ ☐ See C.A.R. form DEDA

AGENTS CAN ADVISE ON REAL ESTATE TRANSACTIONS ONLY. FOR LEGAL OR TAX ADVICE, CONSULT A QUALIFIED ATTORNEY OR CPA.