



# ALTERNATIVES TO FORECLOSURE

**FROM YOUR REALTOR® . . .**  
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Facing the prospect of foreclosure can be overwhelming, but less so if you know your other options. Homeowners with distressed loans often ignore their alternatives to foreclosure until it's too late. Don't make that mistake. Consider your other options right away. The more time you have before you ultimately lose your home through foreclosure, the more viable your other options may be. Things may seem bleak, but now is not the time to falter. Knowledge and determination will give you the resolve you need to overcome the financial challenges you face.

**WHAT IS FORECLOSURE?** Foreclosure is the legal process for a mortgage lender to sell property to satisfy a defaulting borrower's debt secured by that property. Foreclosure can take quite a toll on homeowners, both emotionally and financially. Depending on your circumstances, foreclosure may force you and your family out of your home, damage your credit, increase your tax liability, and expose you to other personal liability.

## **Consider These Alternatives to Foreclosure:**

- 1. Loan Workout:** If you experience difficulty paying your mortgage, you should immediately contact your lender or a housing counselor to try to work something out. If you just need a little time to get back on your feet, your lender may agree to a loan workout plan to temporarily reduce or suspend your payments, allow you to repay what's past due in monthly installments, or provide some other type of relief.
- 2. Loan Modification:** Even if your financial difficulties are severe and long term, you should contact your lender or a housing counselor to try to work something out. Your lender may agree to a loan modification to permanently change one or more of your loan terms. A loan modification may involve a reduction of your interest rate, an extension of your loan term to 40 years, a reduction in your loan balance, or other changes to the terms of your loan to make your mortgage payments more affordable. Your lender may participate in the government-subsidized Home Affordable Modification program which gives monetary incentives to both lenders and borrowers for modifying certain distressed loans. For more information about the Making Home Affordable program, go to <http://makinghomeaffordable.gov/>.

**CONTACT A HOUSING COUNSELOR:** For assistance with foreclosure avoidance, you may contact a qualified housing counselor. A housing counselor may discuss your situation with you as well as interface with your lender on your behalf. A list of housing counseling agencies approved by the U.S. Department of Housing and Urban Development (HUD) is available at <http://www.hud.gov/offices/hsg/sfh/hcc/fc/>.

- 3. Short Sale:** Another way to handle a distressed loan is to sell your property. Selling, however, may be challenging if you're "upside down", which means your unpaid balance is more than your sales price. Even so, your lender may voluntarily agree to a short sale by accepting a loan payoff of less than what's owed. As with foreclosure, a short sale may affect your credit, tax liability, personal liability, and pose other consequences. With a short sale, however, you can avoid what some people perceive as a stigma of foreclosure. Doing a short sale also allows you to take a proactive approach to dealing with your distressed loan, rather than go through what can be an agonizing wait for the foreclosure process to run its course. For more information, contact your REALTOR® to get a better idea of your property's current market value and to find out about listing and selling your property.

*(Please see page two)*

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## **Alternatives to Foreclosure (Cont'd):**

**4. Refinance:** If you cannot do a loan workout or loan modification with your existing lender, you may still be able to refinance your loan with your lender or another lender. Although low FICO scores, low appraisals, and the lack of income are common obstacles to refinancing distressed loans, whether you qualify for a refinance depends on your individual circumstances. You may also be eligible for federal assistance through the Home Affordable Refinance program for up to 125% of the property's value if you currently have a Fannie Mae or Freddie Mac loan, or the Hope for Homeowner program for a FHA-insured fixed-rate refinance up to 96.5% of the property's value, but other terms apply.

**5. Deed-in-Lieu of Foreclosure:** A deed-in-lieu of foreclosure is a voluntary agreement between a borrower and lender for the borrower to give title to a property to the lender in full satisfaction of the loan secured by that property. Your lender may look favorably at a deed-in-lieu of foreclosure because it will not have to spend time and money pursuing foreclosure.

**6. Bankruptcy:** Bankruptcy is a federal court proceeding for settling your debts with your creditors under a judge's supervision. If you face foreclosure, the filing of a bankruptcy case may provide an "automatic stay" to temporarily stop the foreclosure proceedings. If, however, you file for liquidation under Chapter 7 of the Bankruptcy Code, the court may, in time, lift the automatic stay to allow the mortgage lender to resume its foreclosure proceedings. Alternatively, if you file under Chapter 13, you may be able to keep your property, but you must generally repay the overdue amount in a three-to-five year plan along with your regular mortgage payments. For more information on bankruptcy, you may go to <http://www.uscourts.gov/bankruptcycourts/bankruptcybasics.html>.

**7. Other Alternatives:** There are many other alternative to foreclosure. You may be able to borrow money from family or friends. You may be able to supplement your income by renting out a bedroom or getting a second job. You may have a struggling small business that qualifies for an interest-free, deferred-payment America's Recovery Capital (ARC) loan up to \$35,000 from the U.S. Small Business Administration. If your lender fails to follow proper foreclosure procedures, you may be able to file an injunction to stop the process. If you have legitimate discrepancies in your loan documents, you may be able to sue your lender. You may also be able to come up with some other alternatives to foreclosure not mentioned here. For any of these alternatives to foreclosure, carefully consider their pros and cons, including possible credit, tax, legal, and other consequences.



*Contact a Professional for Your Real Estate Needs.*

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# AVOIDING FORECLOSURE SCAMS

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The best approach for avoiding foreclosure-related scams can be described in two words: Get tough. Being easy-going may work in social settings, but it's all wrong when you're facing foreclosure. Scam artists will intentionally seek you out. They hope to take advantage of you when you are distressed about possibly losing your home or unable to deal with the complicated issues surrounding foreclosures. As one homeowner who fell victim to a foreclosure-rescue scam said, "When you're down and out you'll believe anything." As difficult as it is to face foreclosure, it will be a lot worse if you get mixed up with unscrupulous people. So get tough by vigilantly watching out for scams. Here are some things to watch out for:

- **Appearing to be legitimate:** Outwardly, scam artists do not appear or act dastardly. On the contrary, scam artists may look nice and clean-cut, and they may seem to be kind, helpful, and trustworthy men and women. Scam artists often engage in "affinity marketing" which means they attempt to lure people by belonging to, or pretending to belong to, the same racial, religious, social or other group as their victims.
- **Asking for money upfront before providing any service:** One of the tell-tale signs of a possible scam is when someone makes a promise or representation, but asks you for money upfront before delivering on that promise. If you pay a scam artist, you're unlikely to see either your money or that scam artist again.
- **Making unqualified promises:** To lure you out of your money and home, a scam artist will often say whatever it is you want to hear in a very convincing manner. If you're facing foreclosure, the scam artist is likely to assure you that he or she can stop it, fix it, or make the problem go away. If it sounds too good to be true, it usually is.
- **Lacking credentials:** With certain exceptions, someone who charges you a fee to negotiate with your lender on your behalf must be licensed with the California Department of Real Estate. You can do a quick "License Status Check" at [www.dre.ca.gov](http://www.dre.ca.gov). You should also conduct further investigations before doing business with someone, such as checking public records, the Better Business Bureau, and the Internet, asking for and verifying references, and going to the business address to see if it actually exists.
- **Asking for you to do something immediately without delay:** Scam artists will push you to make quick decisions, often by making up fake deadlines. They don't want you to have a chance to mull things over, go over the paperwork, or discuss their scheme with your family, friends, lender, real estate agent, or anyone else.
- **Asking for your signature:** Whenever you sign a document, make sure you know what you are signing. Do not sign unless you have a chance to read and review the document. Do not sign if a document has lines left blank. Do not let someone con you by saying something in the document doesn't matter or doesn't mean what it says.
- **Asking you to do something improper or illegal:** Scam artists may ask you to participate in something improper or illegal. Proposing something a little improper may make their promises of stopping foreclosure more believable to you. Once you agree, you will be less likely to blow the whistle on the scam artist if you too are involved in the fraudulent scheme. Do not compromise your position by getting involved in anything underhanded.
- **Brushing aside your questions:** To help smoke out scam artists, ask a lot of questions, even if you know the answers. Be leery of doing business with someone who brushes aside your questions or gives the wrong answers. Indeed, an excellent way to protect yourself against scams is to learn as much as you can about foreclosure-related matters. Because scam artists prey upon ignorance, the more you know about foreclosures, the less likely you'll be duped.

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# FORECLOSURE PREVENTION RESOURCES

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Facing foreclosure can be overwhelming, but help may be just a phone call or a few computer clicks away. If you cannot make your mortgage payments, speaking with a housing counselor or other professional may help you determine what the consequences are and what your options may be. Other resources include local community programs, information online, or your neighborhood REALTOR®. Some of the available Foreclosure Prevention Resources are as follows:

- **HUD-Approved Housing Counselors:** The U.S. Department of Housing and Urban Development (HUD) sponsors housing counselors who can talk to you about your situation and help you decide what to do. HUD-approved housing counselors are prohibited from charging you a fee for foreclosure prevention counseling services. For the list, call HUD's interactive voice system at (800) 569-4287 or go to <http://www.hud.gov/offices/hsg/sfh/hcc/hcs.cfm>.
- **HOPE NOW:** HOPE NOW Alliance is a cooperative effort by mortgage counselors, lenders, and others to help homeowners avoid foreclosure. HOPE NOW has a Homeowner's HOPE Hotline that provides foreclosure prevention counseling free of charge at (888) 995-HOPE or go to <http://www.hopenow.com>.
- **NeighborWorks America:** This is a nonprofit organization that administers housing counseling agencies funded through the National Foreclosure Mitigation Counsel Program. For its list of foreclosure counseling agencies, call (202) 220-2300 or go to [www.nw.org](http://www.nw.org).
- **Making Home Affordable:** The Making Home Affordable Program provides government-subsidized refinances and loan modifications for homeowners in distress. Under the Home Affordable Refinance, eligible borrowers of loans backed by Fannie Mae or Freddie Mac can take advantage of historically low interest rates by refinancing up to 125 percent of current market value. Under the Home Affordable Modification, eligible borrowers can obtain more affordable mortgage payments by modifying their existing loans. For more information, go to [www.makinghomeaffordable.gov](http://www.makinghomeaffordable.gov).
- **Office of the Comptroller of the Currency (OCC):** The OCC is the federal governmental agency that regulates all national banks. The Office of the Comptroller of the Currency has a number of resources for consumers, community groups, and bankers to help them preserve their home ownership, avoid foreclosure, and protect themselves against foreclosure and debt elimination scams. You may contact someone at the OCC Customer Assistance Group at (800) 613-6743 or go to the OCC's consumer website at [www.helpwithmybank.gov](http://www.helpwithmybank.gov).
- **Foreclosure Prevention Workshops:** You may attend a Foreclosure Prevention Workshop or other seminars or events to learn more about avoiding foreclosure. For a schedule of upcoming Foreclosure Prevention Workshops sponsored by community organizations, go to <http://www.freddiemac.com/avoidforeclosure/workshops.html>.
- **Other Resources:** There are many resources on foreclosure prevention. You may go to HUD's website at [www.hud.gov/foreclosure](http://www.hud.gov/foreclosure) or Fannie Mae's website at [www.fanniemae.com](http://www.fanniemae.com). For tax information, go to [www.irs.gov](http://www.irs.gov) and [www.ftb.ca.gov](http://www.ftb.ca.gov). For credit information, go to [www.fico.com](http://www.fico.com).

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# FORECLOSURE TIMELINE

**FROM YOUR REALTOR® . . .**

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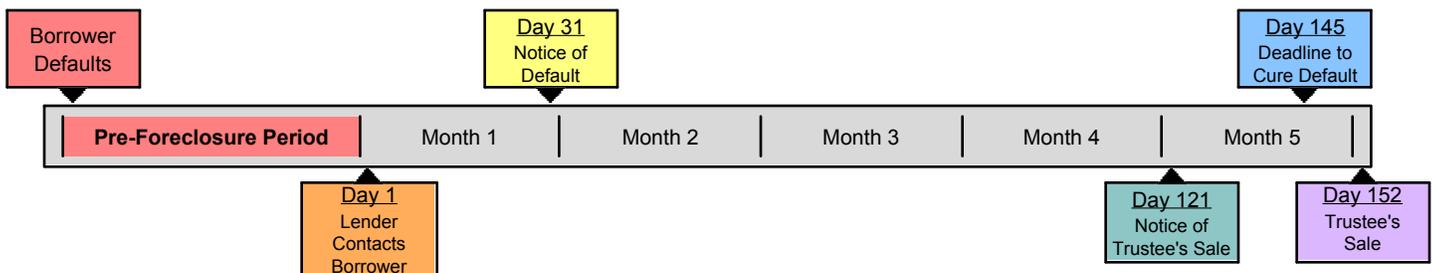
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If you're facing foreclosure, you may find it challenging just understanding the foreclosure procedures your lender will use to sell your property to satisfy your debt. Yet, you may want to beat the clock by selling your home yourself or pursuing another alternative to avoid foreclosure. So to help you prepare yourself for what's to come, here's a quick summary of the approximate minimum timeframe for the typical non-judicial foreclosure in California.

DAY	EXPLANATION
<b>Pre-Foreclosure Period</b>	If you stop making your mortgage payment, your lender may take about two, three, four, or more months before it commences foreclosure.
<b>Day 1: Lender Contacts Borrower</b>	A lender must contact the borrower by phone or in person to assess the borrower's financial situation and explore options to avoid foreclosure. During the conversation, the lender must inform the borrower of the right to meet with the lender within 14 days and give the borrower a toll-free number for HUD-certified housing counselors. This requirement to contact borrowers only applies to certain owner-occupied residential loans made between 2003 and 2007.
<b>Day 31: Notice of Default</b>	For most owner-occupied loans made from 2003 to 2007, a lender may file a notice of default 30 days after contacting the borrower to explore options to avoid foreclosure. The notice of default informs the borrower of the default. It must be filed in the county where the property is located and then mailed within 10 business days to the borrower and others who have requested notice.
<b>Day 121: Notice of Trustee's Sale</b>	Three months after the notice of default, the lender may record a notice of trustee's sale setting forth the date, time, and place of an upcoming trustee's sale. The notice of trustee's sale must be recorded, posted, mailed to the borrower and others, as well as published once a week for three consecutive weeks in a newspaper of general circulation.
<b>Day 145: Deadline to Cure Default</b>	Up to five business days before the trustee's sale, the borrower may reinstate the loan by paying the missed payments plus allowable costs. After the reinstatement period expires, the borrower still has the right to redeem the property by paying the entire debt, plus interest and costs (not just the arrearage) at any time before the bidding begins at the trustee's sale.
<b>Day 152: Trustee's Sale</b>	Although California law allows a trustee's sale to take place 20 days after the posting of the notice of sale, lenders customarily wait 11 more days to help protect against federal tax liens. At the trustee's sale, the property is sold at a public auction to the highest bidder. Title is transferred to the successful bidder by a trustee's deed.



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# TIPS FOR A SHORT SALE SELLER

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As a seller attempting a short sale, you want to be at the top of your game. To succeed, you not only have to find a buyer for your home, but also convince your mortgage lender to accept a loan payoff of less than what you owe. A short sale can be a long and arduous process, and yet, you have no guarantee of success. To help ensure success, here are some good tips for selling in a short sale situation:

- **Hire a REALTOR®:** One of the best things you can do in a short sale is to hire a qualified REALTOR® to guide you through the process. A REALTOR® can represent you in finding a buyer and negotiating with your lender. Not all real estate agents are REALTORS®. The word REALTOR® is a trademark designation to distinguish that a real estate agent has, among other things, voluntarily pledged to abide by the strict code of professional ethics of the NATIONAL ASSOCIATION OF REALTORS® to protect and promote their clients' interests.
- **Take a proactive approach:** When you're an "upside down" seller owing more on your mortgage than your property is worth, the prospect of selling short is likely to be upsetting. You may have never expected that owning a piece of the American dream could turn into a nightmare. Despite the grim realities, selling in a short sale may get you out of a bad situation. But it may take a commitment of time and effort on your part. Taking a proactive approach to your short sale may help you get out of that nightmare as quickly and painlessly as you can.
- **Knowledge is your friend:** A short sale is a new experience for most homeowners, but knowledge is a key to success. You should know the pros and cons of a short sale, including the credit, tax, liability, and other potential consequences. You should also understand the overall short sale process -- what you need to do, how long the process may take, and what the common pitfalls may be. Your REALTOR® may be a great resource for information. Short sale information is also available online, such as news articles, governmental websites, lenders' websites, and short sale blogs. Be careful, however, as a lot of misinformation on short sales also floats in our midst.
- **Do your homework:** As early in the game as possible, determine your lender's short sale requirements and whether you satisfy those requirements. If you have multiple loans or other interests secured by your property, you may have to get a short sale approval from all of those creditors. Every lender is different. Not only that, but a lender's requirements may change over time. To approve a short sale, your lender may require that you demonstrate and document a true financial hardship, such as job loss, illness, disability, or death of a co-owner. A decline in property value, absent more, may not be enough to demonstrate a financial hardship. Your lender may have other eligibility requirements, such as a current delinquency in mortgage payments, income verification, or property valuation. You should also determine how your lender intends to treat the shortfall (or the difference between your loan balance and the payoff amount). Your lender may forgive the debt, refuse to forgive the debt, require you to repay it, or say nothing at all about it.

*(Please see page two)*

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## TIPS FOR A SHORT SALE SELLER (Cont'd)

- **Get a good price for your home:** Getting a good sales price not only improves your chances of getting your short sale approved, but may also have other advantages. A better sales price reduces your shortfall which is the difference between your loan balance and payoff amount. Minimizing your shortfall may be advantageous for possible repayment, tax, liability, or other reasons. So do the best you can to improve your home's marketability. Even if you don't want to spend a lot of money for a short sale, you can still make your home ready and available for showings by cleaning the house, getting rid of clutter, putting away personal items, making minor repairs, and doing yard work. Ask your REALTOR® for other suggestions to improve the marketability of your home.
- **Get a good buyer:** Your ideal buyer may be someone who will wait patiently until your lender approves your short sale and, as soon as that occurs, the buyer will quickly perform to close the deal. These qualities are admittedly difficult to prescreen for, but do the best you can. Before entering into a sales contract with a prospective buyer, you may ask to verify his or her ability to buy, such as a loan prequalification or approval letter, credit report, and source of down payment and closing costs. You're better off asking upfront than to be surprised later in the process by your buyer's inability to obtain a loan or otherwise perform. You may also try to negotiate favorable contractual terms for yourself, such as a meaningful good faith deposit from the buyer, a substantial down payment, and reasonable time frames for your buyer to inspect the property, obtain financing, and close the transaction.
- **Submit a complete short sale package:** A short sale request typically involves a lot of paperwork. You may greatly expedite the approval process by providing your lender with a complete short sale package containing all the required information and documentation in an organized manner. Getting paperwork to the lender piecemeal is likely to cause delays.
- **Be patient but persistent:** Once you've submitted your short sale request to your lender, waiting for a response may be one of the most frustrating aspects of a short sale. The short sale process can take a few weeks to a few months. Patience and persistence may help you get through that waiting process.
- **Avoid scam artists:** Be wary of scam artists who prey on distressed homeowners hoping to dupe you out of your money and property. As one homeowner who fell victim to a foreclosure-rescue scam said, "When you're down and out you'll believe anything." Watch out for the common signs of a scam, such as someone who asks for money upfront, asks for you to do something immediately without delay, or gives you an unqualified promise to stop foreclosure or other assurances. Also watch out for new types of scams that crop up every day.



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DISCLOSURE REGARDING REAL ESTATE AGENCY RELATIONSHIP

(Listing Firm to Seller) (As required by the Civil Code) (C.A.R. Form AD, Revised 11/09)

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.

BUYER'S AGENT

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

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

To the Buyer and the Seller:

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

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 associate licensees, can legally be the agent of both the Seller and the Buyer in a transaction, but only with the knowledge and consent of both the Seller and the Buyer.

In a dual agency situation, the agent has the following affirmative obligations to both the Seller and the Buyer:

- (a) A fiduciary duty of utmost care, integrity, honesty and loyalty in the dealings with either the Seller or the Buyer. (b) Other duties to the Seller and the Buyer as stated above in their respective sections.

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

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

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

This disclosure form includes the provisions of 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 BACK (OR A SEPARATE PAGE).

Buyer Seller Landlord Tenant Date

Buyer Seller Landlord Tenant Date

Agent Gentry Real Estate Real Estate Broker (Firm) DRE Lic. # 01363992

By (Salesperson or Broker-Associate) Chisholm Gentry DRE Lic. # 01363992 Date

AGENCY DISCLOSURE COMPLIANCE (Civil Code §2079.14):
• When the listing brokerage company also represents Buyer/Tenant: The Listing Agent shall have one AD form signed by Seller/Landlord and a different AD form signed by Buyer/Tenant.
• When Seller/Landlord and Buyer/Tenant are represented by different brokerage companies: (i) the Listing Agent shall have one AD form signed by Seller/Landlord and (ii) the Buyer's/Tenant's Agent shall have one AD form signed by Buyer/Tenant and either that same or a different AD form presented to Seller/Landlord for signature prior to presentation of the offer. If the same form is used, Seller may sign here:
(SELLER/LANDLORD: DO NOT SIGN HERE)
Seller/Landlord Date Seller/Landlord Date

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Reviewed by \_\_\_\_\_ Date \_\_\_\_\_



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

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

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

**2079.14** Listing agents and selling agents shall provide the seller and buyer in a real property transaction with a copy of the disclosure form specified in Section 2079.16, and, except as provided in subdivision (c), shall obtain a signed acknowledgement of receipt from that seller or buyer, except as provided in this section or Section 2079.15, as follows: (a) The listing agent, if any, shall provide the disclosure form to the seller prior to entering into the listing agreement. (b) The selling agent shall provide the disclosure form to the seller as soon as practicable prior to presenting the seller with an offer to purchase, unless the selling agent previously provided the seller with a copy of the disclosure form pursuant to subdivision (a). (c) Where the selling agent does not deal on a face-to-face basis with the seller, the disclosure form prepared by the selling agent may be furnished to the seller (and acknowledgement of receipt obtained for the selling agent from the seller) by the listing agent, or the selling agent may deliver the disclosure form by certified mail addressed to the seller at his or her last known address, in which case no signed acknowledgement of receipt is required. (d) The selling agent shall provide the disclosure form to the buyer as soon as practicable prior to execution of the buyer's offer to purchase, except that if the offer to purchase is not prepared by the selling agent, the selling agent shall present the disclosure form to the buyer not later than the next business day after the selling agent receives the offer to purchase from the buyer.

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

**2079.16** Reproduced on Page 1 of this AD form.

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

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

**(DO NOT COMPLETE, SAMPLE ONLY)** is the agent of (check one):  the seller exclusively; or  both the buyer and seller.

(Name of Listing Agent)

**(DO NOT COMPLETE, SAMPLE ONLY)** is the agent of (check one):  the buyer exclusively; or  the seller exclusively; or  both the buyer and seller.

(Name of Selling Agent if not the same as the Listing Agent)

(d) The disclosures and confirmation required by this section shall be in addition to the disclosure required by Section 2079.14.

**2079.18** No selling agent in a real property transaction may act as an agent for the buyer only, when the selling agent is also acting as the listing agent in the transaction.

**2079.19** The payment of compensation or the obligation to pay compensation to an agent by the seller or buyer is not necessarily determinative of a particular agency relationship between an agent and the seller or buyer. A listing agent and a selling agent may agree to share any compensation or commission paid, or any right to any compensation or commission for which an obligation arises as the result of a real estate transaction, and the terms of any such agreement shall not necessarily be determinative of a particular relationship.

**2079.20** Nothing in this article prevents an agent from selecting, as a condition of the agent's employment, a specific form of agency relationship not specifically prohibited by this article if the requirements of Section 2079.14 and Section 2079.17 are complied with.

**2079.21** A dual agent shall not disclose to the buyer that the seller is willing to sell the property at a price less than the listing price, without the express written consent of the seller. A dual agent shall not disclose to the seller that the buyer is willing to pay a price greater than the offering price, without the express written consent of the buyer. This section does not alter in any way the duty or responsibility of a dual agent to any principal with respect to confidential information other than price.

**2079.22** Nothing in this article precludes a listing agent from also being a selling agent, and the combination of these functions in one agent does not, of itself, make that agent a dual agent.

**2079.23** A contract between the principal and agent may be modified or altered to change the agency relationship at any time before the performance of the act which is the object of the agency with the written consent of the parties to the agency relationship.

**2079.24** Nothing in this article shall be construed to either diminish the duty of disclosure owed buyers and sellers by agents and their associate licensees, subagents, and employees or to relieve agents and their associate licensees, subagents, and employees from liability for their conduct in connection with acts governed by this article or for any breach of a fiduciary duty or a duty of disclosure.

Buyer's/Tenant's Initials ( \_\_\_\_\_ ) ( \_\_\_\_\_ )

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

Reviewed by \_\_\_\_\_ Date \_\_\_\_\_



# TRANSACTION COVER SHEET

## BUYER/TENANT ONE INFORMATION

Buyer Name: .....  
Street Address: .....  
City: .....  
State: .....  
Zip Code: .....  
County: .....  
Home Phone Number: .....  
Business Phone Number: .....  
Fax Number: .....  
Cellular Phone Number: .....  
Email Address: .....

Check this box if you would like an "X" to appear on all signature and initial lines for **Buyer One.**

## BUYER/TENANT TWO INFORMATION

Buyer Name: .....  
Street Address: .....  
City: .....  
State: .....  
Zip Code: .....  
County: .....  
Home Phone Number: .....  
Business Phone Number: .....  
Fax Number: .....  
Cellular Phone Number: .....  
Email Address: .....

Check this box if you would like an "X" to appear on all signature and initial lines for **Buyer Two.**

## SELLER/LANDLORD ONE INFORMATION

Seller Name: .....  
Street Address: .....  
City: .....  
State: .....  
Zip Code: .....  
County: .....  
Home Phone Number: .....  
Business Phone Number: .....  
Fax Number: .....  
Cellular Phone Number: .....  
Email Address: .....

Check this box if you would like an "X" to appear on all signature and initial lines for **Seller One.**

## SELLER/LANDLORD TWO INFORMATION

Seller Name: .....  
Street Address: .....  
City: .....  
State: .....  
Zip Code: .....  
County: .....  
Home Phone Number: .....  
Business Phone Number: .....  
Fax Number: .....  
Cellular Phone Number: .....  
Email Address: .....

Check this box if you would like an "X" to appear on all signature and initial lines for **Seller Two.**

# TRANSACTION COVER SHEET

## PROPERTY INFORMATION

MLS Number: .....

Street Address: ..... *1 Your Home St*

City: ..... *AnyTown*

Township: .....

County: ..... *Santa Clara*

State: ..... *CA*

Zip Code: .....

Legal Description: .....

Tax ID#: .....

Assessor's Parcel Number .....

Listing Date: .....

Expiration Date: .....

Listed Price: ..... \$

Balance of 1st Mortgage: ..... \$

Balance of 2nd Mortgage: ..... \$

Other Liens: ..... \$

Description of Other Liens: .....

Total Encumbrances: ..... \$

Homeowner Assoc. Dues: ..... \$

Transfer Fee ..... \$

Doc. Prep. Fees ..... \$

Property Includes: .....

Property Excludes: .....

Supplemental Info: .....

Purchase Price: ..... \$

Purchase Agreement Date: .....

Closing Date: .....

Deposit Amount: ..... \$

Deposit Amount 1st Increase: ..... \$

Deposit Amount 2nd Increase: ..... \$

Deposit Amount 3rd Increase: ..... \$

Offer Date: .....

Expire Date: .....

Expire Time: .....

A.M.  P.M.

Offer Acceptance Date: .....

Total Amount Financed: ..... \$

Property Type:  Residential  Multi Family  Vacant Land  Commercial  Other

Year Built: .....

Lot Number: .....

Unit Number: .....

Block: .....

Subdivision: .....

Plat Book: .....

Page Number: .....

## ESCROW INFORMATION

Escrow Company: .....

Escrow Number: .....

Street Address: .....

City: .....

State: .....

Zip Code: .....

Escrow Officer: .....

Escrow Officer Lic. No.:

Telephone Number: .....

Fax Number: .....

Closing Date: .....

Deposit One: .....

Deposit Two: .....

Email Address: .....

# TRANSACTION COVER SHEET

## SELLING BROKER INFORMATION

Selling Broker Firm Name: .....  
Street Address: .....  
City: .....  
State: .....  
Zip Code: .....  
Telephone Number: .....  
Sales Agent Name: .....  
Agent's Phone Number: .....  
Fax Number: .....  
Cellular Phone Number: .....  
Email Address: .....

Selling Office  
DRE License #:  
  
Selling Agent  
DRE License #:

## LISTING BROKER INFORMATION

Listing Broker Firm Name: ..... *Gentry Real Estate*  
Street Address: ..... *1340 Mary Lee Way*  
City: ..... *San Jose*  
State: ..... *CA*  
Zip Code: ..... *95118*  
Telephone Number: ..... *(408) 829-2537*  
Sales Agent Name: ..... *Chisholm Gentry*  
Agent's Phone Number: ..... *(408) 829-2537*  
Fax Number: ..... *(866) 819-5274*  
Cellular Phone Number: ..... *(408) 829-2537*  
Email Address: ..... *cgentry@cgentry.com*

Listing Office  
DRE License #: *01363992*  
  
Listing Agent  
DRE License #: *01363992*  
Pager: ..... *(013) 639-92*

## LENDER INFORMATION

Lender Company Name: .....  
Street Address: .....  
City: .....  
State: .....  
Zip Code: .....  
Telephone Number: .....  
Lender's Officer Name: .....  
Fax Number: .....  
Cellular Phone Number: .....  
Email Address: .....  
Mortgage Type:  Conv.  FHA  FMHA  VA  Other

Pager: .....

## APPRAISAL INFORMATION

Appraisal Company Name: .....  
Street Address: .....  
City: .....  
State: .....  
Zip Code: .....  
Telephone Number: .....  
Appraisal Officer Name: .....  
Fax Number: .....  
Cellular Phone Number: .....  
Email Address: .....

Pager: .....

## TITLE INFORMATION

Title Company Name: .....  
Street Address: .....  
City: .....  
State: .....  
Zip Code: .....  
Telephone Number: .....  
Title Officer Name: .....  
Fax Number: .....  
Cellular Phone Number: .....  
Email Address: .....

# TRANSACTION COVER SHEET

## PEST CONTROL INFORMATION

Pest Control Company Name: ....  
Street Address: .....  
City: .....  
State: .....  
Zip Code: .....  
Telephone Number: .....  
Fax Number: .....  
Individual Representing .....  
Cellular Phone Number: .....  
Email Address: .....

## DISCLOSURE INFORMATION

Disclosure Company Name: .....  
Street Address: .....  
City: .....  
State: .....  
Zip Code: .....  
Telephone Number: .....  
Fax Number: .....  
Individual Representing .....  
Cellular Phone Number: .....  
Email Address: .....

## HOME WARRANTY PROTECTION INSURANCE INFORMATION

Home Warranty Protection  
Insurance Company Name: .....  
Street Address: .....  
City: .....  
State: .....  
Zip Code: .....  
Telephone Number: .....  
Fax Number: .....  
Individual Representing .....  
Cellular Phone Number: .....  
Email Address: .....

## HOMEOWNERS ASSOCIATION INFORMATION

Homeowners Association Name:  
Street Address: .....  
City: .....  
State: .....  
Zip Code: .....  
Telephone Number: .....  
Fax Number: .....  
Individual Representing .....  
Cellular Phone Number: .....  
Email Address: .....