

EXCHANGE AGREEMENT



DEFINITIONS

BROKER includes cooperating broker and all sales persons. **DAYS** means calendar days, midnight to midnight, unless otherwise specified. **BUSINESS DAY** excludes Saturdays, Sundays and legal holidays. **DATE OF ACCEPTANCE** means the date Seller accepts the offer or the Buyer accepts the counter offer, and the written acceptance is put in the course of transmission to the other party. This rule also applies to the removal of contingencies. **DELIVERED** means personally delivered, transmitted electronically in accordance with applicable laws, by a nationally recognized overnight courier, or by first class mail, postage prepaid. In the event of mailing, the document will be deemed delivered three (3) business days after deposit; in the event of overnight courier, one (1) business day after deposit; and if electronically at the time of transmission provided that a transmission report is generated and retained by the sender reflecting the accurate transmission of the document. Unless otherwise provided in this Agreement or by law, delivery to the agent will constitute delivery to the principal. **DATE OF CLOSING** means the date title is transferred. **TERMINATING THE AGREEMENT** means that both parties are relieved of their obligations and all deposits will be returned to Buyer. **PROPERTY** means the real property and any personal property included in the sale.

AGENCY RELATIONSHIP CONFIRMATION. The following agency relationship is hereby confirmed for this transaction and supersedes any prior agency election:

LISTING AGENT: _____ is the agent of (check one):

(Print Firm Name)

the First Party exclusively; or both the First Party and the Second Party.

SELLING AGENT: _____ (if not the same as the Listing Agent) is the agent of (check one):

(Print Firm Name)

the First Party exclusively; or the Second Party exclusively; or both the First Party and the Second Party.

Note: This confirmation DOES NOT take the place of any AGENCY DISCLOSURE form which may be required by law.

_____, the FIRST PARTY, offers to exchange the real property situated in the City of _____, County of _____ State of _____, commonly known as _____, consisting of _____

_____ called Property #1, for the real property owned by the Second Party, which property is situated

in the City of _____, County of _____ State of _____, commonly known as _____, consisting of _____

_____ called Property #2. If either Property #1 or Property #2 consists of more than one parcel, the additional parcels are described in Item 28.

1. EXISTING LOANS OF RECORD.

First Party to take Property #2: subject to, conditioned upon First Party's ability to assume:

First loan with an approximate balance of \$ _____ payable at \$ _____ p/mo., with interest currently at _____%, fixed rate, other: _____. Assumption fee, if any, not to exceed \$ _____.

Second loan with an approximate balance of \$ _____ payable at \$ _____ p/mo., with interest currently at _____%, fixed rate, other: _____. Assumption fee, if any, not to exceed \$ _____.

Second Party to take Property #1; subject to, conditioned upon Second Party's ability to assume:

First loan with an approximate balance of \$ _____ payable at \$ _____ p/mo., with interest currently at _____%, fixed rate, other: _____. Assumption fee, if any, not to exceed \$ _____.

Second loan with an approximate balance of \$ _____ payable at \$ _____ p/mo., with interest currently at _____%, fixed rate, other: _____. Assumption fee, if any, not to exceed \$ _____.

The Conveying Party will, **within** _____ **days** of acceptance, provide the Acquiring Party with copies of all notes and deeds of trust or mortgages to be assumed or taken subject to, and **within** _____ **days** of receipt, the Acquiring Party will notify the Conveying Party in writing of his or her approval or disapproval of such terms, which approval will not be unreasonably withheld. The Conveying Party will furnish the Acquiring Party a current Beneficiary Statement on the above loan(s) **within** _____ **days of acceptance**.

In the event of ASSUMPTION, the Acquiring Party will use his or her best efforts to obtain the consent of the lender to assume the above loan(s) or waive this condition in writing **within** _____ **days of acceptance**. All charges related to assumption will be paid by the Acquiring Party.

2. ADDITIONAL CONSIDERATION.

Cash: Upon the exchange of the property First Party, Second Party will pay to the other party cash in the amount of \$ _____

Note: First Party, Second Party will deliver to the other party a promissory note in the amount of \$ _____, bearing interest at the rate of _____%, payable _____.

The note will be secured by a deed of trust or mortgage on Property #1, Property #2, and the lien of such encumbrances will be subject to prior liens as follows: _____

1st Party [_____] [_____] and 2nd Party [_____] [_____] have read this page.

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Parties: _____

In the event of financing by a Conveying Party, a Seller Financing Addendum as may be required by law is attached and made a part of this Agreement.

Within three (3) days of acceptance the mortgagor or trustor will furnish a customary financial statement for the sole purpose of credit approval, which approval will not be unreasonably withheld. Authorization is granted to engage the services of a reputable credit reporting agency for this purpose. Notice of approval or disapproval will be given within ten (10) days of receipt of the financial statement.

Other consideration: Upon exchange of the properties the First Party, Second Party will _____

3. ADJUSTMENT. Any net difference between the approximate loan balances shown and the actual remaining balances of the loans at closing will be adjusted as follows: cash other: _____

The loans will not be reduced in excess of obligatory payments to principal made after this date without the written consent of the other party to this Agreement.

4. NEW LOAN BY FIRST PARTY. The obligations of the First Party are conditioned upon his or her ability to obtain a new loan, to be secured by Property #2, in the amount of \$_____ payable at approximately \$_____ per month, with interest not to exceed _____% ,at fixed rate, other: _____ with the balance due in not less than _____ years . Any loan fee will not exceed \$_____. First Party will use his or her best efforts to obtain such a loan or waive this condition in writing **within _____ days of acceptance.**

5. NEW LOAN BY SECOND PARTY. The obligations of the Second Party are conditioned upon his or her ability to obtain a new loan, to be secured by Property #1, in the amount of \$_____ payable at approximately \$_____ per month, with interest not to exceed _____% ,at fixed rate, other: _____ with the balance due in not less than _____ years . Loan fee not to exceed \$_____. Second party will use his or her best efforts to obtain such loan or waive this condition in writing **within _____ days of acceptance.**

6. BONDS AND ASSESSMENTS. In the event there is a bond or assessment which has an outstanding principal balance and is a lien upon the property being acquired, the current installment will be prorated between the parties as of the date of closing. Future installments will be assumed by Acquiring Party without credit toward the exchange value, EXCEPT AS FOLLOWS:

This Agreement is conditioned upon both parties verifying and approving in writing the amount of any bond or assessment to be assumed or paid within ten (10) days after receipt of the preliminary title report. In the event of disapproval, the disapproving party may terminate this Agreement.

7. PROPERTY TAX. Within three (3) days after acceptance, each party will deliver to the other for his or her approval a copy of the latest property tax bill. The Acquiring Party is advised that: (a) the property will be reassessed upon change of ownership which may result in a tax increase; and (b) the tax bill may not include certain exempt items such as school taxes on property owned by seniors. Each party should make further inquiry at the assessor's office. Within five (5) days after receipt of the tax bill, each party will in writing approve or disapprove the tax bill. In the event of disapproval, the disapproving party may terminate this Agreement.

8. EXAMINATION OF TITLE. In addition to any encumbrances assumed or taken "subject to," the parties will convey title to their respective properties subject only to: [1] real estate taxes not yet due; and [2] covenants, conditions, restrictions, rights of way and easements of record, if any, which do not materially affect the value or intended use of the property.

Within three (3) days after acceptance, the Acquiring Party will order a Preliminary Title Report on the property to be acquired, and copies of CC&Rs and other documents of record if applicable. Within five (5) days after receipt, the Acquiring Party will report to the Conveying Party in writing any valid objections to title contained in such report (other than monetary liens to be paid upon close of escrow). If the Acquiring Party objects to any exceptions to the title, the Conveying Party will use due diligence to remove such exceptions at his or her own expense before close of escrow. If such exceptions cannot be removed before close of escrow, this Agreement will terminate, unless the Acquiring Party elects to accept the property subject to such exceptions. If the Conveying Party concludes that he or she is in good faith unable to remove such objections, the Conveying Party will so notify the Acquiring Party within ten (10) days after receipt of said objections. In that event the Acquiring Party may terminate this Agreement.

9. EVIDENCE OF TITLE. Evidence of title will be in the form of a policy of title insurance, other: _____ to be paid for by the parties on the properties they are conveying, acquiring.

10. CLOSING. Within _____ days of acceptance of acceptance, or upon removal of any exceptions to title as provided above, which ever is later, both parties will deposit in escrow all funds and instruments necessary to complete the exchange.

Escrow fees to be paid by _____.

City/County transfer tax, if any, to be paid by _____.

Homeowner association transfer fee, if any, to be paid by _____.

Escrow holder will be _____.

THIS PURCHASE AGREEMENT TOGETHER WITH ANY ADDENDA WILL CONSTITUTE JOINT ESCROW INSTRUCTIONS TO THE ESCROW HOLDER.

11. PHYSICAL POSSESSION. Physical possession of both properties to be delivered upon recordation of the deeds.

1st Party [_____] [_____] and 2nd Party [_____] [_____] have read this page.

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Parties: _____

- 12. PRORATIONS.** Rents, real estate taxes, interest, payments on bonds and assessments assumed by Acquiring Party, and homeowners association fees will be prorated as of the date of recordation of the deed. Security deposits, advance rentals, or considerations involving future lease credits will be credited to Acquiring Party.
- 13. DUE ON SALE CLAUSE.** If the note and deed of trust or mortgage for any existing loan contains an acceleration or DUE ON SALE clause, the lender may demand full payment of the entire loan balance as a result of this transaction. Both parties acknowledge that they are not relying on any representation by the other party or the Broker with respect to the enforceability of such a provision in existing notes and deeds of trust or mortgages, or deeds of trust or mortgages to be executed in accordance with this Agreement. Both parties have been advised by the Broker to seek independent legal advice with respect to these matters.
- 14. BALLOON PAYMENT.** Both parties acknowledge that they have not received or relied upon any statements or representations made to them by the Broker regarding availability of funds, or rate of interest at which funds might be available, at the time a party becomes obligated to refinance or pay off the remaining balance of any loan pursuant to the terms of this Agreement.
- 15. DISCLAIMER.** Both parties acknowledge that they have not received or relied upon any statements or representations made to them by the Broker regarding the effect of this transaction upon their respective tax liabilities. Both parties further acknowledge that the broker will not be investigating the status of permits, zoning, location of property lines, or code compliance. Square footage of structures is approximate and neither the parties or the Broker guarantee accuracy. The parties need to satisfy themselves concerning these issues.
- 16. NOTICE OF VIOLATIONS.** Both parties warrant that they have no notice of violations relating to their respective properties from City, County or State agencies.
- 17. DESTRUCTION OF IMPROVEMENTS.** If the improvements of either of the properties are destroyed, materially damaged, or found to be materially defective as a result of such damage prior to close of escrow, the Acquiring Party may terminate this Agreement by written notice delivered to Seller or his or her Broker, and all unused deposits will be returned. In the event the Acquiring Party does not elect to terminate this Agreement, the Acquiring Party will be entitled to receive, in addition to the property, any insurance proceeds payable on account of the damage or destruction.
- 18. CONDITION OF PROPERTY.** Regardless of any disclosures made or conditions discovered by the parties or their agents, the Conveying Party agrees that upon delivery of possession to the Acquiring Party: (a) all built-in appliances included in the sale, and the electrical, plumbing (excluding irrigation systems), heating and cooling systems will be in working order and free of leaks; (b) the roof will be free of leaks; (c) all broken or cracked glass, including mirrors and shower/tub enclosures, and broken seals between double-pane windows, will be replaced; and (d) existing window and door screens that are damaged will be repaired. The following items are specifically excluded from the above: _____

_____ A party's obligations under this provision are not intended to create a duty to repair an item that may fail after possession is delivered.

The parties acknowledge that Broker is not responsible for any alleged breach of these covenants.

- 19. MAINTENANCE.** Until possession is delivered, the Conveying Party will maintain all structures, landscaping, grounds, and pool in the same general condition as of the date of acceptance or physical inspection, whichever is later. Conveying Party agrees to deliver the property in a neat and clean condition with all debris and personal belongings removed.
- 20. FIXTURES.** All items permanently attached to the property, including light fixtures and bulbs, attached floor coverings, all attached window coverings, including window hardware, window and door screens, storm sash, combination doors, awnings, TV antennas, burglar, fire, smoke and security alarms (unless leased), pool and spa equipment, solar systems, attached fireplace screens, electric garage door openers with controls, outdoor plants and trees (other than in movable containers), are included in the purchase price free of liens, EXCLUDING: _____

21. PROPERTY DISCLOSURE STATEMENT. The Conveying Party will, will not provide the Acquiring Party with a completed Seller's Property Disclosure Statement.

Each Acquiring Party has received and read the completed Property Disclosure Statement.

Each Conveying Party will provide to the Acquiring Party the completed Property Disclosure Statement **within _____ days after acceptance.**

Each party agrees that any new reports or other documents received by the Acquiring Party after receipt of the Property Disclosure Statement are automatically deemed an amendment to the Statement. If any disclosure or a material amendment of any disclosure is delivered after the execution of an offer to purchase, the Acquiring Party will have three (3) days after delivery in person or five (5) days after deposit in the mail to terminate his or her offer by delivery of a written notice of termination to the Conveying Party or the Conveying Party's Agent.

The parties agree to hold all Brokers in the transaction harmless and to defend and indemnify them from any claim, demand, action or proceedings resulting from any omission or alleged omission by a Party in his or her Property Disclosure Statement or supplement.

22. SUPPLEMENTAL DISCLOSURE STATEMENTS. The Conveying Party will provide the following or comparable supplemental disclosure statements to the Acquiring Party, and any other disclosures required in the state in which the property is located:

P.P. Form 110.74, Lead-Based Paint Disclosure,

P.P. Form 110.72, Notice Re: Septic Systems,

P.P. Form 110.27 CAL. Natural Hazard Disclosure Statement

Other: _____

1st Party [_____] [_____] and 2nd Party [_____] [_____] have read this page.

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Parties: _____

- 23. ACCESS TO PROPERTY.** Both parties agree to provide reasonable access to their respective property to each other and inspectors, appraisers, and all other professionals representing them.
- 24. WALK-THROUGH INSPECTION.** Each party will have the right to conduct a walk-through inspection of the property to be acquired within _____ days prior to close of escrow, to verify Conveying Party's compliance with the provisions under Item 18 CONDITION OF PROPERTY, Item 19 MAINTENANCE, Item 20 FIXTURES, and Item 25-C and 25-D PERSONAL PROPERTY. Utilities are to remain turned on until the walk-through is completed. This right is not a condition of this Agreement, and the Acquiring Party's sole remedy for an alleged breach of these items is a claim for damages.

25. OPTIONAL PROVISIONS. The provisions in this Item 25, **if initialed by the Offeror are included in this Agreement.**

- 25-A. [_____] [_____] RENTAL PROPERTY.** Each party to take title subject to rights of parties in possession on leases or month-to-month tenancies. Within five (5) days after acceptance, the Conveying Party will deliver to the Acquiring Party for his or her approval copies of the following documents: (a) existing leases and rental agreements with tenant estoppel certificates; (b) any outstanding notices sent to tenants; (c) a written statement of all oral agreements with tenants; (d) existing defaults by Conveying Party or tenants; (e) claims made by or to tenants; (f) a statement of all tenant deposits held by Conveying Party; (g) a complete statement of rental income and expenses; and (h) any service and equipment rental contracts with respect to the property which run beyond close of escrow. The Conveying Party warrants all of this documentation to be true and complete.

Within five (5) days after receipt of documents, the Acquiring Party will notify Conveying Party in writing of approval or disapproval of the documents. In case of disapproval, the Acquiring Party may terminate this Agreement. During the escrow period of this transaction the parties agree that no changes in the existing leases or rental agreements will be made, nor new leases or rental agreements longer than month to month entered into, nor will any substantial alterations or repairs be made or undertaken without the written consent of the Acquiring Party.

Security deposits, advance rentals, or considerations involving future lease credits will be credited to Acquiring Party in escrow.

- 25-B. [_____] [_____] RENT CONTROL ORDINANCE.** Acquiring Party is aware that a local ordinance is in effect which regulates the rights and obligations of property owners. It may also affect the manner in which future rents can be adjusted.

- 25-C. [_____] [_____] PERSONAL PROPERTY IN FURNISHED UNITS OF PROPERTY #1.** All furniture and furnishings and any other personal property owned by the First Party and used in the operation of Property #1 as shown on the attached signed inventory will be transferred by Bill of Sale to the Second Party at closing. The inventory is incorporated in this Agreement by reference.

- 25-D. [_____] [_____] PERSONAL PROPERTY IN FURNISHED UNITS OF PROPERTY #2.** All furniture and furnishings and any other personal property owned by the Second Party and used in the operation of Property #2 as shown on the attached signed inventory will be transferred by Bill of Sale to the First Party at closing. The inventory is incorporated in this Agreement by reference.

- 25-E. [_____] [_____] PEST CONTROL INSPECTION.** Within _____ days after acceptance, Conveying Party, Acquiring Party, will obtain at his or her expense a current written report of an inspection by a licensed structural pest control operator of the main building (excluding the roof covering), and all attached structures plus the following: _____

The inspector will be requested to provide a separate report for: "Section 1"- Any portion of the structure(s) where infestation or infection is evident, and "Section 2"-Where conditions are present which are deemed likely to lead to infestation or infection, but where no infestation or infection exists at this time.

Work recommended under Section 1 of the report will be paid by Conveying Party. Work recommended under Section 2 of the report will be paid by Acquiring Party, Conveying Party, Other: _____

Work to be performed at Conveying Party's expense may be performed in whole or in part by the Conveying Party; provided that, upon completion of Conveying Party's work but before the area has been closed up, the property is reinspected by a licensed structural pest control operator at Conveying Party's expense who certifies that the inspected property is free of evidence of active infestation or infection. As soon as they are available, copies of inspection reports, certifications, or other proof of completion of the work will be delivered to Brokers of the parties, who are authorized to receive the documents on behalf of their principals.

Funds for work to be done at Conveying Party's expense after close of escrow will be held in escrow and disbursed by the escrow holder upon receipt of a certification by a licensed structural pest control operator that the property is free of evidence of active infestation or infection.

- 25-F. [_____] [_____] SUBJECT TO ACQUIRING PARTY'S APPROVAL OF EXISTING PEST CONTROL REPORT.** Within **24 hours** after acceptance, Conveying Party will furnish Acquiring Party a copy of the existing pest control report dated _____ by _____. Conveying Party agrees to pay for work, if any, recommended in said report, or perform the work himself or herself as stated in Item 25-E. Within ten (10) days after acceptance, the Acquiring Party will notify the Conveying Party in writing of approval or disapproval of the report. In case of disapproval, the Acquiring Party may terminate this Agreement.

- 25-G. [_____] [_____] WAIVER OF PEST CONTROL INSPECTION.** Both parties have satisfied themselves about the condition of the property and agree to acquire the respective properties without the benefit of a structural pest control inspection. Each party acknowledges that he or she has not relied upon any representations by either the Broker or the other party with respect to matters that would normally be covered in a pest control inspection.

- 25-H. [_____] [_____] INSPECTIONS OF PHYSICAL CONDITION OF PROPERTY.** Each party will have the right to retain, at his or her expense, licensed experts including but not limited to engineers, geologists, architects, contractors, surveyors, arborists, and

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Parties: _____

structural pest control operators to inspect the property for any structural and nonstructural conditions, including matters concerning roofing, electrical, plumbing, heating, cooling, electrical appliances, well, septic system, pool, boundaries, geological and environmental hazards, toxic substances including asbestos, formaldehyde, radon gas, and lead-based paint. Each party, if requested by the other party in writing, will promptly furnish, at no cost to the other party, copies of all written inspection reports obtained by a party. Each party will approve or disapprove in writing all inspection reports obtained **within _____ days** after acceptance. In the event of the Acquiring Party's disapproval, the Acquiring Party may terminate this Agreement.

25-I. [] [] LEAD-BASED PAINT INSPECTION. This Agreement is contingent upon a risk assessment or inspection of (check one or both) Property #1, Property #2, for the presence of lead-based paint and/or lead-based paint hazards at the Acquiring Party's expense. (Intact lead-based paint that is in good condition is not necessarily a hazard. See the EPA pamphlet *Protect Your Family From Lead in Your Home* for more information.) **Within ten (10) days after acceptance**, the Acquiring Party will report to the Conveying Party in writing a list of the specific existing deficiencies and corrections needed, together with a copy of the inspection and/or risk assessment report. The Conveying Party may, at the Conveying Party's option, **within five (5) days after delivery** of the report, elect in writing whether to correct the conditions prior to close of escrow. If the Conveying Party elects to correct the conditions, the Conveying Party will furnish the Acquiring Party with a certification from a risk assessor or inspector demonstrating that the condition has been remedied before the close of escrow. If the Conveying Party does not elect to make the repairs, or if the Conveying Party makes a counter offer, the Acquiring Party will have five (5) days to respond to the counter offer or waive this contingency and take the property in an "as is" condition with respect to this matter, or this Agreement will terminate. Acquiring Party may waive this contingency at any time without cause.

25-J. [] [] FLOOD HAZARD ZONE. Acquiring Party has been advised that (check one or both) Property #1, Property #2 is located in a special flood hazard area designated by the Federal Emergency Management Agency (FEMA). It will be necessary to purchase flood insurance in order to obtain any loan secured by the property from any federally regulated financial institution or a loan insured or guaranteed by an agency of the U.S. Government. The purpose of the program is to provide flood insurance at reasonable cost. For further information consult your lender or insurance carrier.

25-K. [] [] TAX DEFERRED EXCHANGE (INVESTMENT PROPERTY). In the event that either party wishes to enter into a tax deferred exchange with respect to property owned by him or her in connection with this transaction, each of the parties agrees to cooperate with the other party in connection with such exchange, including the execution of such documents as may be reasonably necessary to complete the exchange; provided that: (a) the other party will not be obligated to delay the closing; (b) all additional costs in connection with the exchange will be borne by the party requesting the exchange; (c) the other party will not be obligated to execute any note, contract, deed or other document providing for any personal liability which would survive the exchange; and (d) the other party will not take title to any property other than the property described in this Agreement. It is understood that a party's rights and obligations under this Agreement may be assigned to a third party intermediary to facilitate the exchange. The other party will be indemnified and held harmless against any liability which arises or is claimed to have arisen on account of the exchange.

26. DEFAULT. In the event that either party defaults in the performance of this Agreement (unless the parties have agreed to liquidated damages), the other party may, subject to any rights of the Broker, retain the defaulting party's deposit to the extent of damages sustained and may take such actions as he or she deems appropriate to collect such additional damages as may have been actually sustained. The defaulting party will have the right to take such action as he or she deems appropriate to recover such portion of the deposit as may be allowed by law. In the event that either party defaults (unless the parties have agreed to liquidated damages) the defaulting party agrees to pay the Broker(s) any commission that would be payable in the absence of such default.

27. ATTORNEY FEES. In any action or proceeding involving a dispute between the First Party and Second Party arising out of the execution of this Agreement or the sale, whether for tort or for breach of contract, and whether or not brought to trial of final judgment, the prevailing party will be entitled to receive from the other party a reasonable attorney fee, expert witness fees, and costs to be determined by the court or arbitrator.

28. ADDITIONAL TERMS AND CONDITIONS.

1st Party [] [] and 2nd Party [] [] have read this page.

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Parties: _____

29. **ADDENDA.** The following addenda are attached and made a part of this Agreement: _____

30. **EXPIRATION OF OFFER.** This offer will expire unless acceptance is delivered to the First Party or his or her agent on or before _____ a.m. p.m., on (date) _____.

31. **COUNTERPARTS.** This Agreement may be executed in one or more counterparts, each of which is deemed to be an original.

32. **CONDITIONS SATISFIED/WAIVED IN WRITING.** Each condition or contingency, covenant, approval or disapproval will be satisfied according to its terms or waived by written notice delivered to the other party or his or her Broker.

33. **TIME.** Time is of the essence of this Agreement; provided, however, that if either party fails to comply with any contingency in this Agreement within the time limit specified, this Agreement will not terminate until the other party delivers written notice to the defaulting party requiring compliance **within 24 hours after receipt** of notice. If the party receiving the notice fails to comply **within the 24 hours**, the non-defaulting party may terminate this Agreement without further notice.

34. **SURVIVAL.** The omission from escrow instructions of any provision in this Agreement will not waive the right of any party. All representations or warranties will survive the close of escrow.

35. **ENTIRE AGREEMENT.** This document contains the entire agreement of the parties and supersedes all prior agreements or representations with respect to the property which are not expressly set forth. This Agreement may be modified only in writing signed and dated by both parties. **Both parties acknowledge that they have not relied on any statements of the real estate Agent or Broker which are not expressed in this Agreement.**

36. **BROKERAGE FEE.**
NOTICE: **The amount or rate of real estate commissions is not fixed by law. They are set by each Broker individually and may be negotiable between the parties and Broker.**

Upon acceptance the undersigned First Party agrees to pay upon close of escrow a brokerage fee for services rendered to _____, as follows:

NOTICE TO CALIFORNIA PARTIES: Pursuant to Section 290.46 of the California Penal Code, information about specified registered sex offenders is made available to the public via an Internet Web site maintained by the Department of Justice at <http://www.meganslaw.ca.gov>. Depending on an offender's criminal history, this information will include either the address at which the offender resides or the community of residence and ZIP Code in which he or she resides.

LIMITATION OF AGENCY: A real estate broker or agent is qualified to advise on real estate. If you have any questions concerning the legal sufficiency, legal effect, insurance, or tax consequences of this document or the related transactions, consult with your attorney, accountant or insurance advisor.

The undersigned First Party acknowledges that he or she has thoroughly read and approved each of the provisions of this offer and agrees to exchange the property on the terms and conditions specified. First Party acknowledges receipt of a copy of this offer.

First Party _____ Dated _____ Time _____

First Party _____ Dated _____ Time _____

ACCEPTANCE

The undersigned Second Party accepts the foregoing offer and agrees to exchange the described properties on the terms and conditions specified, subject to attached Counter Offer, not subject to any counter offer.

37. **BROKERAGE FEE.**
NOTICE: **The amount or rate of real estate commissions is not fixed by law. They are set by each Broker individually and may be negotiable between the parties and Broker.**

The undersigned Second Party agrees to pay upon close of escrow a brokerage fee for services rendered to _____, as follows:

The undersigned Second Party acknowledges that he or she has thoroughly read and approved each of the provisions of this Agreement and agrees to exchange the property on the terms and conditions specified. Second Party acknowledges receipt of a copy of this Agreement.

Second Party _____ Dated _____ Time _____

Second Party _____ Dated _____ Time _____

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