



COVID-19 PREVENTION PROTOCOLS

BEST PRACTICES CHECKLIST FOR WORKING WITH A BUYER DURING THE PANDEMIC

Information on this form is general in nature and does not, and is not intended to, constitute legal advice. Please check the PWR website on a regular basis for updates.

WORKING WITH THE BUYER TO FIND A PROPERTY

Coronavirus Addendum or Amendment (C.A.R. Form CVA)

Coronavirus Property Entry Advisory and Declaration - Visitor (C.A.R. Form PEAD-V)

Buyers must be expressly made aware of the risks of visiting properties, that it may be dangerous or unsafe and could expose them or others to COVID-19, and they must be advised of their responsibilities pertaining to COVID-19 protocols regarding social distancing and CDC guidelines.

LIMITING IN-PERSON, NON-VIRTUAL SHOWINGS TO “SERIOUS” BUYERS

Buyer’s agent may ask if a buyer is pre-qualified to purchase, in effect those who have provided verification(s) of funds and lender prequalification letters to show they are able to purchase the property that is subject of the showing. In order to avoid a potential Fair Housing Act violation, ask all potential buyers for a pre-qualification letter.

An all-cash buyer is required to provide verification of the funds to the seller. See California Residential Purchase Agreement (C.A.R. Form RPA) paragraph 3C. A buyer who is obtaining financing is required to provide written verification of down payment and closing costs. See California Residential Purchase Agreement (C.A.R. Form RPA) paragraph 3H.

A buyer should be made aware that California Residential Purchase Agreement (C.A.R. Form RPA) paragraph 3J(2) specifically states that the buyer’s contractual obligation regarding deposit, balance of down payment and closing costs are not contingencies. Seller has the right to disapprove of the buyer’s verification. See California Residential Purchase Agreement (C.A.R. Form RPA) paragraph 14D(2).

ENTERING A SELLER’S PROPERTY: INSPECTIONS AND INVESTIGATIONS

Information necessary for the visit should be provided in advance to the client(s) electronically.

Only a single agent and no more than two (2) visitors, who reside within the same household or living unit, are to be present at the same time during a showing, and by appointment only. Check with each local jurisdiction as to such showing limitations, which may be more or less restrictive.

For all persons entering the property, gloves, cloth face coverings, and other protective gear are mandated, as is the declaration that they are asymptomatic.

Buyer inspections and investigations as permitted or required by the purchase agreement are allowable, such as the agent’s completion of a legally mandated visual inspection of the property.

CLOSING PROCESS CONSIDERATIONS

In-person meetings are not contractually required but lenders may require that documents be signed and notarized in person and escrow may require a deed be notarized in person.

Check with the county recorder’s office to determine how to record documents via drop-off or electronic means. Also, the IRS and FTB have issued new guidance on 1031 like-kind exchanges.