

CONTINGENCY REMOVAL PROCESS

ONCE AN OFFER IS ACCEPTED, PLACING CONTINGENCIES IN THE CONTRACT GIVES THE BUYER AN OPPORTUNITY FOR DUE DILIGENCE OR TO TAKE SPECIFIC STEPS WITHIN A GIVEN TIME FRAME. IT IS ESSENTIAL TO MEET THE SPECIFIED DEADLINES FOR EACH CONTINGENCY AND REMOVE THEM IN WRITING.

Typical purchase agreements contain the following contingencies for the buyer:

- Seller Disclosure Statements
- Inspection Contingency
- Pest Inspection Contingency
- Condo Document Review (if applicable)
- Geological and Environmental
- California Tax Reports
- Appraisal Contingency
- Loan Contingency
- Preliminary Title Report
- HOA Documents (if applicable)

Once all contingencies are removed, you are effectively obligated to purchase the property. The understanding is that you are purchasing the property in its current condition (subject to any agreed repairs by the seller) and are planning to move forward with the purchase.

At that point, your good faith deposit is at risk. Any failure to perform could result in a loss of all or part of your deposit.

