

CONTRACT COMPLIANCE TIMEFRAMES

<u>ACTION</u>	<u>RESP. PARTY</u>	<u>TIMEFRAME</u>	<u>DATE</u>
LOAN STATUS REPORT	B	WITH CONTRACT	_____
SPDS TO BUYER	S	5 DAYS FROM CONTRACT	_____
LEAD BASED PAINT (PRE-'78)	S	5 DAYS FROM CONTRACT	_____
WELL SPDS (if applicable)	S	5 DAYS FROM CONTRACT	_____
SEPTIV SYS DOCS (if applicable)	S	5 DAYS FROM CONTRACT	_____
AFF. OF DISCLOSURE (if appl.)	S	5 DAYS FROM CONTRACT	_____
CLUE/INSURANCE INFO	S	5 DAYS FROM CONTRACT	_____
MAKE LOAN APPLICATION	B	5 DAYS FROM CONTRACT	_____
REVIEW TITLE REPORT/CCR'S	B	5 DAYS FROM RECEIPT	_____
LOW APPRAISAL RESPONSE	B	5 DAYS FROM NOTICE	_____
BUYER INSPECTION NOTICE	B	10 DAYS FROM CONTRACT	_____
APPROVE TERMITE REPORT	B	DURING INSP. PERIOD	_____
HOA DISCLOSURE (over 50 units)	HOA	10 DAYS FROM NOTICE	_____
<u>OR</u> (under 50 units)	S	10 DAYS FROM CONTRACT	_____
AGREED REPAIRS COMPLETED	S	3 DAYS PRIOR TO COE	_____
LOAN DOCS SIGNED	B	3 DAYS PRIOR TO COE	_____

Most approval conditions in the contract allow 5 calendar days after receipt of the document or disclosure, OR within the inspection period, *whichever is later*, to provide written notice of any items disapproved. Time frames in the contract are critical and failure to comply with them can result in contract cancellation and/or forfeiture of earnest deposits.

DEFINITIONS

Close of escrow- when the deed conveying title is recorded. Possession usually is not granted until after the deed records and funds cannot be released prior to recordation.

Conditional loan approval- after a preliminary check of credit and income lender approves the buyer subject to satisfaction of stated conditions. This is **not** final approval.

Cure period- one party has notified the other that the other is in non-compliance with a term of the Agreement. The non-complying party has 3 days to cure the non-compliance or a breach may be declared. There can be no breach without a cure period.

Escrow- The process of coordinating all parties in the transaction for the receipt of funds; preparation and execution of documents; payments of bills, loans and liens; satisfaction of title and contract requirement; recording of transfer documents and the accounting of all monies and the transaction.

Title insurance- insurance policies issued which insure the buyer and lender that no undisclosed liens, encumbrances or claims jeopardize their respective interests in the property.