

## Defense Strategy Advisory Committee

### Steve Delmartini

This is a small forum comprised of small, medium and large brokerages from different parts of the state, the chairs of some of the committees such as the Forms Committee, Transaction and Regulatory etc... This meeting had five attorneys. The attorneys represented the CAR hotline, CAR staff attorney and June Barlow joined us. There were two defense panel attorneys, Steven Spile (Southern CA.) and Shannon Jones(Northern CA.)

Some of Shannon's observations and/or lawsuits she is dealing with or being threatened with: Bazaar market. Buyers starting to have buyer's remorse, did we overpay?? Creating longer lists of repair items after the fact.

Deposit disputes /non-contingent offers.

Highly advised using the Market Conditions Advisory. Lawsuit that the seller didn't get enough for their property because a similar property sold for more 30 days later.

Huge tenant issues.

Agents selling income property and making rent projections that aren't met after close.

Buyer failure to inspect and seller failure to disclose.

Overall COVID/PEAD violations which may get the DRE involved.

Not sure what the future will bring in lawsuits but they will be unique to this time.

Be careful when putting a property back into the MLS prior to actually getting a signed cancelation from both parties.

Steven Spile

Agent fights, procuring cause issues. Questionable Broker supervision.

Waiving the appraisal contingency and trying to use the loan contingency to get out of the deal.

Poorly written escalation clauses with no caps. What do you do with ten offers and they all have escalation clauses.

60-70% defect and seller failure to disclose lawsuits.

Steve suggests more brokers/managers need to reach out to work together to get problems resolved.

Looking down the road to remodeled homes/flip homes no permits, improper work, lack of disclosure etc...

Jana Gardner CAR Hotline attorney

Seller's and tenant wanting proof of vaccination prior to entry.

Multiple offer headaches.

Agents getting overwhelmed with paper work and sending out the wrong counter offer. Should have been a "multiple" counter offer and sent out individual counters.

"tons of calls" relating to seller rent backs, purchase of replacement property, landlord tenant issues.

Creative clauses in contract.

Agents writing in "passive" release of contingencies.

Procuring cause issues are back.