

RESIDENTIAL & CONDO PURCHASE & SALE

TRANSACTION FILE CHECKLIST

1. **FOR REPRESENTING BUYER or LIMITED DUAL AGENCY:** BCR 41A Buyer Brokerage Service Agreement
2. **FOR REPRESENTING SELLER or LIMITED DUAL AGENCY:** BCR 1A Seller Exclusive Brokerage Service Agreement OR Form 47 Seller Representation Agreement (for off-market)
3. Mutual Acceptance
 - a. 21 or 28 Purchase and Sale Agreement
 - b. 22A Financing Addendum OR 22AA Appraisal Addendum OR 22EF Evidence of Funds (*for no finance contingency*)
 - c. 22D Optional Clauses (*at least Terms 1 & 5 checked*)
 - d. 22J Lead Based Paint (*for homes built prior to 1978*)
 - e. 22K Utilities Addendum (*filled out*)
 - f. 35 Inspection OR 35W Inspection Waiver
 - g. Legal Description (*initialed by all parties*)
 - h. **IF SEPTIC:** 22S-King OR 22S-Thurs OR 22WW (Pierce) OR 22S (Snohomish or other areas)
 - i. **IF WELL:** 22R Well Addendum
 - j. **IF HOME SALE CONTINGENCY:** 22B Buyer's Sale of Property Contingency (property not on the market) OR 22Q Buyer's Pending Sale of Property Contingency (property is pending)
 - k. **IF SHORT SALE:** 22SS Short Sale Addendum
 - l. **IF SPOKANE AREA:** Spokane Addendum & Homeowners Insurance Addendum
4. 17 Seller Disclosures (*signed by the Buyer*)
5. 22E FIRPTA Disclosure
6. Earnest Money Deposit Receipt from Title/Escrow
7. 35R Inspection Response (*if 35 Inspection was used*)
8. 40 Seller-Paid Compensation Disbursement Authorization AND/OR 40A for Buyer-Paid Compensation Disbursement Authorization
9. Title Report – Commitment; with Buyer's info
10. **IF CONDO:** Resale Certificate, signature page signed by Buyer
11. **IF HOME SALE CONTINGENCY:** 90K Contingency Property Notice
12. **IF SEPTIC:**
 - a. O&M Pump & Inspection Report
 - b. Report of System Status (RSS) County Septic Cert, Property Conveyance Report or Time of Transfer
13. **IF WELL:** Well Report of Good Water
14. **IF SHORT SALE:** 90SS Notice Pursuant to Form 22SS (*Lender Consent or Termination*)

ADDITIONAL CONSIDERATIONS:

- **Personal Sales:** If you are the buyer or seller (or have ownership interest in the LLC or Corp) for a transaction, you must disclose to both parties in the purchase and sale that you are "a licensed real estate broker in the state of Washington."
- **New Construction:** Ensure buyer is registered at the site with you as their agent. Consult with the Site Agent on offer procedure – every builder is different. Consult with a Managing Broker if you have any questions.
- **Referrals:** For referrals with other agents within Best Choice Realty, please use the Internal Split Form located at BestChoiceRealtyHomes.com/split. For referrals outside of the company, use Form 11 Referral Agreement and set up for signature for a Managing Broker to sign. Company W9 is located at BestChoiceRealtyHomes.com

MANUFACTURED HOME (ON LEASED LAND) PURCHASE & SALE

TRANSACTION FILE CHECKLIST

1. **FOR REPRESENTING BUYER or LIMITED DUAL AGENCY:** BCR 41A Buyer Brokerage Service Agreement
2. **FOR REPRESENTING SELLER or LIMITED DUAL AGENCY:** BCR 1A Seller Exclusive Brokerage Service Agreement OR Form 47 Seller Representation Agreement (for off-market)
3. Mutual Acceptance
 - a. 23 Purchase and Sale Agreement
 - b. 22A Financing Addendum OR 22AA Appraisal Addendum OR 22EF Evidence of Funds (*for no finance contingency*)
 - c. 22D Optional Clauses (*at least Terms 1 & 5 checked*)
 - d. 22J Lead Based Paint (*for homes built prior to 1978*)
 - e. 22K Utilities Addendum (*filled out*)
 - f. 35 Inspection OR 35W Waiver of Inspection
 - g. 17 Seller Disclosures (*signed by the Buyer*)
4. Earnest Money Deposit Receipt from Title/Escrow
5. 35R Inspection Response (*if form 35 Inspection was used*)
6. 40 Seller-Paid Compensation Disbursement Authorization AND/OR 40A for Buyer-Paid Compensation Disbursement Authorization
7. Copy of Vehicle License

ADDITIONAL CONSIDERATIONS:

- **Personal Sales:** If you are the buyer or seller (or have ownership interest in the LLC or Corp) for a transaction, you must disclose to both parties in the purchase and sale that you are "a licensed real estate broker in the state of Washington."
- **New Construction:** Ensure buyer is registered at the site with you as their agent. Consult with the Site Agent on offer procedure – every builder is different. Consult with a Managing Broker if you have any questions.
- **Referrals:** For referrals with other agents within Best Choice Realty, please use the Internal Split Form located at BestChoiceRealtyHomes.com/split. For referrals outside of the company, use Form 11 Referral Agreement and set up for signature for a Managing Broker to sign. Company W9 is located at BestChoiceRealtyHomes.com

VACANT LAND PURCHASE & SALE

TRANSACTION FILE CHECKLIST

1. **FOR REPRESENTING BUYER or LIMITED DUAL AGENCY:** BCR 41A Buyer Brokerage Service Agreement
2. **FOR REPRESENTING SELLER or LIMITED DUAL AGENCY:** BCR 1A Seller Exclusive Brokerage Service Agreement OR Form 47 Seller Representation Agreement (for off-market)
3. Mutual Acceptance
 - a. 25 Purchase and Sale Agreement
 - b. 22A Financing Addendum OR 22AA Appraisal Addendum OR 22EF Evidence of Funds (*for no finance contingency*)
 - c. 22D Optional Clauses (*at least Terms 1 & 5 checked*)
 - d. 35F Feasibility Contingency OR 22LA Land and Acreage Addendum (*for outlying areas with acreage*)
 - e. Legal Description (*initialed by all parties*)
 - f. **IF SEPTIC:** 22S-King OR 22S-Thurs OR 22WW (Pierce) OR 22S (Snohomish or other areas)
 - g. **IF WELL:** 22R Well Addendum
4. 17C Seller Disclosures (*signed by the Buyer*)
5. 22E FIRPTA Disclosure
6. Earnest Money Deposit Receipt from Title/Escrow
7. 90P Feasibility Contingency Notice (*disapproval/approval*)
8. 40 Seller-Paid Compensation Disbursement Authorization AND/OR 40A for Buyer-Paid Compensation Disbursement Authorization
9. Title Report – Commitment; with Buyer's info
10. **IF SEPTIC IS CONNECTED:**
 - a. O&M Pump & Inspection Report
 - b. Report of System Status (RSS) County Septic Cert, Property Conveyance Report or Time of Transfer
11. **IF WELL IS CONNECTED:** Well Report of Good Water

ADDITIONAL CONSIDERATIONS:

- **Personal Sales:** If you are the buyer or seller (or have ownership interest in the LLC or Corp) for a transaction, you must disclose to both parties in the purchase and sale that you are "a licensed real estate broker in the state of Washington."
- **Referrals:** For referrals with other agents within Best Choice Realty, please use the Internal Split Form located at BestChoiceRealtyHomes.com/split. For referrals outside of the company, use Form 11 Referral Agreement and set up for signature for a Managing Broker to sign. Company W9 is located at BestChoiceRealtyHomes.com

COMMERCIAL PURCHASE & SALE

TRANSACTION FILE CHECKLIST

1. **FOR REPRESENTING BUYER or LIMITED DUAL AGENCY:** BCR 41A Buyer Brokerage Service Agreement
2. **FOR REPRESENTING SELLER or LIMITED DUAL AGENCY:** BCR 1A Seller Exclusive Brokerage Service Agreement OR Form 47 Seller Representation Agreement (for off-market)
3. Mutual Acceptance
 - a. CBA Purchase and Sale Agreement
 - b. CBA FIN Finance Addendum or Proof of Funds
 - c. CBA EM PROM Earnest Money Promissory Note
 - d. CBA TEC Tenant Estoppel Certificate (*required with tenants or when lender needs SNDA*)
 - e. Legal Description (*not handwritten or typed on CBA forms – Legal from Title/Escrow only*)
4. 17 Commercial Seller Disclosures
5. CBA 22E FIRPTA Disclosure
6. Earnest Money Deposit Receipt from Title/Escrow
7. 40 Seller-Paid Compensation Disbursement Authorization AND/OR 40A for Buyer-Paid Compensation Disbursement Authorization
8. Title Report – Commitment; with Buyer's info

ADDITIONAL CONSIDERATIONS:

- Personal Sales: If you are the buyer or seller (or have ownership interest in the LLC or Corp) for a transaction, you must disclose to both parties in the purchase and sale that you are "a licensed real estate broker in the state of Washington.
- New Construction: Ensure buyer is registered at the site with you as their agent. Consult with the Site Agent on offer procedure – every builder is different. Consult with a Managing Broker if you have any questions.
- Referrals: For referrals with other agents within Best Choice Realty, please use the Internal Split Form located at BestChoiceRealtyHomes.com/split. For referrals outside of the company, use Form 11 Referral Agreement and set up for signature for a Managing Broker to sign. Company W9 is located at BestChoiceRealtyHomes.com

COMMON DRAFTING ERRORS:

- Parties improperly identified (Ex: Entity vs Individual)
- Not spelling out the price alphabetically and numerically (Ex: \$100,000.00 one hundred thousand dollars)
- Legal description handwritten or typed by Broker on CBA Form instead using a Legal Description provided by Title/Escrow. Ensure you are working with a Title/Escrow company that has sufficient insurance backing.
- All Terms not filled in or using an incorrect form or notice.
- Improper use of Addenda (Ex: using a blank addendum instead of a Notice)
- Overuse of a Blank Addendum – ensure language used on these is approved by an attorney before use.
- Timelines not adhered to properly (Note: commercial timelines can be different than residential timelines)
- Not advising clients to seek legal counsel about questions on paragraph 12 of the CBA purchase and sale regarding Seller Representations.

OFFER DRAFTING IDEAS:

- Sellers to disclose everything. Buyers to assume the worst about seller and investigate everything.
- Earnest money = 2-5%. Try to avoid promissory notes to show the seller the buyer's seriousness and intent.
- Be careful with environmental indemnities. Timelines for environmental reviews could be 7-9 months out.
- "As-Is" and "Non-refundable earnest money" clauses need to be written with the attorney approved Best Choice Realty language.

BUSINESS OPPORTUNITY PURCHASE & SALE

TRANSACTION FILE CHECKLIST

1. **FOR REPRESENTING BUYER or LIMITED DUAL AGENCY:** BCR 41A Buyer Brokerage Service Agreement
2. **FOR REPRESENTING SELLER or LIMITED DUAL AGENCY:** BCR 1A Seller Exclusive Brokerage Service Agreement OR Form 47 Seller Representation Agreement (for off-market)
3. Mutual Acceptance
 - a. CBA Business Opportunity Agreement
 - b. CBA FIN Finance Addendum or Proof of Funds
 - c. CBA AS Assignment and Assumption Agreement
4. Earnest Money Deposit Receipt from Escrow
5. 40 Seller-Paid Compensation Disbursement Authorization AND/OR 40A for Buyer-Paid Compensation Disbursement Authorization
6. The following disclosure on a CBA Addendum OR a Form 34: "Each party should retain an attorney and an accountant of their own choosing for the purpose of performing a due diligence review; including evaluations of the income, expenses, and feasibility of the sale/purchase of the business operations. Real Estate Brokers are not involved in the valuation of the business being sold and there is no certainty or assertion of any future business value or income after the sale is completed."

ADDITIONAL CONSIDERATIONS:

- **Personal Sales:** If you are the buyer or seller (or have ownership interest in the LLC or Corp) for a transaction, you must disclose to both parties in the purchase and sale that you are "a licensed real estate broker in the state of Washington."
- **Referrals:** For referrals with other agents within Best Choice Realty, please use the Internal Split Form located at BestChoiceRealtyHomes.com/split. For referrals outside of the company, use Form 11 Referral Agreement and set up for signature for a Managing Broker to sign. Company W9 is located at BestChoiceRealtyHomes.com

COMMON DRAFTING ERRORS:

- Parties improperly identified (*Ex: Entity vs Individual*)
- Not spelling out the price alphabetically and numerically (*Ex: \$100,000.00 one hundred thousand dollars*)
- Legal description handwritten or typed by Broker on CBA Form instead using a Legal Description provided by Title/Escrow. Ensure you are working with a Title/Escrow company that has sufficient insurance backing.
- All Terms not filled in or using an incorrect form or notice.
- Improper use of Addenda (*Ex: using a blank addendum instead of a Notice*)
- Overuse of a Blank Addendum – ensure language used on these is approved by an attorney before use.
- Timelines not adhered to properly (*Note: commercial timelines can be different than residential timelines*)
- Not advising clients to seek legal counsel about questions on paragraph 12 of the CBA purchase and sale regarding Seller Representations.

OFFER DRAFTING IDEAS:

- Sellers to disclose everything. Buyers to assume the worst about seller and investigate everything.
- Earnest money = 2-5%. Try to avoid promissory notes to show the seller the buyer's seriousness and intent.
- Be careful with environmental indemnities. Timelines for environmental reviews could be 7-9 months out.
- "As-Is" and "Non-refundable earnest money" clauses need to be written with the attorney approved Best Choice Realty language.