

## Agents Responsible For Their Choice of Disclosure Provider

Civil Code Section 1103.2  
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On June 24, 2004, Governor Schwarzenegger signed AB 920 into law. AB 920 significantly amended the face of the Natural Hazard Disclosure Statement ("NHDS") to read, in pertinent part: *"Transferor(s) and their agent(s) acknowledge that they have exercised good faith in the selection of a third-party report provider."* In effect, this new language holds real estate agents and their sellers responsible for the choices they make regarding the selection of their hazard disclosure provider. A recent article of the Los Angeles Times stated that *"With the passage of AB 920, some agents who may have been neglectful or just plain lazy will be required to learn whether the report they are buying is really adequate to protect the consuming public."*

In addition, the NHDS now states that, *"pursuant to Civil Code Section 1103.8, the disclosures made on the NHDS do not constitute all of the sellers' and agents' disclosure obligations."* This means that the specification of items for disclosure on the NHDS does not limit sellers' and agents' obligation to make

disclosures arising from other laws (such as local ordinances and common law). What the California Legislature has done here is put the parties of the transaction on notice that the 6 disclosures on the NHDS do not constitute all of the hazard disclosures that buyers are entitled to receive. Property I.D. is still the only Company to guarantee disclosure of all legally required hazards, not just the 6 found on the NHDS.

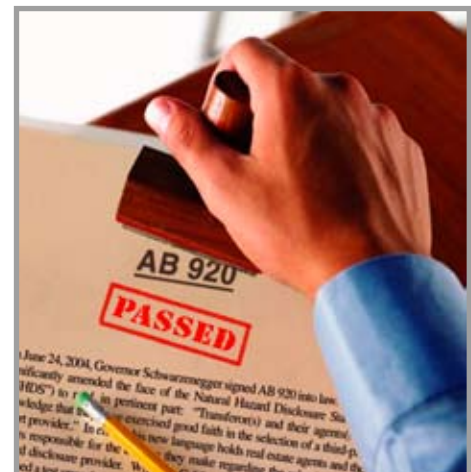
After conducting a thorough investigation of the California hazard disclosure industry, Mark Stavros of Manning & Marder, one of California's leading real estate law firms, concludes that: *"Property I.D. is the only professional hazard disclosure provider that guarantees and insures satisfaction of all of the seller's mapped natural hazard disclosure requirements."*

While independent research and authorities have repeatedly made it abundantly clear that the use of Property I.D. reports represents the

ultimate satisfaction of AB 920's requirements, the same research and authorities cast serious doubt over the use of any other disclosure provider in attempting to satisfy the new law.

Steven Spierer, a founding partner of the law firm of Spierer, Woodward, Corbalis & Goldberg, representing hundreds of independent brokerages and agents in California, states that: *"Based on our independent research of the hazard disclosure industry, conducted on behalf of our real estate brokerage clients, Property I.D. is the only disclosure report provider we can recommend to our clients."*

When your transactions close with a Property I.D. report in the file, rest assured that you have chosen wisely and your good faith selection is, and has always been, undisputed.



***AB 920: "Transferor(s) and their agent(s) acknowledge that they have exercised good faith in the selection of a third-party report provider ..."***

## OPPORTUNITIES for Brokers, Owners and Real Estate Agents

Would you like to take a tour of Property I.D.'s facilities and see how your disclosure reports are created? Schedule a "Limo, Lunch & Learn" program for your office and learn about real estate disclosure and the law!

**Property I.D.** Contact Property ID at 1-800-626-0106

