

# The Revised Residential Purchase Agreement



# Key Changes— Key Negotiation Terms in Grid

✦ New grid format  
(first 3 pages of RPA)

✦ Exceptions:

✦ Liquidated damages

✦ Arbitration

✦ Counter-offer terms

**3. TERMS OF PURCHASE AND ALLOCATION OF COSTS:** The items in this paragraph are contractual terms of the Agreement. Referenced paragraphs provide further explanation. This form is 16 pages. The Parties are advised to read all 16 pages.

	Paragraph #	Paragraph Title or Contract Term	Terms and Conditions	Additional Terms
<b>A</b>	5, 5B (cash)	<b>Purchase Price</b>	\$ _____	<input type="checkbox"/> All Cash
<b>B</b>		<b>Close Of Escrow (COE)</b>	_____ Days after Acceptance OR on _____ (date)	
<b>C</b>	32A	<b>Expiration of Offer</b>	3 calendar days after all Buyer Signature(s) or _____ (date), at 5PM or <input type="checkbox"/> AM/ <input type="checkbox"/> PM	
<b>D(1)</b>	5A(1)	<b>Initial Deposit Amount</b>	\$ _____ (_____% of purchase price) (% number above is for calculation purposes and is not a contractual term)	within 3 (or _____) business days after Acceptance by wire transfer OR <input type="checkbox"/> _____
<b>D(2)</b>	5A(2)	<input type="checkbox"/> <b>Increased Deposit</b> (Money placed into escrow after the initial deposit. Use form DID at time increased deposit is made.)	\$ _____ (_____% of purchase price) (% number above is for calculation purposes and is not a contractual term)	Upon removal of all contingencies OR <input type="checkbox"/> _____ (date) OR <input type="checkbox"/> _____
<b>E(1)</b>	5C(1)	<b>Loan Amount(s):</b> <div>First Interest Rate Points</div> <div>If FHA or VA checked, Deliver list of lender required repairs</div>	\$ _____ (_____% of purchase price) Fixed rate or <input type="checkbox"/> Initial adjustable rate not to exceed _____% Buyer to pay zero points or up to _____% of the loan amount  17 (or _____) Days after Acceptance	Conventional or, if checked, <input type="checkbox"/> FHA <input type="checkbox"/> VA (CAR Forms FVAC, HID attached) <input type="checkbox"/> Seller Financing <input type="checkbox"/> Other: _____
<b>E(2)</b>	5C(2)	<b>Additional Financed Amount</b> <div>Interest Rate Points</div>	\$ _____ (_____% of purchase price) Fixed rate or <input type="checkbox"/> Initial adjustable rate not to exceed _____% Buyer to pay zero points or up to _____% of the loan amount	Conventional or, if checked, <input type="checkbox"/> Seller Financing <input type="checkbox"/> Other: _____
<b>E(3)</b>	7A	<b>Occupancy Type</b>	Primary, or if checked, <input type="checkbox"/> Secondary <input type="checkbox"/> Investment	
<b>F</b>	5D	<b>Balance of Down Payment</b>	\$ _____	
<b>PURCHASE PRICE TOTAL</b>			\$ _____	

# Key Changes— Key Terms Off Grid

- ✦ Liquidated damages - Paragraph 29
- ✦ Arbitration - Paragraph 31
  - Includes new option to pre-select arbitration service provider
- ✦ Counter-offer Terms - Form SCO



# Key Changes— Terms Logically Grouped & Reorganized

**33. ACCEPTANCE**

**A. ACCEPTANCE OF OFFER:** Seller warrants that Seller is the owner of the Property or has the authority to execute this Agreement. Seller accepts the above offer and agrees to sell the Property on the above terms and conditions. Seller has read and acknowledges receipt of a Copy of this Agreement and authorizes Agent to Deliver a Signed Copy to Buyer.

**Seller's acceptance is subject to the attached Counter Offer or Back-Up Offer Addendum, or both, checked below.**  
Seller shall return and include the entire agreement with any response.

☐ **Seller Counter Offer** (C.A.R. Form SCO or SMCO)  
☐ **Back-Up Offer Addendum** (C.A.R. Form BUO)

**B. ☐ Entity Sellers:** (Note: If this paragraph is completed, a Representative Capacity Signature Disclosure form (C.A.R. Form RCSD) is not required for the Legally Authorized Signers designated below.)

(1) One or more Sellers is a trust, corporation, LLC, probate estate, partnership, holding a power of attorney or other entity.  
(2) This Agreement is being Signed by a Legally Authorized Signer in a representative capacity and not in an individual capacity. See **paragraph 28** for additional terms.  
(3) The name(s) of the Legally Authorized Signer(s) is/are: \_\_\_\_\_  
(4) If a trust, identify Seller as trustee(s) of the trust or by simplified trust name (ex. John Doe, co-trustee, Jane Doe, co-trustee or Doe Revocable Family Trust). If the entity is a trust or under probate, the following is the full name of the trust or probate case, including case #: \_\_\_\_\_

**C.** The RPA has 16 pages. Seller acknowledges receipt of, and has read and understands, every page and all attachments that make up the Agreement.

**D. SELLER SIGNATURE(S):**

(Signature) By, \_\_\_\_\_ **Date:** \_\_\_\_\_  
Printed name of SELLER: \_\_\_\_\_  
☐ Printed Name of Legally Authorized Signer: \_\_\_\_\_ Title, if applicable, \_\_\_\_\_  
(Signature) By, \_\_\_\_\_ **Date:** \_\_\_\_\_  
Printed name of SELLER: \_\_\_\_\_  
☐ Printed Name of Legally Authorized Signer: \_\_\_\_\_ Title, if applicable, \_\_\_\_\_  
☐ IF MORE THAN TWO SIGNERS, USE Additional Signature Addendum (C.A.R. Form ASA).

**OFFER NOT ACCEPTED:** \_\_\_\_\_/\_\_\_\_\_  
Seller's Initials No Counter Offer is being made. This offer was not accepted by Seller \_\_\_\_\_ (date)

Contingencies and disclosures  
(Pg. 2, 3L:1-8, Pg. 7-8 ¶11)

Liquidated damages and arbitration (Pg. 14, boxed to avoid missed initials)

Reorganized signature paragraphs

- ✦ Easily identify if subject to seller counter offer or back up offer
- ✦ Entity signatures built in
- ✦ More space to avoid overlapping signatures

# Key Changes— Brokers Section

- ✦ Easily identify if multiple agents, team or co-brokerage
- ✦ Easily identify electronic communications contacts

**5. Agents' Signatures and designated electronic delivery address:**

**A. Buyer's Brokerage Firm** \_\_\_\_\_ Lic. # \_\_\_\_\_

By \_\_\_\_\_ Lic. # \_\_\_\_\_ Date \_\_\_\_\_

By \_\_\_\_\_ Lic. # \_\_\_\_\_ Date \_\_\_\_\_

☐ More than one agent from the same firm represents Buyer. Additional Agent Acknowledgement (C.A.R. Form AAA) attached.

☐ More than one brokerage firm represents Buyer. Additional Broker Acknowledgement (C.A.R. Form ABA) attached.

**Designated Electronic Delivery Address(es):**

Email \_\_\_\_\_ Text # \_\_\_\_\_

Alternate: \_\_\_\_\_

☐ if checked, Delivery shall be made to the alternate designated electronic delivery address only.

Address \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

**B. Seller's Brokerage Firm** \_\_\_\_\_ Lic. # \_\_\_\_\_

By \_\_\_\_\_ Lic. # \_\_\_\_\_ Date \_\_\_\_\_

By \_\_\_\_\_ Lic. # \_\_\_\_\_ Date \_\_\_\_\_

☐ More than one agent from the same firm represents Seller. Additional Agent Acknowledgement (C.A.R. Form AAA) attached.

☐ More than one brokerage firm represents Seller. Additional Broker Acknowledgement (C.A.R. Form ABA) attached.

**Designated Electronic Delivery Address(es) (To be filled out by Seller's Agent):**

Email \_\_\_\_\_ Text # \_\_\_\_\_

Alternate: \_\_\_\_\_

☐ if checked, Delivery shall be made to the alternate designated electronic delivery address only.

Address \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

# What's the Same?

## Transaction process

- ✦ Initial deposit
- ✦ Loan application and verification
- ✦ Setting Close of Escrow date
- ✦ Buyer Investigation and Loan Contingency
- ✦ Items included
- ✦ Disclosures
- ✦ Closing and Possession
- ✦ Allocation of Costs
- ✦ Final Verification
- ✦ Definitions
- ✦ Electronic signatures



# What Else is the Same?

- ✦ Active Contingency Removal process remains
- ✦ Notice to Perform process remains
  - ❖ No surprise cancellations!
- ✦ Optional Liquidated Damages and Arbitration
  - ❖ Parties opt in with initials
- ✦ Mandatory Mediation
  - ❖ Mediation avoids costs and delays of adversary dispute resolution





# What Else is the Same?



- + All the “same” provisions often become new in training
- + Training is a must before using the new agreement!



# Additional Resources

- + <https://www.car.org/riskmanagement/rpa2021>
  - + [Quick Guide - Revised December 2021 RPA](#)
  - + Sample December 2021 RPA
  - + List of ancillary revised forms
  - + Redlined copy of the draft forms
  - + Training class schedules (live, live webinar and online)
  - + Legal webinars
  - + Publications