



COMMERCIAL RELEASE AGREEMENT (C.A.R. Form CML-REL, Revised 12/19)

THIS RELEASE AGREEMENT is given in connection with that certain [] Commercial Property Purchase Agreement, [] Business Purchase Agreement, [] Residential Income Property Purchase Agreement, [] Other _____ dated _____, as the same may have been supplemented or amended ("Agreement"), in which _____ is referred to as ("Buyer") and _____ is referred to as ("Seller") regarding (check one): [] that certain real property ("Property") or [] that certain business ("Business") situated in _____ County of _____ described as follows: _____

1. RECITALS:

A. Buyer has conducted an investigation of the Property or the Business, as the case may be, pursuant to the Agreement. The investigation has revealed the following items ("Items"):

- (1) [] _____
(2) [] _____
(3) [] _____
(4) [] _____
(5) [] See attached addendum (C.A.R. Form ADM) for additional Items.

B. Buyer and SELLER have agreed, that: (Check all that apply):

- (1) [] the Agreement between them shall be cancelled in its entirety.
(2) [] SELLER will give Buyer a credit of \$ _____ to be applied toward the purchase price on Close of Escrow on account of the following Items _____
(3) [] Liability for some or all of the Items shall be released as set forth in Paragraph 2 below
(4) [] _____
(5) [] _____
(6) [] _____

2. RELEASES:

A. RELEASE OF ENTIRE AGREEMENT

[] BUYER and SELLER mutually release each other regarding all obligations under the specified Agreement and the Agreement shall be of no further force or effect.

B. BUYER'S RELEASE

- (1) [] BUYER releases SELLER with regards to ALL Items identified in 1A.
OR
(2) [] BUYER releases SELLER with regards to ONLY the following Item(s) identified in 1A: _____

C. SELLER'S RELEASE

- (1) [] SELLER releases BUYER with regards to ALL Items identified in 1A.
OR
(2) [] SELLER releases BUYER with regards to ONLY the following Item(s) identified in 1A: _____

D. MUTUAL RELEASES

- (1) [] BUYER and SELLER mutually release each other with regards to ALL Items identified in 1A.
OR
(2) [] BUYER and SELLER mutually release each other with regards to ONLY the following Item(s) identified in 1A: _____



E. RELEASE TERMS: Seller or Buyer, or both of them, as indicated above, for himself/herself/itself and his/hers/ its agents, brokers, representatives, trustees, employees, attorneys, independent contractors, officers, directors, shareholders, partners, and their respective heirs, personal representatives, successors and assigns, and each of them (collectively, the "Releasers"), hereby fully and forever release and discharge the other party, and his/hers/ its agents, brokers, representatives, trustees, employees, attorneys, independent contractors, officers, directors, shareholders, partners, and their respective heirs, personal representatives, successors and assigns, and each of them (collectively, the "Releasees"), from any and all claims, demands, liens, agreements, contracts, covenants, actions, suits, causes of action, obligations, controversies, debts, fees, costs, expenses, damages, losses, taxes, fines, injuries, judgments, orders and liabilities, including, without limitation, any claims for attorneys' fees and costs, and court fees and costs; of whatsoever character, whether known or unknown, suspected or unsuspected (collectively, the "Claims"), with respect to or arising from or in connection with, as applicable, the released Agreement or any item or obligation released, as specified.

3. WAIVER OF CALIFORNIA CIVIL CODE SECTION 1542:

WITH RESPECT TO THE MATTERS RELEASED HEREIN, THE SELLER FOR ITSELF AND THE SELLER'S RELEASORS, THE BUYER FOR ITSELF AND THE BUYER'S RELEASORS, OR BOTH, AS THE CASE MAY BE, EACH AFTER HAVING BEEN ADVISED TO OBTAIN COUNSEL AND EACH EITHER HAVING OBTAINED THE ADVICE OF COUNSEL OR CHOSEN NOT TO OBTAIN THE ADVICE OF COUNSEL, HEREBY EXPRESSLY WAIVES AND RELINQUISHES ALL RIGHTS AND BENEFITS UNDER SECTION 1542 OF THE CALIFORNIA CIVIL CODE, WHICH PROVIDES:

"A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY."

OR UNDER ANY SIMILAR STATUTES IN ANY OTHER JURISDICTION WHICH MAY APPLY TO THIS RELEASE AGREEMENT. THE SELLER AND THE BUYER EACH HEREBY ACKNOWLEDGES THAT IT IS AWARE THAT IT OR ITS ATTORNEYS MAY HEREAFTER DISCOVER OR COULD POSSIBLY HAVE DISCOVERED FACTS DIFFERENT FROM OR IN ADDITION TO THOSE WHICH THE SELLER OR THE BUYER OR THEIR RESPECTIVE ATTORNEYS, IF ANY, NOW KNOW OF OR BELIEVE TO BE TRUE WITH RESPECT TO THE CLAIMS RELEASED UNDER THIS RELEASE AGREEMENT, AND SELLER AND BUYER EACH AGREES THAT THE RELEASES GIVEN UNDER THIS RELEASE AGREEMENT SHALL BE AND REMAIN IN EFFECT AS THE FULL AND COMPLETE RELEASE OF SUCH CLAIMS, SUBJECT ONLY TO ANY LIMITATIONS EXPRESSLY SET FORTH HEREIN.

Buyer's Initials _____ / _____ Seller's Initials _____ / _____

- 4. COUNTERPARTS:** This Release Agreement may be executed in one or more separate counterparts, each of which shall constitute an original document, but all of which, taken together, shall constitute one and the same document.
- 5. ATTORNEYS' FEES:** In the event that any party hereto brings an action or proceeding for a declaration of the rights of the parties under this Release Agreement, for injunctive relief, for an alleged breach or default, or any other action arising out of this Release Agreement or the transactions contemplated hereby, or in the event that any party is in default of its obligations pursuant hereto, whether or not suit is filed or prosecuted to final judgment, the prevailing party shall be entitled to reasonable attorneys' fees and costs, in addition to any other court costs incurred and any other damages or relief awarded.
- 6. FURTHER ASSURANCES:** Each of the parties hereto shall execute and deliver any and all additional papers and documents, and shall do any and all further acts and things as may be reasonably necessary in connection with the performance of their obligations under this Release Agreement and to carry out the intent of this Release Agreement.
- 7. APPLICABLE LAW:** The Release Agreement shall be construed in accordance with the laws of the State of California applicable to agreements to be executed and to be fully performed within the State of California.
- 8. MODIFICATION:** No amendment, change or modification of this Release Agreement shall be valid, unless it is in writing, is signed by all of the parties hereto, and expressly states that an amendment, change or modification of this Release Agreement is being made.
- 9. ENTIRE AGREEMENT:** This Release Agreement is intended to be the entire and complete understanding and agreement of the parties with respect to the subject matter of this Release Agreement, and any and all other prior agreements, understandings, negotiations or representations between the parties hereto, whether oral or in writing, are hereby terminated, superseded and cancelled in their entirety, and are of no further force or effect.

Buyer's Initials (____)(____)
Seller's Initials (____)(____)



THIS COMMERCIAL RELEASE AGREEMENT, HAS SIGNIFICANT LEGAL CONSEQUENCES. BROKERS ARE NOT ATTORNEYS AND DO NOT PROVIDE LEGAL ADVICE. PRIOR TO SIGNING BELOW, EACH PARTY SHOULD SEEK THE ADVICE OF THEIR OWN LEGAL COUNSEL AS TO THE CONSEQUENCES OF THIS, COMMERCIAL RELEASE AGREEMENT.

EACH PARTY ACKNOWLEDGES THAT IT HAS HAD THE OPPORTUNITY TO SEEK THE ADVICE OF LEGAL COUNSEL PRIOR TO EXECUTION OF THIS COMMERCIAL RELEASE AGREEMENT AND HAS EITHER DONE SO OR HAS DECIDED NOT TO DO SO.

This Release Agreement is executed as of: _____

If Seller is an individual:

Seller: _____
Seller: _____

OR

If Seller is an entity:

_____ (Name of Entity)
a _____ (Type of Entity)

By: _____ (Signature)
Name: _____ (Name)
Its: _____ (Title)

By: _____ (Signature)
Name: _____ (Name)
Its: _____ (Title)

If Buyer is an individual:

Buyer: _____
Buyer: _____

OR

If Buyer is an entity:

_____ (Name of Entity)
a _____ (Type of Entity)

By: _____ (Signature)
Name: _____ (Name)
Its: _____ (Title)

By: _____ (Signature)
Name: _____ (Name)
Its: _____ (Title)

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