

# Builder Services: Bureau of Real Estate (BRE)

## Commonly Used Documents



California

### ADDRESS LABELS

These are prepared and submitted so that the CalBRE can simply and quickly send all correspondence relating to each file to both the applicant and the Single Responsible Party.

### ARTICLES OF INCORPORATION

This document is used to certify that the homeowners association (HOA) is incorporated within the state. As part of the final documents this instrument will need to be filed with the California Secretary of State.

### AUTHORIZATION TO SIGN

The CalBRE must make certain that the party signing all CalBRE forms, including application form, is authorized to sign on behalf of the applicant entity. Since the applicant must certify that all information submitted in the application package is full, true, complete and correct, the integrity of the submission is in jeopardy if the party signing has no authorization. Depending upon the type of entity of which the applicant is this authorization may be a resolution, partnership agreement, agency authorization, or other similar acceptable document.

### BYLAWS

A necessary instrument to dictate how an HOA is run and is required when the association is incorporated. CalBRE will need to review this instrument for compliance with all required regulations.

### CERTIFICATE OF QUALIFICATION

Item is only required for applicants that are corporations or limited liability companies (LLC) organized under the laws of a state other than California. This is issued by the CA Secretary of State and allows the non-resident entity to conduct business in CA.

### COASTAL ZONE PERMIT OR EXEMPTION

This only applies to properties located within the "Coastal Zone" and verifies that the subdivision is in compliance with the California Coastal Act.

### CONDOMINIUM PLAN

Used to describe the recordable legal interest that buyers will be obtaining in a condominium project. The notes and definitions must coincide with the interest being conveyed as described in the Sample Grant Deed and the CCRs.

### CONVEYANCE INSTRUMENT

If all or part of the common area will be conveyed to the HOA, the CalBRE needs to review for a reasonable method to assure that the association will receive this portion of common area as represented elsewhere in the application. The most common method of compliance with this provision is providing a copy of signed and notarized common area deed and Irrevocable Escrow Instructions.

### CCRs (DECLARATION OF COVENANTS, CONDITIONS & RESTRICTIONS)

These set forth the basic rules governing the rights and obligations of the property owners, are required for all common interest subdivisions and are reviewed by the CalBRE for compliance with all appropriate regulations that must be included. There are sometimes preexisting CCRs, which also must be submitted for review and disclosure in the Public Report.

### PRELIMINARY REPORT OR POLICY OF TITLE INSURANCE

This is issued by a title insurance company and must cover the same property upon which an application is being made. This gives important information used in processing an application, including the manner in which title is held as of the date of the report, restrictions of record, easements, liens, mineral/oil/gas reservations, and tax and assessment information.

### RE 608

This form is required only when the applicant is a non-California resident or entity. The form allows for service against the non-resident applicant should legal action be taken.

### RE FORMS 612 AND 612A

These forms are only required when an applicant is filing for a Preliminary (or Interim) Public Report. RE Form 612 (Reservation Instrument) is a copy of the form that will be used for taking reservations under these types of reports. RE Form 612A (Reservation Deposit Handling Agreement) is signed by both the applicant and the escrow and is used as certification on how the escrow will handle buyers funds under a lot or unit reservation.

### RE FORMS 616B AND 616C

If the attorney preparing the management documents does have pre-approved documents (commonly known as "Master Management Documents"), these forms act as proof of the pre-approval as well as certification by the attorney that all revisions to the pre-approved forms are properly noted.

### RE FORM 623/PROPOSED HOMEOWNERS ASSOCIATION BUDGET

This form is essential so the CalBRE can see all details relating to the common area (such as square footage of certain elements and composition of these elements), and can then determine if the proposed anticipated association budget appears to be a fair representation of amounts needed for initial assessment of all owners in order to adequately maintain the project's common areas and collect long term reserves.

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### **RE FORM 624**

Application Form for a Common Interest Subdivision. This must be fully completed and signed and dated by the applicant.

### **RE FORM 624A**

A simple summary for presenting what the developer intends to build with the proposed completion dates for these amenities. This is an important cross check for information contained in the budget, application and plot plan.

### **RE FORM 624C**

This form is required when certain information is needed for subdivisions located within Special Assessment Districts, Special Districts; Landscape and Lighting Districts, or a Community Facilities District. This form will provide information for disclosure in the Public Report relating to these additional fees that buyers may need to pay.

### **RE FORM 628**

Application Form for a Standard Subdivision. This must be fully completed and signed and dated by the applicant.

### **RE FORM 639**

This form is used on a conversion project or sometimes when the common areas are no longer new when interests in the project are being offered for sale. Form primarily assists the budget reviewer so they can see when portions of the common area were last replaced as well as other pertinent information.

### **RE FORM 648/LEGAL CHECK LIST**

If the management documents (i.e., CCRs, Bylaws, and Articles of Incorporation) have not been pre-reviewed and approved by the CalBRE, it becomes necessary to complete this form which shows where in these documents all required regulations can be found. This is an important guide to assist the deputy in reviewing the management documents and ascertaining that all required provisions are included within them.

### **SAMPLE DEPOSIT RECEIPT/PURCHASE CONTRACT**

The CalBRE needs to review this documents which will be used when making sales to determine purchasers are being dealt with fairly and within the law. The CalBRE will review this document for compliance with various regulations and Civil Code sections.

### **SAMPLE ESCROW INSTRUCTIONS**

The CalBRE will review this document to see what provisions will be contained and to make certain that all provisions shown comply with current law and coincide with other information in the filing. Many important provisions are required to be inserted. This document will need to be signed (original signatures) by the applicant as well as the escrow officer or manager.

### **SAMPLE GRANT DEED**

This shows the typical manner in which title will be transferred for each subdivision. This is of special importance when more complicated interests are being conveyed (such as in "Airspace Envelopes") and must coincide with information in other documents such as the CCRs and Condominium Plan. A faulty deed later being recorded can affect the interest that the buyer is purchasing, which will hopefully be eliminated by this review.

### **SCHOOL LETTERS**

These are issued by the school district(s) servicing the subdivision and will provide buyers with information on which schools will service that subdivision.

### **SUBORDINATION**

Recorded CCRs must be subordinated to all liens of record. This is required so that if there is a foreclosure on a lien the affected property will still remain subject to the CCRs. Subordination is most commonly accomplished through a Subordination Agreement affixed to the CCRs when recorded.

### **UTILITY LETTERS**

If utility lines are not extended into the subdivision or adjacent to it, a letter must be submitted from each utility supplier. These letters will provide information to disclose to buyers relating availability of service and the cost of extending utilities to each lot.

### **WATER SUPPLIER LETTER**

This is required under certain circumstances to show that potable water and water for fire service is available to all lots within the subdivision and that financial arrangements have been made to provide water service.

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