

Sample Letter:

DEMAND FOR COMPENSATION AFTER CLOSE OF ESCROW INSTRUCTIONS

NOTICE TO BUYER:

The attached letter is being provided to you as a courtesy by your real estate broker. A real estate broker is qualified to advise you on real estate matters, not the law. Broker does not represent, warrant or guarantee the accuracy of the information contained in this letter or the adequacy of the provisions contained therein as it relates to your specific real property transaction. It is up to you to decide whether the letter is appropriate for your situation and whether or not to sign the letter and send it to the person to whom it is addressed. The letter is not intended to replace or serve as legal advice. Before making the decision on whether you should sign and send this letter, your broker recommends that you first discuss the situation with legal counsel of your own choosing.

Letter-Specific Instructions:

Purpose: Letter from the buyer to the seller after close of escrow where the seller has failed to comply with the terms of the contract or failed to disclose various items, and as a result, the buyer has incurred a loss. This letter demands payment for that loss.

Buyers: _____

Address: _____

Phone: _____ Fax: _____ Email: _____

Date: _____

To: _____ **Seller 1, Seller 2** _____ ("Seller")
of the property located at _____ **123 Center St** _____ (Street address)
_____ (Unit #) _____ **Best Town** _____ (City) _____ **CA** _____ (State) _____ **94000** _____ (Zip Code) ("Property")
as specified in the Residential Purchase Agreement or [] Other: _____ dated _____
("Agreement") between Seller and _____ ("Buyer")

Re: Demand for Compensation After Close of Escrow

Dear _____ **Seller 1, Seller 2** _____ (Seller):

1. The terms of our Agreement explain our rights and responsibilities both during and after close of escrow. Since closing, it has come to my/our attention that a number of contractual promises as specified in the paragraphs checked below on your part were simply not kept.

[] Paragraph 7 of the Agreement requires that all debris and personal property not included in the sale be removed. This was not done. As a result, I/we have incurred clean up and removal costs as follows:

[] Paragraph 7 of the Agreement requires that the Property, including pool and landscaping, be maintained in substantially the same condition as of the date of acceptance. But the Property has sustained damage during the escrow which was never repaired as follows:

[] Paragraph _____ of the Agreement or [] Request for Repair form (C.A.R. Form RR) or [] _____ requires that the seller make repairs to the Property as a condition of sale including alterations, replacements, modifications, pest control work or retro-fit requirements. Furthermore, paragraph 15 of the Agreement requires that the repairs be performed in a good and skillful manner; that the work complies with applicable law, including governmental permit; and that the seller provide receipts and statements. The repairs that either have not been made or that were made inconsistent with the requirements of the Agreement, and the cost to correct these deficiencies, are as follows:

☐ Paragraph 9 of the Agreement requires various items of personal property or fixtures to remain upon close of escrow. The following items were missing, and their cost of replacement is identified as follows:

☒ Both the law and the Agreement require the seller to disclose material facts that affect the value or desirability of the Property. You failed to disclose the following items that resulted in damage to me/us as follows

☐ Paragraph 3M of the Agreement or ☐ Tenant Occupied Property Addendum (C.A.R. Form TOPA) or ☐ _____ requires that the Property be delivered vacant. This was not done and as a result I/we have incurred damages for loss of use of the Property, lost rent and costs for evicting the occupant of the Property as follows:

☐ Other

2. The sum total of damages, that I/we have been able to calculate at this point in time, resulting from your failure to comply with the law or Agreement is \$ _____. Please pay this amount within 10 days of your receipt of this letter. Should you fail within that time to do so, or to make a reasonable offer of settlement, I/we will have no choice but to consult with an attorney regarding legal rights. If I/we are forced to hire an attorney, the contract entitles the prevailing party in litigation or arbitration to reasonable attorney fees and costs.

Sincerely,

[Signature of Buyer(s)]

cc

Jeanne Gallagher,

[Type or print name of Buyer's Agent]

KW ADVISORS SF

[Type or print name of Buyer's Agent's broker]

Address **1624 California St**

City **San Francisco**

Zip **94109**

Telephone **(650)504-5110**

Fax _____

Email **Jeanne@JGallagherRealtor.com**

Listing Agent

[Type or print name of Listing Agent]

[Type or print name of Listing Agent's broker]

Address _____

City _____

Zip _____

Telephone _____

Fax _____

Email _____