

CALIFORNIA

ASSEMBLY BILL 957

“BUYER’S CHOICE ACT”

A new real estate law has come into effect in California: Assembly Bill 957, “Buyer’s Choice Act.”

AB 957, “Buyer’s Choice Act,” prohibits a seller of residential real property which has been improved by four or fewer dwelling units, from requiring, directly or indirectly, as a condition of selling the property, that title insurance covering the property or escrow service provided in connection with the sale of the property be purchased by the buyer from a particular title insurer or escrow agent. This section does not prohibit a buyer from agreeing to accept the services of a title insurer or an escrow agent recommended by the seller if written notice of the right to make an independent selection of these services is first provided by the seller to the buyer.

A “Seller” means a mortgagee or beneficiary under a deed of trust who acquired title to residential real property, improved by four or fewer dwelling units, at a foreclosure sale, including a trustee, agent, officer or other employee of any such mortgage or beneficiary.

Any seller who violates this section shall be liable to the buyer in an amount equal to three times all charges made for the title insurance or escrow service. In addition, any licensed person who violates this section shall be deemed to have violated his or her license law and shall be subject to discipline by his or her licensing entity.

Remember that you now have a choice on settlement services for all your transactions involving bank-owned properties (REOs). Chicago Title’s vast experience handling REOs and foreclosures gives your buyers the best local service and protection, keeping all your transactions moving smoothly. Call today or visit us on the web at www.ChicagoTitle.com.



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