



**The Owner's Affidavit in our Prelim has become prevalent due to work being done on properties within 90 days of the close of escrow to protect the buyer against mechanic liens.** Please read the requirements below, and please let us know ASAP if any work has been done to the property in the last 90 days and the scope of that work. This will help avoid closing delays.

On **July 1, 2024, AB 968, regarding repair disclosures, went into effect.** This new law makes the Seller's Affidavit even more important. The new CAR Contact will now require that sellers/flippers that have acquired a property and are selling that same property within **18 months** of the date that they acquired title, disclose any work done on the property.

**REQUIRED UNDER AB968, SELLERS WILL NEED TO PROVIDE:**

1. A list of all repairs/improvements.
2. **Name and contact information** for all contractors or sub-contractors.
3. **Copies of any permits obtained.**

Within each preliminary report is the **Owner's Affidavit form, which is required prior to the close of escrow.** Like the Statement of Facts form, this provides us valuable information to help address any issues early, so there are no last-minute delays closing a transaction.

Currently, as a title insurer, we do inquire about work done within the last 90 days, as the mechanic lien claimant, legally, cannot file a mechanic's lien beyond 90 days of the completion of the work.

**The sooner we receive the Seller's Affidavit, the smoother the closing!**

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