

Senate Bill No. 504

CHAPTER 51

An act to amend Section 2985 of the Civil Code, relating to real property sales contracts, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor June 30, 2006. Filed with
Secretary of State June 30, 2006.]

LEGISLATIVE COUNSEL'S DIGEST

SB 504, Torlakson. Real property sales contracts.

Existing law defines "real property sales contract" for purposes of provisions regulating, among other things, the transfer of real property sales contracts and the encumbering of real property sold under unrecorded real property sales contracts, and provisions specifying the required contents of real property sales contracts. The violation of these provisions is a crime.

This bill would provide, for purposes of these provisions, that a real property sales contract does not include a contract for purchase of an attached residential condominium unit entered into pursuant to a conditional public report issued by the Department of Real Estate, as specified.

This bill would declare that it is to take effect immediately as an urgency statute.

The people of the State of California do enact as follows:

SECTION 1. Section 2985 of the Civil Code is amended to read:

2985. (a) A real property sales contract is an agreement in which one party agrees to convey title to real property to another party upon the satisfaction of specified conditions set forth in the contract and that does not require conveyance of title within one year from the date of formation of the contract.

(b) For purposes of this chapter only, a real property sales contract does not include a contract for purchase of an attached residential condominium unit entered into pursuant to a conditional public report issued by the Department of Real Estate pursuant to Section 11018.12 of the Business and Professions Code.

SEC. 2. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

To avoid subjecting developers to criminal liability for unknowingly violating Chapter 2c (commencing with Section 2985) of Title 14 of Part 4 of Division 3 of the Civil Code.

O