



PETER ALDANA
COUNTY OF RIVERSIDE
ASSESSOR-COUNTY CLERK-RECORDER

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**Riverside County ACR
NEWS & ANNOUNCEMENTS**

Riverside County Official Cautions Against Deceptive Property Agreements with Long-Term Consequences

Riverside, CA - Homeownership is often considered the American dream, but it can quickly turn into a nightmare if homeowners fall prey to unscrupulous business practices. In response to a growing trend in Riverside County and across the country, Assessor - County Clerk - Recorder Peter Aldana has issued a warning to homeowners about certain property agreements that may put their rights and financial well-being at risk.

"In today's market, companies exploiting vulnerable homeowners in need are more prevalent than ever." Mr. Aldana said. "I urge all homeowners and real property owners to educate yourself about these agreements and seek professional legal advice before signing any documents."

These agreements involve upfront cash payments to homeowners in exchange for giving up certain rights, and they can have serious long-term consequences. To help homeowners make informed decisions about their property, Aldana is urging them to educate themselves about these agreements and to seek professional legal advice before signing any documents.

These agreements also state that a 3% commission will be paid to the company upon the sale of the property. Once signed, the company will then file a memorandum lien with the County Recorder. A memorandum lien is a type of lien that serves as a public notice of financial interest in property. The 40-year contract will remain attached to the property, meaning that if the current or future homeowners breach the contract or avoid listing with the company, they will have to pay fees equal to 3% of their current home value. Entering into such an agreement could have long-term financial and legal consequences. Regrettably, this type of arrangement is considered lawful.

"If a deal seems too good to be true," Mr. Aldana adds, "it often is too good to be true, you should exercise caution and vigilance when considering all types of agreements regarding your personal property."



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It is important for homeowners to understand that this type of agreement differs from typical listing guidelines.

A listing agreement is a contract between a real estate agent and a property owner who wants to sell or lease their property. It outlines the terms and conditions of the agreement, including the agent's commission, the duration of the agreement, and the listing price.

There are typically three types of listing agreements:

Exclusive Right-to-Sell Listing: This type of agreement gives the agent the exclusive right to sell the property and earn a commission, regardless of who ultimately sells the property. The agent is incentivized to market and sell the property because they are guaranteed a commission.

Exclusive Agency Listing: This type of agreement gives the agent the exclusive right to sell the property, but the owner can also sell the property themselves without paying the agent a commission.

Open Listing: This type of agreement allows the owner to work with multiple agents and only pay a commission to the agent who brings in the buyer.

In some areas, the standard length of a home listing agreement may be 90 days, while in other areas it may be up to six months or longer. Some real estate agents may also offer flexible listing terms based on the seller's needs or the state of the local housing market. It's important for potential sellers to carefully review and understand the terms of the listing agreement before signing, and to work with a reputable and experienced real estate agent who can help guide them through the process.

Riverside County officials are urging homeowners to exercise caution and vigilance when considering all types of agreements regarding their private property. Homeowners should be aware that there are individuals and organizations who may attempt to deceive them for financial gain. If you believe you were the victim of real estate fraud, please contact the **Riverside County District Attorney's Real Estate Fraud Hotline at 877-723-7779** for more information.



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