



*If your **Seller** has a NOD recorded against their property, it can trigger different requirements for a sale to be insurable.*

Section 1695 et seq. of the California Civil Code provides certain rights and protections to Sellers with a recorded NOD. There are three important questions to determine if your escrow may be affected:

- 1. Is the property an owner-occupied residence?**
- 2. Is the Purchaser an Investor?**
- 3. Is there an “NOD” recorded on the property?**

If the answers to **All Three** questions above are **“YES”**, the civil code gives the Seller specific rights that cannot be waived, including cancellation and rescission rights.

# WILL A NOTICE OF DEFAULT AKA NOD IMPACT YOUR CLOSING?

To ensure that title cannot be challenged later by a Seller under this law, title insurers require proof that proper notices were given. The California Association of Realtors® has created a special form just for this scenario, called the “Notice of Default Purchase Agreement” (aka NODPA). Failure to use the NODPA could impact the title company’s ability to insure the title and close the escrow.

## ***Need more information?***

*Contact North American Title to help you close your transactions.*