



THE SELLER'S DISCLOSURE PLAYBOOK

*What California Requires You to Disclose —
And Why Getting It Right Protects Your Bottom Line*



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Your Complete California Disclosure Roadmap

Everything you need to know — before you list

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CHAPTER 01

WHY DISCLOSURE MATTERS

Protect Yourself, Your Equity, and Your Peace of Mind

Let me be straight with you: California has some of the most comprehensive seller disclosure requirements in the country. And that's actually a good thing for you as a seller — if you know how to navigate them.

Here's the deal. Disclosure isn't just a legal formality you check off before listing. Done right, it's one of the most powerful tools in your selling arsenal. Buyers who feel informed feel confident. Buyers who feel confident make offers. And sellers who disclose honestly — and strategically — protect themselves from lawsuits, escrow blowups, and post-closing headaches that derail transactions every single week in this market.

80%

of post-sale litigation involves undisclosed defects

3–5 Days

buyer has to review & back out without penalty

\$0

cost to disclose —but thousands to hide it

The sellers who get burned aren't the ones who disclosed too much. They're the ones who didn't disclose enough — or who assumed the buyer wouldn't notice. Buyers notice. Their inspectors notice. Their attorneys definitely notice.



PRO TIP

I've been in this business a long time. The sellers who sleep soundly after closing are the ones who disclosed fully and priced smartly. Transparency isn't a weakness — it's your legal protection and your competitive advantage.

What California Civil Code §1102 actually says: if you're selling a property of one to four units, you are required to provide a completed Transfer Disclosure Statement (TDS) before the title changes hands. It's not optional. It's not a courtesy. It's the law.



Sellers who understand disclosures upfront avoid costly surprises at closing.

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CHAPTER 02

THE TRANSFER DISCLOSURE STATEMENT

California's Required Form — Decoded in Plain English

The Transfer Disclosure Statement — the TDS — is the cornerstone of every California home sale. Think of it as a structured conversation between you and the buyer about everything you know regarding the condition of your home. It's a standardized checklist designed to jog your memory about pretty much any situation that could come up.

1 HOME SYSTEMS

Every appliance, HVAC unit, pool, spa, sprinkler system, water heater, garage door, and utility connection must be disclosed — and you must indicate whether each item is owned or leased.

2 STRUCTURAL INTEGRITY

Interior walls, ceilings, floors, exterior walls, insulation, roof, windows, doors, foundation, slab, driveways, fences, electrical systems, plumbing and sewer.

3 HAZARDOUS MATERIALS

Asbestos, formaldehyde, radon gas, mold, lead-based paint, fuel storage tanks, contaminated soil, water intrusion, and thirdhand smoke.

4 LEGAL & ZONING ISSUES

Easements, encroachments, unpermitted additions, CC&R violations, HOA authority, pending lawsuits, and neighborhood nuisances.

5 DEATHS IN THE HOME

California requires disclosure of deaths on the property within the past three years — with limited exceptions.

THE TIMING RULE — DON'T GET THIS WRONG

The TDS must be delivered to the buyer before title transfers — giving them a review window of typically 3 to 5 days. Miss this window and you risk giving the buyer grounds to cancel without penalty — or worse, opening yourself to post-closing liability.



If you discover something new after your disclosure is signed — don't panic. You can file an addendum. That extends the buyer's review window. But it's far better to get it right the first time. We do a full walkthrough with every client before completing the TDS.

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CHAPTER 03

HOME SYSTEMS & STRUCTURAL

Every Item You're Legally Required to Disclose

The TDS checklist is detailed by design. Here's a breakdown of what you need to account for — organized so nothing slips through the cracks.

HOME SYSTEMS CHECKLIST

Kitchen & Laundry	Range/oven, microwave, dishwasher, trash compactor, garbage disposal, washer/dryer hookups
Climate Control	Central heat/AC, evaporative cooler, wall/window AC, ceiling fans
Outdoor & Safety	Pool/spa (locking cover & child barrier), built-in BBQ, gazebo, security gates, burglar alarm
Water & Utilities	Water heater (gas/solar/electric), water softener, sump pump, sewer vs. septic tank, water source
Tech & Connectivity	TV antenna, satellite dish, intercom, 220-volt wiring, carbon monoxide & smoke detectors
Garage & Exterior	Attached/detached garage, auto opener, rain gutters, patio/decking, sprinklers, window screens
Roof	Type of roofing material and approximate age
Fireplace(s)	Location, type, and operating condition

STRUCTURAL INTEGRITY CHECKLIST

- Interior walls, ceilings, and floors
- Exterior walls and insulation
- Roof condition (beyond type and age)
- Windows and doors — operation, seals, and condition
- Foundation and slab(s)
- Driveways and sidewalks
- Walls, fences, and shared structures
- Electrical systems — panel condition, outlets, wiring
- Plumbing, sewer, and septic
- Any other structural components you're aware of



Don't try to assess structural or system conditions by memory alone. A pre-listing inspection is one of the smartest \$400–\$600 investments you can make. It identifies issues before buyers do — and lets you price confidently.

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CHAPTER 04

HAZARDS, LEGAL & ZONING

Environmental Risks, HOA Obligations & Legal Compliance

This is the section where sellers often get nervous — and understandably so. Here’s the truth: disclosure of a known hazard is not the same as a deal dying. Buyers can price in a known issue. What they can’t forgive is finding out about it later.

HAZARDOUS MATERIALS — MUST DISCLOSE IF KNOWN

Asbestos	Common in homes built before 1980. Presence must be disclosed; abatement may be negotiated.
Lead-Based Paint	Federal law also requires a separate lead disclosure on homes built before 1978.
Mold (Excessive)	Visible or known mold must be disclosed. A mold inspection report is advisable.
Radon Gas	Less common in California but still required if known.
Formaldehyde	Found in some building materials and flooring — disclose if known.
Fuel/Chemical Tanks	Underground or above-ground storage tanks, including old oil tanks, must be disclosed.
Contaminated Soil	Any known contamination from prior use, dumping, or neighboring properties.
Water Intrusion	Past or present leaks, flooding, or drainage issues — a big one for buyers.
Thirdhand Smoke	Residual tobacco or cannabis smoke embedded in walls and surfaces must be disclosed.
Fire/Earthquake Damage	Significant damage from fire, earthquake, flood, or landslide — even if repaired.

LEGAL, ZONING & COMPLIANCE — MUST DISCLOSE IF KNOWN

- Room additions or structural modifications — permitted OR unpermitted (both must be disclosed)
- Zoning violations or non-conforming uses
- Easements, encroachments, or shared structures with neighbors
- HOA authority over the property — rules, fees, enforcement history
- Common areas associated with the property (pool, courts, walkways)
- Active or pending lawsuits involving the property
- Noise nuisances from neighbors, traffic, businesses, or flight paths
- Covenants, Conditions & Restrictions (CC&Rs) or deed restrictions
- Notice of abatement or code enforcement citations

 **DEATHS
IN THE HOME**

California law requires you to disclose the death of any person on the property within the past three years. You are NOT required to disclose deaths that occurred more than three years ago, or if a prior occupant had HIV/AIDS. When in doubt — disclose. Neighbors talk. Buyers check.

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CHAPTER 05

ADDITIONAL STATE DISCLOSURES

Beyond the TDS — What Else California Requires

The TDS is your foundation, but California sellers are also responsible for a stack of additional disclosure forms and notices. Think of these as the fine print most sellers don't hear about until it's too late. We walk you through every single one.

1

Natural Hazard Disclosure (NHD)

Required on every California sale. Identifies whether your property is in a special flood hazard zone, high fire severity zone, earthquake fault zone, seismic hazard zone, or wildland fire area. A licensed NHD company prepares this — we coordinate it on your behalf.

2

Mello-Roos Special Tax

If your property sits in a Community Facilities District, you're required to disclose the additional tax levied on the property. Buyers need to know what's added to their tax bill annually.

3

Supplemental Property Tax Notice

Buyers must be notified that the property will be reassessed upon transfer, potentially triggering an additional supplemental tax bill.

4

Ordinance Location Disclosure

If your home is within one mile of a known military training site, you must disclose it. Unexploded ordnance is a real (if rare) risk in certain California areas.

5

Window Security Bars

If your home has window security bars, California requires you to disclose their presence and confirm whether bedroom bars have a quick-release mechanism for emergency egress.

6

Megan's Law Database

Sellers must notify buyers that a public database of registered sex offenders exists and is accessible at www.meganslaw.ca.gov.

7

Lead-Based Paint Disclosure

Federally required for homes built before 1978. Sellers must provide an EPA pamphlet and disclose any known lead paint hazards.

8

Water Heater & Smoke Detectors

California sellers must certify that the water heater is properly braced against seismic movement, and that working smoke detectors are installed on every level.

9

Agency Relationship Disclosure

All California real estate agents are required to disclose their agency relationships to every party in the transaction — who they represent and how.



The High Desert's natural hazard landscape makes the NHD an especially critical disclosure for our market.

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CHAPTER 06

EXEMPTIONS & EXCEPTIONS

When the TDS Doesn't Apply — And Why You Should Still Disclose

California law recognizes certain situations where the full TDS requirement doesn't apply. I'll give you the straight list — but I'll also give you my honest take on why disclosing anyway is almost always the smarter play.

SITUATIONS EXEMPT FROM THE TDS REQUIREMENT

- Sale ordered by a court (probate, bankruptcy, divorce settlement)
- Foreclosure sale
- Transfer through a will or by a fiduciary (trust, guardianship, conservatorship)
- Transfer between co-owners
- Transfer between spouses or in a direct line of family
- Transfer resulting from a divorce or legal separation agreement
- Tax default sale
- Transfer to a government entity
- Property that is NOT a 1–4 unit residential property

THE HURST GROUP TAKE

Even when you're legally exempt from the TDS, voluntary disclosure of known material defects is still your best protection against post-sale litigation. We've seen exempt sellers get sued because they stayed quiet about something they clearly knew. Exemption from the form doesn't exempt you from honesty. When we handle probate or trust sales, we advise full disclosure to the extent possible — every time.

What If I Accidentally Left Something Out?

Good news: an honest mistake is defensible. If a buyer came after you post-closing, they'd need to prove you intentionally omitted the information. The TDS checklist is thorough enough that accidental omissions are relatively rare. But if something surfaces before closing, an addendum protects you — and we handle that on your behalf.

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CHAPTER 07

WORKING WITH YOUR AGENT

How The Hurst Group Navigates Disclosures With You

A great listing agent doesn't just hand you a stack of forms and say 'good luck.' At The Hurst Group, the disclosure process is a collaborative walkthrough — and it starts before you ever sign a listing agreement.

1 Pre-Listing Walkthrough

Before any paperwork, we walk the property with you. We identify potential disclosure issues before they become surprises — and give you our honest read on what needs to be addressed versus what simply needs to be disclosed.

2 TDS Completion Session

We sit down with you — in person or virtually — and work through the TDS line by line. No guessing. No blanks left open. No 'I think it's fine.'

3 Pre-Listing Inspection Coordination

We connect you with trusted, licensed inspectors who know this market. A pre-listing inspection costs a few hundred dollars and can prevent thousands in price reductions or escrow fallouts.

4 Additional Disclosure Package

We prepare and coordinate your complete disclosure package: NHD, Megan's Law, Mello-Roos (if applicable), lead paint (if applicable), water heater and smoke detector compliance.

5 Buyer Delivery & Timing Management

We ensure your disclosures are delivered on time, tracked, and acknowledged by the buyer in writing — protecting your timeline and your legal standing.

6 Addendum Support if Needed

If something new comes up after disclosures are submitted, we draft and deliver the addendum promptly — minimizing disruption and protecting the deal.

WHY THIS MATTERS TO YOUR BOTTOM LINE

Every issue a buyer discovers on their own becomes a negotiation chip. Every issue you disclose upfront is priced into the market and managed on your terms. The difference between reactive and proactive disclosure can easily be \$5,000–\$10,000 or more off your net proceeds.



CURTIS HURST

Managing Team Leader & CIO

The Hurst Group at KW Mojave

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BONUS RESOURCE

SELLER DISCLOSURE QUICK-REFERENCE CHECKLIST

Print this. Use it before every listing conversation.

TRANSFER DISCLOSURE STATEMENT (TDS)

- Complete all home systems — owned vs. leased, operating condition
- Structural items — walls, roof, foundation, plumbing, electrical
- Hazardous materials — asbestos, mold, lead, contamination, smoke
- Legal issues — permits, additions, easements, lawsuits, HOA
- Deaths on property within the past 3 years
- Flood, drainage, or grading problems

ADDITIONAL REQUIRED DISCLOSURES

- Natural Hazard Disclosure (NHD) — fire, flood, earthquake zones
- Mello-Roos bond tax (if applicable)
- Supplemental property tax notice
- Ordinance location notice (if within 1 mile of military site)
- Window security bars and quick-release mechanism
- Megan's Law sex offender database notice
- Lead-based paint disclosure (homes built before 1978)
- Agency relationship disclosure

COMPLIANCE CERTIFICATIONS

- Water heater braced/anchored per California seismic code
- Smoke detectors on every floor and in every bedroom
- Carbon monoxide detectors installed per current code

HURST GROUP RECOMMENDED STEPS

- Schedule pre-listing walkthrough with your agent
- Order pre-listing home inspection (\$400–\$600)
- Request NHD report from a licensed provider
- Obtain HOA documents if applicable (rules, financials, minutes)
- Pull permits for any additions or upgrades
- Gather warranties on appliances, roof, HVAC, and major systems



YOU'VE GOT THE PLAYBOOK. NOW LET'S PROTECT YOUR SALE.

California disclosures don't have to be stressful. With the right agent guiding every step, they become your protection — and your competitive advantage as a seller.

SCHEDULE YOUR FREE HOME VALUE STRATEGY SESSION

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