

EXHIBIT C

PROPOSED DRAFT

The printed portions of this form, except differentiated additions, have been approved by the Colorado Real Estate Commission.
(DIDA- 2023) (Mandatory 1-2024)

THIS FORM HAS IMPORTANT LEGAL CONSEQUENCES AND THE PARTIES SHOULD CONSULT LEGAL AND TAX OR OTHER COUNSEL BEFORE SIGNING.

DISCLOSURE OF INFORMATION, DUTIES, AND AUTHORIZATIONS REGARDING TITLE INSURANCE & CLOSING SETTLEMENT SERVICES

THIS DISCLOSURE IS TO BE COMPLETED BY SELLER, BUYER, AND NOT BY A BROKER. THIS FORM IS IN ADDITION TO THE BROKER'S REQUIRED AFFILIATED BUSINESS ARRANGEMENT DISCLOSURE, IF APPLICABLE.

1. The undersigned Seller and Buyer are provided this "Disclosure Of Information, Duties, And Authorizations Regarding Title Insurance & Closing Settlement Services" to assist Sellers and Buyers in understanding their rights and responsibility in shopping and selecting their chosen Title Company in providing the necessary Title Insurance & Closing Settlement Services as addressed in paragraphs 8.1.1, 8.1.2 and 12.4 of an expected CONTRACT TO BUY AND SELL REAL ESTATE, for the following property:

known as No. _____
Street Address City State Zip

2. DISCLOSURE OF INFORMATION TO SELLER AND BUYER:

2.1 The Real Estate Settlement Procedures Act (RESPA), is a federal consumer protection law enacted by Congress in 1974 and managed by Consumer Financial Bureau (CFPB), which guarantees sellers and buyers the right to shop and select the Title Company for their title insurance & closing settlement services.

2.2 The Division of Real Estate license and regulates real estate brokers. Brokers are advised to provide sellers and buyers with the names of several recommended title companies. A broker cannot require a seller or buyer to use a certain title company and the seller and buyer can shop and select similar services from other companies.

2.3 The Division of Real Estate requires Brokers with a business relationship with a Title Company for financial or other benefits to provide the seller and buyer with an Affiliated Business Arrangement Disclosure Statement disclosing the relationship. Such a statement must provide an estimated charge or range of charges for the title insurance and closing settlement services of the referred Title Company. Sellers and buyers are NOT required to use the referred Title Company and are free to shop around to determine if they are receiving the best services and the best rate for these services.

2.4 Real Estate Brokers, when securing a Listing Agreement, typically places and markets the property in a Multiple Listing Service (MLS) or other marketing services. Such marketing generally includes a named /selected Title Company, which is premature and creates an unwarranted position for the seller in negotiating the Contract To Buy And Sell Real Estate.

2.5 The Division of Real Estate advises consumers to beware of wire fraud and phishing scams related to their real estate transactions. Before wiring any money to a Title Company, go back and review the original documents that you received from the Title Company and verify the wire instructions. Consumers should also be suspicious of emails or texts (including by your Broker) requesting a change to wiring instructions and should verify the wiring of any monies directly with the Title Company, and follow-up as to the Title Company's receipt of the wired monies.

2.6 The Division of Insurance license and regulates title companies. Title insurance rates and closing settlement fees are filed with the Division of Insurance. However, these costs can vary from a few dollars to thousands of dollars depending on the individual transaction, property location, filed discounts programs, and at the date of the actual placement of the requested title insurance and closing settlement services. Both a seller and buyer can be financially affected by sections 8.1.1 and 8.1.2 of the CONTRACT TO BUY AND SELL REAL ESTATE.

2.7 The Division of Real Estate and Division of Insurance both encourage sellers and buyers to shop and get multiple quotes for title insurance and closing settlement services and select the title company of their choice.

2.8 The Division of Insurance advises and promotes that sellers and buyers can have their real estate closing and monies further protected by a Closing Protection Letter (CPL) issued by a Title Insurance Underwriter that provides the following additional protections/ assurances, for a nominal cost.

- *Loss due to fraud, theft, dishonesty, misappropriation of funds, or the mishandling of documents, and*
- *Loss due to failure to comply with the closing instructions of the lender as provided for by the terms of the CPL.*

3. DUTIES AND AUTHORIZATIONS BY SELLER AND BUYER:

3.1 By Seller:

3.1.1 Seller ___ Does ___ Does Not request Broker to place the name of a Title Company shown in any Multiple Listing Services (MLS) and/or other Marketing Services.

3.1.2 Seller ___ Does ___ Does Not request Broker to shop and present the availability of Title Companies and related costs for the necessary Title Insurance & Closing Settlement services and costs pursuant section 8.1.1 of a fully executed CONTRACT TO BUY AND SELL REAL ESTATE.

3.1.3 Seller ___ Does ___ Does Not request and authorizes Broker to order the seller’s required title insurance & closing settlement services referenced in section 8.1 of a fully executed CONTRACT TO BUY AND SELL REAL ESTATE.

3.1.4 Seller ___ Does ___ Does Not request Broker to ask the selected Title Company to issue a Seller’s Closing Protection Letter (CPL),

3.2 By Buyer:

3.2.1 Buyer ___ Does ___ Does Not request Broker to shop and present the availability of Title Companies and related costs for the necessary Title Insurance & Closing Settlement services and costs pursuant section 8.2 of a fully executed CONTRACT TO BUY AND SELL REAL ESTATE.

3.2.2 Buyer ___ Does ___ Does Not request and authorizes Broker to order the Buyer’s required title insurance & closing settlement services referenced in section 8.1.2 of a fully executed CONTRACT TO BUY AND SELL REAL ESTATE.

3.2.3 Buyer ___ Does ___ Does Not request Broker to ask the selected Title Company to issue a Buyer’s Closing Protection Letter (CPL)

4. ACCEPTANCE OF DUTIES BY BROKER:

4.1 Seller’s Broker: ___ Does ___ Does agrees to comply with sections 3.1.1 thru 3.1.4

4.2 Buyer’s Broker: ___ Does ___ Does agrees to comply with sections 3.2.1 thru 3.2.3

5. COUNTERPARTS. This document may be executed by each party, separately, and when each party has executed a copy, such copies taken together are deemed to be a full and complete contract between the parties.

6. Choice of Law. This Disclosure and all disputes arising hereunder are governed by and construed in accordance with the laws of the State of Colorado that would be applicable to Colorado residents who sign a contract in Colorado for real property located in Colorado.

7. ACCEPTANCE. Seller(s), Buyer(s), and Broker(s) hereby acknowledge receipt of this disclosure and accept the aforementioned information, duties, and authorizations of this DISCLOSURE OF INFORMATION, DUTIES, AND AUTHORIZATIONS REGARDING TITLE INSURANCE & CLOSING SETTLEMENT SERVICES.

Seller: _____ Date: _____ Seller: _____ Date: _____

Seller’s Broker: _____ Date: _____

Buyer: _____ Date: _____ Buyer: _____ Date: _____

Buyer’s Broker _____ Date: _____