



## Town of Paradise

# BUYER CHECKLIST FOR PURCHASING FROM AN OWNER-BUILDER



### CONSTRUCTION AND PERMITTING DOCUMENTATION:

- ☐ Copy of Final Building Permits and Certificates of Occupancy.
- ☐ List of subcontractors used (plumbing, electrical, framing, etc.).
- ☐ Proof of inspections (all required stages signed off by the Building Department).
- ☐ Documentation showing work was completed to code (if applicable, engineering reports, etc.).



### WARRANTIES AND DISCLOSURES:

- ☐ Written Warranty Agreement for (optional but protective):
  - Workmanship (licensed contractor required to provide 1 year)
  - Systems (plumbing, electrical, HVAC)
  - Structural elements (foundation, framing, etc., licensed contractor required to provide 10 years)
- ☐ Signed Transfer Disclosure Statement.
- ☐ Disclosure of any known defects or unpermitted work.
- ☐ Disclosure of subcontractor or supplier liens (if any exist).



### FINANCIAL PROTECTIONS:

- ☐ Escrow Holdback Agreement (optional but protective):
  - Hold part of the sale proceeds (e.g., 5-10%) for a set time post-closing (e.g., 6-12 months) to cover any defect claims.
- ☐ Seller Affidavit affirming there are no outstanding debts tied to construction.



### PROFESSIONAL SUPPORT:

- ☐ Independent Home Inspection by a certified home inspector.
- ☐ Attorney Review of purchase agreement and warranty language.
- ☐ Consultation with a Title Company regarding mechanic's lien protection.



### RISK PROTECTIONS:

- ☐ Lien Releases from all subcontractors and material suppliers (or title insurance that covers mechanic's liens).
- ☐ Indemnity Clause in the purchase agreement protecting the buyer from construction defects or code violations.
- ☐ Proof of Insurance (general liability, if applicable).



### COMPLIANCE CHECK:

- ☐ Verify that the property complies with all zoning, wastewater/septic regulations, fire defensible space requirements, and floodplain/building code restrictions (if applicable).



### GOAL:

- ☐ Ensure you, as the buyer, have the same or greater protections you would if buying from a licensed contractor.



#### Building Resiliency Center

6295 Skyway

Paradise, CA 95969

530-872-6291 ext. 411

Monday 9:00am - 5:00pm

Tuesday - Friday: 8:00am - 5:00pm

Closed Daily 12pm - 1pm for Lunch