CALIFORNIA ASSOCIATION OF REALTORS®

QUICK GUIDE

June 2025 revision to the C.A.R. Addendum

Why Change a mostly blank form?

The June 2025 revision to the C.A.R. Addendum (ADM) removed a preprinted option to use the form along with a Transfer Disclosure Statement (TDS), and added specific recommendations for other, better suited, forms to use in different situations. The blank lines have been left alone. The change has brought renewed interest in the distinction between an addendum and an amendment. To learn more about that issue, see the Quick Guide titled, "Addendum vs. Amendment. What's the Difference?" which was revised September 21, 2022.

The ADM is for buyer/seller or tenant/housing provider transactions. The ADM-GEN is for everything else.

The parties to an ADM, then and now, are parenthetically defined to be buyer and seller or tenant and housing provider. That raised a question of what form to use to supplement a document between other parties, such as a broker and a buyer, seller, or agent. C.A.R. created a generic addendum, the ADM-GEN, to be used in those other situations. The parties to the ADM-GEN are generically described as Principal 1 and Principal 2. While the ADM-GEN can be used instead of the ADM, the better form to use is the ADM because it defines the parties as buyer/seller or tenant/housing providers, thus letting zipForm® auto tag the signature lines which makes it easier to sign the form.

What is the form to use to disclose new information after a seller disclosure has already been provided?

The pre-June 2025 version of the ADM had a box to be checked to use the older form with a TDS. It was unlikely, however, that a seller would use the ADM to provide additional information at the time the TDS was provided. The seller would instead use the explanation paragraphs in the TDS to do so. More likely, the older ADM was used as an amendment to a TDS or Seller Property Questionnaire (SPQ) when the seller discovered new information or forgot to disclose something on those forms when originally provided. The C.A.R. form Amendment to Existing Agreement Terms (AEA) was not the right form to use because the AEA would modify an existing agreement but the TDS and SPQ are not agreements, but rather disclosures. To cover this situation, C.A.R. created the Amendment to Prior Disclosure (APD). The APD is used by a seller to modify a previously provided disclosure, whether in a TDS, SPQ or something else. The buyer's signature is an acknowledgement of receipt of the new/revised disclosure.

Can the AEA be used to modify a previously signed listing or buyer broker agreement?

While a residential listing, such as C.A.R. Form RLA, or a buyer representation contract, such as C.A.R. Form BRBC, are agreements, the Amendment of Existing Agreement Terms, AEA, is NOT designed to modify those agreements because the AEA parenthetically defines the parties as buyer/seller or tenant/housing provider and uses those terms in the signature section. If the broker and seller or buyer principal mutually agree to change the expiration date, the compensation amount or formula, or other term of the broker-principal contract the better form to do so is the Modification of Terms – Listing Agreement (MT-LA) or Modification of Terms – Buyer Representation Agreement (MT-BR). The MT-LA and MT-BR contain preprinted clauses that address the most commonly modified terms that would apply to the previously signed broker-seller/buyer agreement.