

# **QUICK GUIDE**

### **Mold Disclosures: Leases and Sales**

#### Is a new mold disclosure booklet required to be provided in sales and rentals?

Only for residential leasing beginning January 1, 2022. It is not required to be given to a buyer in a sale of real property. Beginning January 1, 2022, all landlords will provide the new booklet "Information on Dampness and Mold for Renters in California" to all prospective renters. This booklet is a prechecked attachment to C.A.R.'s Residential Lease (Form LR) beginning in December of 2021.

## Are landlords required to provide the booklet to existing tenants? No. Just new tenants.

# Are there any other disclosures that a residential landlord may provide to the tenant regarding mold?

Yes. The landlord may provide the "Residential Environmental Hazards" booklet. This booklet provides limited liability protection to the landlord for information pertaining to environmental hazards. The landlord may also consider attaching the "Lease/Rental Mold and Ventilation Addendum" (Form LRM) which instructs the tenant on taking steps to inhibit mold. Both the booklet and the form may be attached to C.A.R.'s Residential Lease by checking the boxes in the appropriate section of the lease.

#### What disclosures concerning mold are required in a residential sale?

The Transfer Disclosure Statement (Form TDS) asks the seller to disclose any environmental hazards, including mold, on page 2 under question C.1. The disclosure is based on actual knowledge. Additionally, for any transaction in which the TDS is required, C.A.R. purchase agreements require that the seller complete the Seller Property Questionnaire (Form SPQ), in which mold is more specifically addressed. Any "Yes" answer should include an explanation. Again, the disclosure is based on actual knowledge.

Apart from that, there is no legally mandated mold disclosure in a residential sale. However, it is highly recommended that the listing agent provide the "Residential Environmental Hazards" booklet. This booklet discusses a host of common environmental hazards in residential properties including mold. Additionally, the Statewide Buyer and Seller Advisory (Form SBSA) is a recommended disclosure. It's a 14-page document covering a wide variety of problems and issues relating to real estate. Item number 9 specifically discusses mold.

### What are the legally established permissible exposure limits for mold?

There are none. Although the California Department of Public Health was directed to establish "permissible exposure limits" for mold contamination back in 2002, as of March 2022, they have yet to do so, explaining that there is no scientific basis on which to establish such limits. Instead, the advice of the CDPH is to simply remediate the issues of water damage, dampness, visible mold and mold odor wherever and whenever they occur without relying on any measurement of indoor mold levels. See the CDPH's "Statement on Building Dampness, Mold, and Health."