

California Real Estate Attorneys have never seen more fraud in the real estate industry than there has recently been in this economic downturn. There has been loan modification fraud on a huge scale, loan fraud, RESPA violations and individual acts of fraud in the sale and purchase of real estate throughout California.

If you have a real estate matter or a contract that needs review, visit our law firm website at <http://www.SebastianGibsonLaw.com> for more information and call us at any of the numbers easily found on our website.

It doesn't matter where you live, if you eventually ever buy or sell real estate again, which many of us have begun to think will never happen again, though it probably will, you need to know what makes a real estate contract legal.

A real estate contract can be written, oral, or implied. But in real estate law, only some real estate contracts can be oral such as commission sharing agreements, while almost every other type of real estate contract must be in writing.

The Statute of Frauds in California requires these contracts to be in writing: leases for more than a year, commission agreements between principals and real estate licensees, and contracts for the sale of real estate.

The required elements of all contracts in California are: the capacity of the parties to enter into the contract (not minors, not people of unsound mind, not intoxicated or drugged parties), an offer containing all the material terms, acceptance of that offer, communication of the acceptance, mutuality of consent, and consideration (anything of legal value).

While in many real estate contracts, a good faith deposit is made, this deposit is not required for there to be a valid contract.

In real estate law, there are common situations that arise which don't arise as often in other situations. For instance, real estate offers often have expiration dates. Options are used frequently by builders in land contracts. Counter-offers can be numerous.

Additionally, in real estate situations, and especially in bad economic times, parties try to avoid being bound by contracts more often. Grounds for avoidance include duress, undue influence, fraud or misrepresentation, and mistake.

A party can be defrauded in the inducement to sign the contract for instance by failing to disclose material facts. A party can also be defrauded in the inception by making a person believe they are signing something else all together. When obtaining celebrity autographs, it's therefore not a good idea to try to get them to sign for your meal at the same restaurant.

A party can also illegally be induced into breaching a contract. This tort requires proof of the following: a valid contract with another, knowledge of the contract, intent to induce a breach, a breach, improper or unjust conduct in inducing the breach, and damages.

One can also be sued for interference with an existing contractual relationship. For this type of lawsuit to be successful you must prove the existing valid contract, knowledge, intentional acts to interfere with the contract, actual interference and damages.

Remedies for breach of contracts include damages, specific performance of the contract despite its breach or rescission of the contract. Real estate contracts often provide for liquidated damages, i.e. a specific amount of damages to be paid, in the event of a breach.

While in general there are no punitive or emotional damages available for breach of a contract, there are exceptions. And if the contract provides that the prevailing party is entitled to attorney fees and costs, the losing party will be responsible for both his or her own attorney fees and costs as well as the other party's attorney fees and costs.

If you have a real estate contract or agreement that needs to be reviewed or need the assistance of a California real estate lawyer and broker in a real estate dispute, visit our law firm website at <http://www.SebastianGibsonLaw.com> and call the law firm of R. Sebastian Gibson today.