



BUYER'S *guide*

LET'S FIND YOUR DREAM HOME!



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Sotheby's
INTERNATIONAL REALTY

Pioneer Title Agency

COMMITMENT TO SERVICE

TABLE OF CONTENTS

THE PURCHASE

Don't Make a Move Without a Realtor®	1
Why Does a Realtor Charge Commission?	2
Purchasing New Homes and Construction	3
Closing Tips	4
C.L.U.E.	5
Steps of the Home Purchase Process	6
Homebuyer Note Sheets	7
Estimating Your Home Cost Payment	10
Explanation of Estimated Costs	11
Explanation of Closing Costs	13
Title Insurance Premiums	14

THE LOAN PROCESS

Items Required for Loan Application	15
Explanation of "Points"	16

THE FUNCTION OF A TITLE COMPANY

What is Escrow?	17
Reviewing Your Title Commitment	18
Arizona's "Good Funds" Law	19
Property Tax Information	20
Ensure a Smooth Closing	21

TITLE INSURANCE

Holding Title to Real Property	22
Ten Reasons a Buyer or Seller Should Request a Homeowner's Policy	23

DON'T MAKE A MOVE WITHOUT A REALTOR®

"Finding a home without a REALTOR® is like finding a needle in a haystack."

As members of the National Association of REALTORS®, a strict Code of Ethics binds Realtors®. Here is why working with a REALTOR® works for you in terms of your interests, convenience, budget and your peace of mind throughout the entire buying process.

- REALTORS® are the source of the most complete and up-to-date information on market availability, including homes listed by another REALTOR®. Working with a REALTOR® saves valuable time.
- REALTORS® assist in determining what a purchaser can afford as well as available financing options.
- REALTORS® assist in finding the home which best meets a purchaser's needs, from size and style to features and location as well as accessibility to desired amenities.
- REALTORS® can provide information to better inform a purchaser which property to buy, from real estate values to taxes, municipal services to utility costs.
- REALTORS® can be objective about a property and point out disadvantages, as they have no emotional ties.
- REALTORS® will negotiate offers and counter offers on your behalf with the Seller until an agreement has been made and will guide you through the loan and escrow process.
- REALTORS® will determine "Fair" market value establishing a fair sales price.

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Why does a REALTOR® charge commission?

Your REAL ESTATE agent is a self employed business professional. Their job is to represent you in the transaction of REAL ESTATE. Whether you are selling a home, or looking to purchase property. A REAL ESTATE agent is hired by you to represent your best interests not just financially, but to help you achieve your realistic expectations. As a licensed REALTOR® a huge amount of responsibility goes along with the job, not only to serve you as a client, but to help protect you and your interests.

Being a REALTOR® is not a nine to five job, there is no wage or salary check from their employer at the end of each pay period and no hourly rate is determined by a labor board. Your REALTOR® is paid only at the successful close of escrow on the property in question.

Being a REALTOR® is just like operating your own business. Your agent faces similar “overheads” found in any business venture with a good portion of their commission satisfying these business related expenses, which directly help serve you as a client. Depending on the agent and the agency he/she represents, that commission is often split with their REAL ESTATE office to help cover the “cost of doing business”.

Other REALTOR® expenses come in many forms. Advertising your house, or their services via magazines and newspapers is extremely expensive. A single page in a “free” publication (i.e., found at the grocery store), can cost several hundred dollars alone each month.

Transportation, vehicle operating costs and rising gasoline prices are also a very expensive portion of a REALTOR’S® business. Office space/facilities and equipment are a monthly expense for your REALTOR®. “Cutting edge” technology costs money and computers, printers, hardware, software, web-pages, e-mail, cell phones with airtime and long distance, pagers, renewal hours and continued education classes are just some of the things which must be paid by your agent before a commission is ever paid.

When you retain a REAL ESTATE agent, please remember that they are working hard for you and the commission that they earn is typically well deserved.

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Purchasing New Homes and Construction

Purchasers who choose new home construction instead of residential resale in established neighborhoods have additional legal considerations of which to be aware. Prior to any new home purchaser signing a contract with a new homebuilder they should:

- **Read the subdivision public report.** The law requires a builder in a new home subdivision to provide to prospective purchasers a report that discloses information about the subdivision which may affect the purchaser's decision to buy. The public report will include information on adjacent land use (commercial zoning and city dump location, if nearby, for example) as well as assessments and taxes to name but a few.
- **Read the CC&R's and any other homeowner association bylaws and/or architectural guidelines.** CC&R's (Covenants, Conditions and Restrictions) enable an association to control some aspects of a purchaser's use of their home. CC&R's can be very strict, particularly those which address landscaping, paint selections, RV's, boats and outdoor play equipment. These restrictions must be addressed by the purchaser in advance as post-closing is too late to find out your home will not meet your intended use.
- **Read the purchase contract.** Unlike residential resale purchase contracts, there is no standard contract for homebuilders. Keep these points in mind while reading the builder's contract:
 - o What happens to your earnest money and any additional cash deposits to secure your lot? Deposits should be held by an escrow company, however a builder may disclose that deposits are held not by an escrow company but become immediately available for use by the builder. A purchaser may find it difficult to recover funds held by the builder if the builder fails to perform as promised.
 - o Is there a financing contingency for the benefit of the purchaser? Should the purchaser not qualify for a loan are they required to apply through the builder's lender or are they entitled to a return of their deposit?
 - o Realistic completion date. Should the date not be met, is the purchaser able to negotiate with the builder a certain dollar amount per day for late completion?
 - o What are a purchaser's options for problems? Are there remedies set out in the builder's contract should a problem arise or is a purchaser forced to use the Registrar of Contractors or binding arbitration? Prospective purchasers should consult an attorney if they do not understand the language and or rights set out in the builder's contract.

Finally, talk to your Realtor. Agents who work in a model home center represent the builder and although warm and friendly to purchasers, they are advocates of the builder paid by the builder. It is in a purchasers best interest to work with an independent Realtor of their own choosing who represents them through the entire new home purchase process, including the closing.

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TIPS

make your
closing worry free

1. **FIRE INSURANCE POLICY** - Your lender will require a hazard insurance policy naming the new lender as the Loss Payee. It is your advantage to shop for best pricing. Having placed your insurance, instruct your agent to call Pioneer Title, as additional information will be needed to complete your policy.
2. **PREPAID INTEREST** – Interest on your new loan is paid in arrears (for example, your escrow closes June 10 - Pioneer Title will collect prepaid interest from June 9 through July 1; your first payment on the new loan is due August 1, which pays interest from July 1 to August 1).
3. **LENDER REQUIRED FEES:**
 - A. **PMI (Private Mortgage Insurance)** Usually 0.05 % point fee. Should your lender require PMI, required on new loans wherein a borrower puts less than 20% down towards the new loan, expect 1 year prepaid PMI in escrow, plus 2 months deposited into an impound account.
 - B. **FIRE INSURANCE** – One year prepaid in escrow plus 2 months deposited into an impound account.
 - C. **REAL ESTATE PROPERTY TAXES** – Depending upon the month of closing, a lender will require a property tax reserve which will include enough funds to enable the lender to pay the taxes when they become due plus an additional two month cushion.
 - D. **CREDIT CARDS/PERSONAL LOANS/CAR LOANS** – Depending on the loan ratio to your income, a lender may require all or a portion of your debts be paid off in escrow. They supply escrow with estimated balances, however it is your responsibility to provide Pioneer Title current billings for payment. Escrow does not check balances or recent payments made.
4. **FUNDS TO CLOSE ESCROW:** Funds deposited for close of escrow should be in the form acceptable to the escrow agent. An escrow agent will require cashed funds from a local banking institution or wired funds as out of town and personal checks will cause a delay in the transaction. Title companies do not accept cash.
5. **CLOSE OF ESCROW** – The Arizona definition of close of escrow is recordation completed with the Maricopa and Pinal County Recorder's office. Signing lender and escrow documents is not closing. Following appointments by purchaser and seller to sign their individual packages, Pioneer Title packages and returns them to the lender for review. Lenders may take 24 to 72 hours to review and fund. Following the lender deposit of funds into escrow, Pioneer Title presents the original signed documents (deed, deed of trust) to the County Recorder for recordation. Recordation is the "Close of Escrow".
6. **POWER OF ATTORNEY** – If any one of the purchasers will be unavailable to sign the lender/escrow packages, notify the Realtor immediately. Your Realtor will notify your loan officer and Pioneer Title. Many lenders will accept a power of attorney signature if the title company prepares the document. The lender must always approve a Power of Attorney in advance.

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Definition of C.L.U.E.

CLUE, an acronym for “Comprehensive Loss Underwriting Exchange” is another hot button in the real estate industry. CLUE is a database of homeowners insurance policy claims information. In existence for some years now, insurance companies use the database to determine both the issuance as well as the continuance of homeowner’s insurance policies.

A CLUE Report consists of two parts; the insured’s claim history and the property claim history. How many claims an insured has made as well as what type of claims can affect their insurability. In other words, there is no standard for making the insurability determination within the industry. Nonetheless, a CLUE Report may affect not only a property which interests the purchaser. However, the purchasers previous claims may also be considered in the insuring of a property.

Home purchasers have no access to the CLUE database information through their own insurance carrier because they don’t yet own the property, nor for that matter is their insurance agent able to supply them any information on the property. A seller is permitted to see only that part of the report that pertains to his or her own individual claims history. The property seller alone may provide a copy of the report to a prospective purchaser and the seller may obtain a copy of the CLUE Report from www.choicetrust.com for a nominal fee.

As a consequence of the impact that CLUE may have not only on the insurability of a property, but individual purchasers as well, Realtors and their clients should consider three things:

1. Make disclosure of the CLUE Report one of the contingencies of the contract
2. Submit your insurance application early
3. Should your current carrier determine a property uninsurable, consider a company that makes its determination solely on the purchaser’s claim history, not that of the property as well.

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Steps of the Home Purchase Process

1. Loan Status Report in conjunction with step 2 below.
2. Contract negotiation and acceptance and Sellers Property Disclosure (SPDS).
3. Escrow is opened and Title Report is ordered.
4. Begin loan process.
5. Home inspection period. Contact hazard insurance company to verify property and individual insurability.
Repairs accepted.
6. Appraisal is ordered by lender.
7. Loan documents drawn by lender.
8. Loan and escrow documents signed at Pioneer Title and final closing deposit is made.
9. Funding by lender.
10. Recordation of loan and escrow documents with County Recorder.
11. Property transfer is complete.

Home Buyers Comparisons/Remarks

INFORMATION	HOME #1	HOME #2
ADDRESS		
APPEARANCE CURB APPEAL		
LIVING ROOM		
DINING ROOM		
KITCHEN		
BEDROOMS		
MASTER SUITE		
BATHS		
ADDITIONAL ROOMS		
GARAGE		
LOT LANDSCAPING		
POOL		
FEATURES		

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Home Buyers Comparisons/Remarks

INFORMATION	HOME #3	HOME #4
ADDRESS		
APPEARANCE CURB APPEAL		
LIVING ROOM		
DINING ROOM		
KITCHEN		
BEDROOMS		
MASTER SUITE		
BATHS		
ADDITIONAL ROOMS		
GARAGE		
LOT LANDSCAPING		
POOL		
FEATURES		

Home Buyers Comparisons/Remarks

INFORMATION	HOME #5	HOME #6
ADDRESS		
APPEARANCE CURB APPEAL		
LIVING ROOM		
DINING ROOM		
KITCHEN		
BEDROOMS		
MASTER SUITE		
BATHS		
ADDITIONAL ROOMS		
GARAGE		
LOT LANDSCAPING		
POOL		
FEATURES		

Estimating Your Home Cost Payment

Property Address: _____

Price: _____

Closing date of escrow: _____ New loan amount: _____

Closing costs

Down payment	_____
Credit report	_____
Appraisal fee	_____
Escrow fee	_____
Lender title insurance policy	_____
Recording fees	_____
Loan origination	_____
Discount points	_____
VA funding fee, if applicable	_____
Courier fees	_____

Estimated closing cost _____

Lender impound/prepaid items

Interim Interest	_____
Property Tax Impounds	_____
Hazard Insurance Impounds	_____
P.M.I., if applicable	_____

Impound/prepaid items total _____

Less earnest deposit _____

Approximate amount needed to close _____

Principal & interest@ _____ %	_____
Hazard insurance (1/12 th of annual amount)	_____
Taxes (1/12 th of annual amount)	_____
P.M.I., if applicable, (1/12 th of annual amt.)	_____
HOA fees	_____

Total monthly investment _____

The above figures are only an estimate.
Figures may change with lender and other requirements.

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Explanation of Estimated Costs

Your escrow officer will explain your closing settlement (pre-audit) when you prepare to close your transaction and take ownership of your new home. You may qualify for Pioneer Title's discounted rates. Consult your Realtor or your Pioneer Title Representative.

ESCROW AND TITLE FEES:

ESCROW FEE: Fee charged to handle the paperwork in transferring title, necessary adjustments and effecting the proper distribution of funds. Fee is based on the sales price, usually split between the seller and purchaser. New VA loan, seller must pay.

OWNERS TITLE POLICY: Title insurance protection showing that the purchaser has marketable title. Fee is based on the sales price and usually paid by the seller.

RECORDING AND AFFIDAVIT FEES: Paid to the County Recorder's Office as a fee for recording documents. Fee is based on the number of pages in each document. Purchaser pays For recording the Deed and the Deed of Trust. Seller pays for the Affidavit of Property Value and any release of existing loans.

ALTA LOAN POLICY: Extended coverage title insurance policy issued for the benefit of the Lender and any future assignees of the loan obligation. Coverage is Limited to the amount of the outstanding loan balance.

STANDARD LOAN POLICY: Title insurance to a lender insuring the priority and validity of its lien. This policy can be issued to a seller in a carryback situation.

LENDERS FEES (NEW AND EXISTING):

LOAN ORIGATION FEE: Lender's fee for processing the paperwork involved in new loan. It is Usually 1% of the new loan amount and normally paid by the purchaser.

LOAN DISCOUNT POINTS: This is sometimes referred to as "points" or "discount points". It is always a percentage of the new loan amount. The fee will vary, based on the market rate of the money.

TAX SERVICE CONTRACT: Required by institutional lenders so that tax billings and notifications are mailed directly to the lender. Advises them of new assessments and any delinquent taxes. Also required when title company collects for impound accounts.

(Continued on next page)

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Explanation of Estimated Costs (continue)

PMI/MGIC PREMIUM:	Mortgage insurance premium paid to a private mortgage insurer such as Mortgage Guarantee Insurance Corporation to insure the loan. Usually an annual premium paid in advance and impounded monthly.
PREPAYMENT PENALTY:	A penalty charge in a Note, Mortgage or Deed of Trust, imposed when the loan is paid prior to the due date. Amounts vary, check with your lender.
IMPOUND ACCOUNT:	An account held by the lender to pay future taxes, insurance and assessments. The monthly payment to a lender will include an amount to be paid into this account. This account is usually transferred and charged to a purchaser, if the loan is assumed.
ASSUMPTION FEE:	Paid to the lender for transferring an existing loan into a new purchaser's name. Fee is usually split equally between seller and purchaser.
FHA/MIP:	Fees charged to insure FHA loans. A portion is paid up front or financed and a small portion is paid monthly. Depending upon down payment the amounts vary. Check with your lender.
PREPAID INTEREST:	Lender will require prepaid interest from the day of funding the new loan to the first day of the following month. (Estimate 30 days).
TAX PRORATION:	Taxes are assessed on a calendar year basis. The seller credits the purchaser through escrow, the seller's share of taxes from the date to which taxes were last paid to the close of escrow. The purchaser then pays the total bill at the time the bill becomes available for payment.
ADJUSTED INTEREST:	When payment is made, the interest portion of the payment covers the interest that has accrued since the last payment due date. As an example, if a payment is monthly, the July 1 st payment covers interest from June 1 through June 30. If the escrow closes during July, the seller will be charged interest from July 1 to the close of escrow.
RECONVEYANCE FEE:	Fee charged by the Trustee in a Deed of Trust for issuance of a Deed of Release and Full Reconveyance. Usually a \$60.00 charge to the seller which includes Reconveyance fee and recording fee.
<u>MISCELLANEOUS FEES:</u>	
ACCOUNT SERVICING FEE:	Fee paid to the servicing agent for processing payments on a deferred balance between a seller and purchaser. Fee will be based on the number of checks that the servicing agent must issue upon the receipt of payment.

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Explanation of Closing Costs

Your Pioneer Title Escrow Officer will explain your ALTA Settlement Statement following his or her receipt of the lender's package with instructions for specific charges that must show. That said, this is a general guide to who pays what.

SELLER can generally expect to pay:

- Owner's title insurance policy premium
- Real estate commission
- ½ of the escrow fee
- Any loan charges required by purchaser's lender if specified in the purchase contract
- Payoff plus any fees, charges and or penalties and interest on all loans made by the seller, including statement fees, reconveyance fees and or prepayment fees.
- Termite inspection and repair work as specified by the purchase contract
- Home Warranty if specified in the purchase contract
- Any encumbrance of record against the seller
- Recording charges to clear all documents of record against the seller
- Prorated property taxes and or delinquent taxes to date of close
- Unpaid HOA dues or assessments of record
- HOA transfer fee
- HOA Disclosure Statement (required by statute for subdivisions over 50 units)

BUYER can generally expect to pay:

- Lender's title insurance policy premium
- ½ of the escrow fee
- All new lender charges except those required by lender for seller to pay
- Recording charges for all documents in the purchaser's name
- Interest on new loan from date of loan funding to 30 days prior to first payment due date
- Hazard insurance premium for first year in advance and impounds as required by new lender
- Property tax impounds as required by new lender
- Advance HOA management payments (if applicable)
- Preservation fees, recreation center fees (if applicable)

Note: FHA and VA loan regulations require the purchaser and seller to pay for certain items. FHA requires the purchaser pay for impounds for taxes and hazard insurance as well as adjusted interest. FHA and VA both requires the seller to pay for any of these fees if applicable to the contract: assignment of loan; flood certification; recording charges to clear title; new lender document preparation charges; inspection and or photo charges if applicable; tax service fee and lender warehousing fee. VA requires in addition that the seller pay all escrow fees. Purchaser pays additional costs not agreed by seller.

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Title Insurance Premiums

Title insurance is unique in the world of insurance for unlike auto, hazard or life insurance that operates under “risk assumption” (assuming something might happen), title insurance operates for “risk elimination” (eliminating the possibility of something happening). Title examiners are trained to analyze records for information which affects title to real property including, but not limited to, identifying the rights which others may have in your property; encumbrances against your property (liens, judgments or other legal actions) or rights of way. Prior to transferring title from a seller to a purchaser, Pioneer Title will “clear” those encumbrances you do not wish to assume, like the seller’s mortgage for instance.

Other insurance rates are based on actuarial study of anticipated losses and premiums are pooled with the assumption that a given number of claims will likely be made. Title insurance premiums differ as they are paid to identify and eliminate potential claims and risks so they won’t happen. In addition, unlike other insurance premiums which are paid annually for regular renewal, title insurance is a one time premium and is far less costly than other forms of insurance, considering the investment you protect is your home and the land underneath.

Although the goal of a title company is to do such a thorough search and evaluation that no claim will ever arise, its an impossible task as long as we live in an imperfect world with human error and changing court interpretation which make 100% risk elimination impossible. When claims are made, they are assigned to claims personnel and handled according to the terms of the policy. Pioneer Title highly recommends that homeowners purchase the Homeowner’s Title Insurance Policy, which is the industry standard now required, if available, by the AAR Residential Resale Purchase Contract. It offers the qualified Purchaser the very best protection available.

Pioneer’s premium rates, as well as those of other title companies, are filed with the State Banking Department and each title company is required to publicly post its schedule of fees and, as in all competitive businesses, rates vary from company to company. Consumers should comparison shop prior to deciding on a given title insurer, bearing in mind that some companies will charge an additional fee for something another company has included in a set fee. Your Realtor can help you with your comparison.

Almost every title company maintains a “title plant” or database of title records; in some instances, these records are well over one hundred years old, some in books, some on microfilm others on CD. Each and every day, documents are recorded which affect real property as well as property owners and each day the new information is stored so its available and easily retrieved when information on a parcel is requested.

Title plant records maintenance, skilled personnel for research and evaluation, together with state of the art data processing and legal interpretation are the foundation for your protection and peace of mind with your title policy and represent the largest portion of your title insurance premium dollar.

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Items Required for Loan Application

- Government issued photo identification
- Resident addresses (Last 2 years)
- Employer names and addresses (Last 2 years)
- Gross monthly income
- Checking and savings account information

Name and address of bank(s)

Account number(s)

Two (2) most recent bank statements

- Information on all current loans and/or credit cards

Name and addresses on accounts

Account numbers

Approximate balances

Monthly payment on current loans/credit cards

- Funds for credit report and appraisal costs
- W-2 (Last 2 years)
- Two most recent paycheck stubs
- Certificate of Eligibility and DD-214 (VA loans only)

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Explanation of "POINTS"

What Is a Point?

One point is equal to 1% of the new loan amount.

Why Do Lenders Charge Points?

Whenever governmental regulation, State usury laws and/or competitive practices prohibit the lender from charging a rate of interest which would make the real estate loan competitive with other investments, the lender must seek some method of increasing the yield for the investors. By charging "points" the lender can bring the real estate loan up to that of other investments.

Are "Points" Called By Different Names?

Yes, Commitment Fee, Discount Fee, Warehousing Fee, Funding Fee, etc.

Who Must Pay The Points?

Conventional: Points can be paid by the Purchaser, the Seller, or split between the two.

Specify on the Purchase Contract

FHA: Purchaser is usually charged with the Loan Origination Fee; the Purchaser or the Seller can pay the Discount Fee.

VA: Purchaser is usually charged with the Loan Origination Fee and the Funding Fee.

Discount Fee may be paid by Seller. Purchaser or split.

City/County/State Government Sponsored Loans: (As published by them.)

Do The Number of Points Charged Fluctuate?

Yes, if rates on mortgage loans are lower than other investments such as stocks, bonds, etc., funds will be drawn away from the mortgage market. When there is a heavy demand upon the money market because of business needs, military requirements or other government borrowing, money or home mortgages become scarce and more expensive. When this occurs more points can be charged. Points balance the market. Points are not set by government regulation, but by each lender individually.

Are Points Deductible for Income Tax Purposes?

Points incurred on a home mortgage for purchase or improvement and secured by the tax payer's principal residence, are deductible currently, if points are generally charged in the geographical area where the loan is made and to the extent of the number of points generally charged in that area for a home loan. If you are in doubt about points being deductible you should contact your tax accountant.

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What is "ESCROW"

As Webster defines escrow: "A contract or other written agreement deposited with a third person, by whom it is to be delivered to the grantee on fulfillment of some condition..."

For a title and/or escrow company, their duty is to act as a neutral third party, holding all documents and monies as required by the purchase contract, until all of the terms and conditions in the contract have been met and the property is in title insurable condition. We then make the transfer from the Seller to the Purchaser. Title companies do not work for the Seller nor for the Purchaser, however are employed by both of the parties and act only upon mutually agreed written instructions from the Purchaser and the Seller. Purchasers and Sellers deposit monies, documents, receipts and written instructions generally in the form of a purchase contract and addenda to the contract with a neutral third party. In Arizona, a title company, or an escrow company, rather than an attorney serves this purpose while a few states still use attorneys.

Arizona does not perform "Table" closings. Title companies prepare the necessary paperwork, including the standard documents like the conveyance deed, Affidavit of Value and the Identity Statement to be signed far in advance of the actual closing date specified in the purchase contract leaving last minute requirements such as loan documents and disclosures prepared by the lender to be signed just prior to recordation. When you arrive for signatures on lender and title company documents, it's usually the week of, or a few days prior to the recordation date referenced as the "close of escrow" date on the purchase contract. In Arizona, "closing" or "close of escrow" is considered to be the recordation of all conveyance and loan documents, as they apply, as specified in the AAR Purchase Contract although some lenders may refer to "closing" as the day loan documents are signed. If you are obtaining a new loan, the signed loan package must be returned to the lender for review and subsequent funding of the loan. That process alone may take several hours or several days depending on the individual lender's requirements. It is in your best interest to be in close contact with your REALTOR®, your lender and your title company two weeks prior to your scheduled close of escrow date to insure a timely close.

Upon the title company's receipt of all "GOOD FUNDS" *, including but not limited to, Purchasers' closing funds, loan proceeds and fulfillment of all conditions and contingencies, the documents are released for recording. Many title companies in the State of Arizona, including Pioneer Title, record electronically. Documents are scanned and transmitted to the County Recorder's Office. Upon notification by the County Recorder that the documents have been recorded, all funds are disbursed and final closing packages provided to all of the parties. All closing funds must be in the form of either a Cashier's Check or Certified Check drawn on an Arizona banking or savings institution, or a wire transfer. Out of state or personal checks will not be considered "GOOD FUNDS" until our bank has been notified that the funds have cleared and are available for use. Depending on the type of check and the location of the bank or institution upon which the funds were drawn, this may be three (3) to ten (10) business days after the funds are deposited into escrow. Please plan ahead so that the necessary funds will be available at closing and the clearing of checks will not be an issue that delays your closing. Should you find that you have additional questions, consult your REALTOR® or Escrow Officer.

(*See the Arizona Good Funds Law included in this booklet for Specific Funds Requirements)

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Reviewing Your Title Commitment

The following is provided to help understand the Title Commitment, also referred to as a Title Report, which you receive from Pioneer Title. Upon receipt, you should review the document with attention to these areas.

SCHEDULE A: This reflects information provided to the Title Department by your Pioneer Title Escrow Officer as a result of the purchase contract and a preliminary search of the public records regarding the Seller. Information provided by the Buyer and/or Realtor, such as the legal description of the property, sale price, loan amount, lender, name and marital status of Buyer and Seller is reflected.

Be certain the information reflected in Schedule A is correct as this will be reflected in all of your documents, including any lender documents.

SCHEDULE B: “Exceptions” are items which run with the land to include Covenants, Conditions and Restrictions (CC&Rs), easements, homeowners association requirements, mineral rights as reserved in patents, leasehold interests and other items which will remain of record following transfer of the property. They are called “exceptions” because the Buyer will receive clear title “except” the Buyer’s rights to use of the property will be subject to the CC&Rs, easements for utilities of record and perhaps others as described in the “Exceptions”. A Buyer should carefully read the Schedule B documents which further define a Buyers use of the property.

REQUIREMENTS: These are items that Pioneer Title needs to eliminate or “clear” from the title in order to provide a clear, unencumbered title to the Buyer. Items that must be cleared include:

- Payment of property taxes
- Assessments owed of record
- Any encumbrances (or liens) on the property

Often encumbrance items show up because another individual has a name similar to one of the parties in the escrow. Pioneer Title may ask for an Identify Statement in order to determine if items that show up are not related to our parties and can be deleted. Recorder’s Requirements: The County Recorder’s office that specifies the required size, margins and print size on documents to be recorded.

If you have any questions, remember an answer from your Pioneer Title Escrow Officer is just a phone call away

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ARIZONA'S "Good Funds" LAW

Arizona law requires that escrow agents not disburse money from an escrow account until funds related to the transaction have been deposited and are available.

PIONEER TITLE'S GUIDELINES CONCERNING THE AVAILABILITY OF FUNDS

All available dates are based on funds deposited in our bank. The following information outlines the availability of most common types of deposited.

Type of Deposit	Same Day*	Next Day * (1 st Business Day)	2 nd Day*	5 th Day*
Bank Wire, Electronic Payment or Transfer	X			
Cashier's, Certified and Tellers' Checks		X		
Official Checks, Drawn on Local ** FDIC Institution		X		
Official Checks, Drawn on <i>Non-Local and/or Non-FDIC</i>				X
US Treasury Checks, US Postal Money Orders		X		
All other Money Orders (Non-US Postal)				X
Federal Reserve, Federal Credit Union & Federal Home Loan Bank Checks		X		
Local ** State, County, Municipal Gov't Checks (Must be In-State and Local**)		X		
Non-Local, State, County, Municipal Gov't Checks (5 th Day)				X
Local ** Checks including: Personal, Corporate, Credit Union, Money Market & Traveler's Checks			X	
Non-Local Checks including: Personal, Corporate, Credit Union, Money Market & Traveler's Checks				X
On-US Checks ***		X		
Third Party Checks: It is our company policy not to accept third party checks. Exceptions must be approved by Escrow Administration				
Drafts: No disbursement until funds received				

- * **Business Day:** Funds are potentially available on the *Business Day indicated above. A business day is defined as a calendar day other than Saturday and Sunday, and excluding most major holidays. If January 1st, July 4th, November 11th or December 25th fall on a Sunday, the next Monday is excluded from the definition of a business day. Note that individual banks may require additional "hold" periods longer than shown above.
- ** **Local:** A Check is considered "local" when it is drawn against a bank located in the same processing region as the depository bank. The check-processing region for the State of Arizona is the Los Angeles Region. Any check with a four-digit ABA Number beginning with "12" or "32" is "local".
- *** **On-US Checks:** Next day availability is dependent on the check being drawn against the same bank or branch as the depository bank and in the same check-processing region, meaning the ABA numbers must begin with "12" or "32".

Pioneer Title Agency
COMMITMENT TO SERVICE

Property TAX Information

ANNUAL TAX STATEMENT

Annual tax statements are issued in the fall of the current year and billed for the calendar year. They may be paid in two installments or all at once.

- 1ST half due October 1, DELINQUENT NOVEMBER 1
- 2nd half due March 1, DELINQUENT MAY 1

The County Treasurer WILL NOT be held responsible for payments made on the wrong property, and will not accept payments in advance of their due date. To avoid problems:

- Check the property description on your tax statement.
- Provide your parcel number when making payments or inquiries at the County Treasurer's or Assessor's office.

*Your parcel number can be found on your Final Settlement Statement or your title commitment.

*The Treasurer must place interest on all delinquent accounts.

UPDATING THE ASSESSOR'S RECORDS

Ownership information transfers may take six months to process. If property is purchased after November 1 of the previous year, new owners may not receive a tax statement. New owners should contact the Treasurer's office if a statement is not received by October 15th.

NOTIFICATION OF VALUE

Assessment notices are sent to property owners on or before January 31st of each year. The notice includes assessed value, full cash value, classification and assessment ratio. These items may be protested through the County Assessor within 45 days of receipt.

Pioneer Title Agency
COMMITMENT TO SERVICE

To Ensure A Smooth Closing

Remember These Points...

- **Maintain current financial status; no major purchases, no job changes; avoid credit card purchases and any other lines of credit**
- **Tell your Realtor and escrow officer if you will be unable to come to our office at closing; we will make special arrangements to accommodate your needs**
- **Check with your lender and your REALTOR® at least two weeks prior to scheduled close to finalize lender requirements and verify that the loan package has been ordered**
- **If your funds will come from out of state, please let your escrow officer know at least two weeks before closing**
- **Call your escrow officer the week prior to scheduled closing to set your closing appointment; closing usually take less than an hour**
- **At this time you need to ask your escrow officer about the funds you need to bring to close and what form they should be in for your escrow**
- **If you are unsure about closing procedures, ask questions. An explanation is just a phone call away**
- **Be prepared for last minute lender requirements**
- **Bring a government issued photo ID and any “Certified” funds with you to signing.**

Pioneer Title Agency
COMMITMENT TO SERVICE

HOLDING TITLE TO REAL PROPERTY (Commonly Used Entities)

	TENANCY IN COMMON	JOINT TENANCY WITH RIGHT OF SURVIVORSHIP	COMMUNITY PROPERTY	COMMUNITY PROPERTY WITH RIGHT OF SURVIVORSHIP
PARTIES	Any number of persons (can be husband & wife)	Any number of persons (can be husband & wife)	Only husband & wife	Only husband & wife (2 persons per marital community)
DIVISION	Ownership can be divided into any number of interests, equal or unequal	Ownership interests must be equal	Ownership interests are equal	Ownership interests are equal
TITLE	Each co-owner has a separate legal title to his individual interest	There is only one title to the whole property	Title is in the "community." Each interest is separate but management is unified	Title is in the "community." Each interest is separate but management is unified
POSSESSION	Equal right of possession	Equal right of possession	Equal right of possession	Equal right of possession
CONVEYANCE	Each co-owner's interest may be conveyed separately by its owner	Conveyance by one co-owner without the other(s) breaks the joint tenancy, provided it is recorded prior to death	Both co-owners must join on conveyance of real property. Separate interests cannot be conveyed	Both co-owners must join on conveyance of real property. Separate interests cannot be conveyed
PURCHASER'S STATUS	Purchaser will become a tenant in common with the other co-owners in the property	Purchaser will become a tenant in common with the other co-owners in the property	Purchaser can only acquire whole title of community, but cannot acquire a part of it	Purchaser can only acquire whole title of community, but cannot acquire a part of it
DEATH	On co-owner's death, his interest passes by will to his devisees or heirs. No right of survivorship	On co-owner's death, his interest ends and cannot be disposed of by will. Survivor owns the property by right of survivorship	On co-owner's death, 1/2 belongs to survivor, 1/2 goes by will to descendant's devisees or by succession to survivor	On co-owner's death, his interest ends and cannot be disposed of by will. Estate passes to survivor outside of probate
CREDITOR'S RIGHTS	Co-owner's interest may be sold at execution sale to satisfy his creditor. Creditor becomes a tenant in common	Co-owner's interest may be sold at execution sale to satisfy creditor. Joint tenancy is broken, creditor becomes tenant in common	Co-owner's interest cannot be seized and sold separately. The whole property may be sold at execution sale to satisfy creditor	Co-owner's interest cannot be seized and sold separately. The whole property may be sold at execution sale to satisfy creditor
PRESUMPTION	Court will presume tenancy in common if not expressly stated husband and wife	Must be expressly stated in writing and accepted. Court will not presume joint tenancy	Strong presumption that property acquired by husband and wife is community	Must be expressly stated in writing and accepted. Court will not presume joint tenancy. Both halves of community property are entitled to "stepped up" tax basis as of date of death of either spouse
* This document is intended for informational purposes only. You are urged to contact your Attorney and Certified Public Accountant regarding the best way for you to hold title in as much as your personal circumstances will influence this decision.				

Pioneer Title Agency
COMMITMENT TO SERVICE

Ten Reasons a Buyer or Seller should request A Homeowners Policy of Title Insurance when purchasing a parcel of Real Estate

1. Covers against defects in the title to you property including unrecorded easements, forgeries, or other undisclosed contract issues.
2. Covers against loss due to unknown encumbrances on your title such as liens, judgements, tax liens, or security instruments.
3. Covers against title claims as a result of fraud, incompetence, or incapacity of the party conveying the property.
4. Covers against lack of legal access to the property.
5. Covers loss due to a violation of subdivision law or regulation which effects your ability to obtain a building permit, correct or remove the violation, or remove any existing structures in violation (subject to the policy deductibles).
6. Covers loss if you are forced to remove structures because they encroach on your neighbor's property, over an easement or building set-back line.
7. Covers loss if your existing improvements including lawns, shrubbery or trees are damaged due to future exercise of a right of use for the surface of the land for minerals, water or any other substance.
8. Covers loss if a taxing authority assesses supplemental real estate taxes not previously assessed against the property prior to the policy date.
9. Covers loss in the event the address of the residence purchased is not the same as shown on the final title policy.
10. Covers loss if the title to the property is unmarketable which allows another party not to perform on a purchase contract to purchase the land, lease it, or make a mortgage loan on it.

For all covered risks, see a Performa copy of the title policy which includes deductible amounts.

Pioneer Title Agency
COMMITMENT TO SERVICE

Pioneer Title Agency

COMMITMENT TO SERVICE

Where is it on the Contract?

SUBJECT	PARAGRAPH	LINE	SUBJECT	PARAGRAPH	LINE
Acceptance - Terms	8 O	435-439	Inspection Period	6 A	213-224
Additional Addendums	1 F	36-38	Inspection Period Notice	6 I	260-263
Additional Compensation		Addendum	Insurance	6 E	237-240
Additional Instructions – Escrow	3 D	133-142	Insurance Claims History	4 B	157-161
Additional Terms & Conditions	8 A	344-389	Interest Rate/Necessary Funds	2 D	83-86
Address – Premises	1 B	5-9	I.R.S. & FIRPTA	6 N	305-309
Agency Confirmation – Buyer	8 R	449-450	Lead-Based Paint	4 D	167-182
Agency Confirmation – Seller	9 B	463-464	Loan Application	2 F	90-92
Alternative Dispute Resolution	7 C	325-333	Loan Contingency	2 B	70-75
Alternative Dispute – Exclusions	7 D	334-340	Loan Contingency – Unfulfilled	2 C	76-82
Affidavit of Disclosure	4 E	183-186	Loan Costs	2 I	99
Appraisal Contingency	2 L	107-110	Loan Processing During Escrow	2 G	93-96
Appraisal Cost(s)	2 M	111-114	Loan Status Update – Addendum	2 E	87-89
Assessment Liens	3 H	152-153	Occupancy		Pre-Qual Addendum
Attorney Fees – Dispute	7 E	341-343	Possession	1 E	32-35
Breach	7 B	315-324	Pre-Qualification – Addendum	2 A	69
Broker – Buyer	8 Q	443-448	Prorations – Assessment	3 G	149-151
Broker – Seller	9 A	457-462	Prorations – Tax	3 E	143
Buyer Acknowledgement	6 H	252-259	Purchase Price/Earnest Money	1 C	10-20
Buyer Disapproval	6 J	264-289	Release of Earnest Money	3 F	144-148
Buyer's Inspection Notice & Seller's Response		Addendum	Risk of Loss	8 B	390-393
Cancellation	8 L	421-423	Seller Concessions	2 J	100-102
Changes – Buyer	2 K	103-106	Seller Responsibility – Inspections	6 M	302-304
Changes – Seller	4 F	187-190	Sewer	6 F	219-224
Closing of Escrow	1 D	21-31	S.P.D.S.	4 A	154-156
Compensation	8 F	398-403	Square Footage	6 B	225-227
Condition of Premises	5 A	191-199	Subsequent Offers	8 K	419-420
Cure Period	7 A	310-314	Swimming Pool Barrier Regs	6 G	247-251
Domestic Water Well		Addendum	Title and Vesting	3 B	120-122
Escrow	3 A	115-119	Title Commitment, Insurance, etc.	3 C	123-132
Fixtures & Personal Property	1 G	39-68	Type of Financing	2 H	97-98
Flood Hazard/Insurance	6 D	233-236	Walkthrough	6 L	298-301
Foreign Sellers	4 C	162-166	Warranties – After Closing	5 B	200-206
H.O.A.		Addendum	Warranties – Buyer	5 C	207-212
Home Warranty	6 K	290-297	Wood Destroying Organisms	6 C	228-232



This attachment should be given to the Buyer prior to the submission of any offer and is not part of the Residential Resale Real Estate Purchase Contract's terms.



ATTENTION BUYER!

You are entering into a legally binding agreement.

- ☐ 1. **Read the entire contract *before* you sign it.**
- ☐ 2. **Review the Residential Seller's Property Disclosure Statement (See Section 4a).**
 - This information comes directly from the Seller.
 - Investigate any blank spaces, unclear answers or any other information that is important to you.
- ☐ 3. **Review the Inspection Paragraph (see Section 6a).**

If important to you, hire a qualified:

 - General home inspector
 - Heating/cooling inspector
 - Mold inspector
 - Pest inspector
 - Pool inspector
 - Roof inspector

Verify square footage (see Section 6b)
Verify the property is on sewer or septic (see Section 6f)
- ☐ 4. **Confirm your ability to obtain insurance and insurability of the property during the inspection period with your insurance agent (see Sections 6a and 6e).**
- ☐ 5. **Apply for your home loan now, if you have not done so already, and provide your lender with all requested information (see Section 2f).**

It is your responsibility to make sure that you and your lender follow the timeline requirements in Section 2, and that you and your lender deliver the necessary funds to escrow in sufficient time to allow escrow to close on the agreed upon date. Otherwise, the Seller may cancel the contract and you may be liable for damages.
- ☐ 6. **Read the title commitment within five (5) days of receipt (see Section 3c).**
- ☐ 7. **Read the CC&R's and all other governing documents within five (5) days of receipt (see Section 3c), especially if the home is in a homeowner's association.**
- ☐ 8. **Conduct a thorough pre-closing walkthrough (see Section 6l). If the property is unacceptable, speak up. After the closing may be too late.**

You can obtain information through the Buyer's Advisory at www.aaronline.com/manage-risk/buyer-advisory-3/.

Remember, you are urged to consult with an attorney, inspectors, and experts of your choice in any area of interest or concern in the transaction. Be cautious about verbal representations, advertising claims, and information contained in a listing. **Verify anything important to you.**

WARNING: *WIRE TRANSFER FRAUD*

Beware of wiring instructions sent via email. Cyber criminals may hack email accounts and send emails with fake wiring instructions. **Always independently confirm wiring instructions prior to wiring any money.** Do not email or transmit documents that show bank account numbers or personal identification information.



RESIDENTIAL RESALE REAL ESTATE PURCHASE CONTRACT

Document updated:
October 2022



The pre-printed portion of this form has been drafted by the Arizona Association of REALTORS®. Any change in the pre-printed language of this form must be made in a prominent manner. No representations are made as to the legal validity, adequacy and/or effects of any provision, including tax consequences thereof. If you desire legal, tax or other professional advice, please consult your attorney, tax advisor or professional consultant.



1. PROPERTY

- 1a.** 1. **BUYER:** _____
BUYER'S NAME(S)
2. **SELLER:** _____ or ☐ as identified in section 9c.
SELLER'S NAME(S)
3. Buyer agrees to buy and Seller agrees to sell the real property with all improvements, fixtures, and appurtenances thereon
4. or incidental thereto, plus the personal property described herein (collectively the "Premises").
- 1b.** 5. Premises Address: _____ Assessor's #: _____
6. City: _____ County: _____ AZ, Zip Code: _____
7. Legal Description: _____
8. _____
9. _____
- 1c.** 10. \$ _____ Full Purchase Price, paid as outlined below
11. \$ _____ Earnest Money _____
12. \$ _____
13. \$ _____
14. _____
15. _____
16. _____
17. Earnest Money is in the form of: ☐ Personal Check ☐ Wire Transfer ☐ Other _____
18. Upon acceptance of this offer, the Earnest Money, if any, will be deposited with: ☐ Escrow Company ☐ Broker's Trust Account.
19. **IF THIS IS AN ALL CASH SALE:** A Letter of Credit or a source of funds from a financial institution documenting the availability of
20. funds to close escrow is attached hereto.
- 1d.** 21. **Close of Escrow:** Close of Escrow ("COE") shall occur when the deed is recorded at the appropriate county recorder's office.
22. Buyer and Seller shall comply with all terms and conditions of this Contract, execute and deliver to Escrow Company all closing
23. documents, and perform all other acts necessary in sufficient time to allow COE to occur on
24. _____, 20____ ("COE Date"). If Escrow Company or recorder's office is closed on the COE Date,
MONTH DAY YEAR
25. COE shall occur on the next day that both are open for business.
26. Buyer shall deliver to Escrow Company a cashier's check, wired funds or other immediately available funds to pay any down
27. payment, additional deposits or Buyer's closing costs, and instruct the lender, if applicable, to deliver immediately available funds to
28. Escrow Company, in a sufficient amount and in sufficient time to allow COE to occur on the COE Date.
29. Buyer acknowledges that failure to pay the required closing funds by the scheduled COE, if not cured after a cure notice is delivered
30. pursuant to Section 7a, shall be construed as a material breach of this Contract and the Earnest Money shall be subject to forfeiture.
31. All funds are to be in U.S. currency.
- 1e.** 32. **Possession:** Seller shall deliver possession, occupancy, existing keys and/or means to operate all locks, mailbox, security
33. system/alarms, and all common area facilities to Buyer at COE or ☐ _____
34. Broker(s) recommend that the parties seek independent counsel from insurance, legal, tax, and accounting professionals regarding
35. the risks of pre-possession or post-possession of the Premises.
- 1f.** 36. **Addenda Incorporated:** ☐ Additional Clause ☐ Buyer Contingency ☐ Domestic Water Well ☐ H.O.A.
37. ☐ Lead-Based Paint Disclosure ☐ Loan Assumption ☐ On-site Wastewater Treatment Facility ☐ Seller Financing ☐ Short Sale
38. ☐ Solar Addendum ☐ Other: _____

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SELLER SELLER

BUYER BUYER

Residential Resale Real Estate Purchase Contract >>

- 1g. Fixtures and Personal Property:** For purposes of this Contract, fixtures shall mean property attached/affixed to the Premises. Seller agrees that all existing: fixtures on the Premises, personal property specified herein, and means to operate fixtures and property (i.e., remote controls) shall convey in this sale. Including the following:
- built-in appliances, ceiling fans and remotes
 - media antennas/satellite dishes (affixed)
 - storage sheds
 - central vacuum, hose, and attachments
 - outdoor fountains and lighting
 - storm windows and doors
 - draperies and other window coverings
 - outdoor landscaping (i.e., shrubbery, trees and unpotted plants)
 - stoves: gas-log, pellet, wood-burning
 - fireplace equipment (affixed)
 - shutters and awnings
 - timers (affixed)
 - floor coverings (affixed)
 - smart home devices, access to which shall be transferred (i.e., video doorbell, automated thermostat)
 - towel, curtain and drapery rods
 - free-standing range/oven
 - wall mounted TV brackets and hardware (excluding TVs)
 - garage door openers and remotes
 - water-misting systems
 - light fixtures
 - window and door screens, sun shades
 - mailbox
 - speakers (flush-mounted)
51. If owned by Seller, the following items also are included in this sale:
- affixed alternate power systems serving the Premises (i.e., solar)
 - in-ground pool and spa/hot tub equipment and covers (including any mechanical or other cleaning systems)
 - security and/or fire systems and/or alarms
 - water purification systems
 - water softeners
52. **Additional existing personal property included in this sale (if checked):**
53. ☐ refrigerator (description): _____
54. ☐ washer (description): _____
55. ☐ dryer (description): _____
56. ☐ above-ground spa/hot tub including equipment, covers, and any mechanical or other cleaning systems (description): _____
57. _____
58. ☐ other personal property not otherwise addressed (description): _____
59. ☐ other personal property not otherwise addressed (description): _____
60. **Additional existing personal property included shall not be considered part of the Premises and shall be transferred with no monetary value, and free and clear of all liens or encumbrances.**
61. Leased items shall **NOT** be included in this sale. Seller shall deliver notice of all leased items within three (3) days after Contract acceptance. Buyer shall provide notice of any leased items disapproved within the Inspection Period or five (5) days after receipt of the notice, whichever is later.
62. **IF THIS IS AN ALL CASH SALE:** Section 2 does not apply - go to Section 3.

2. FINANCING

- 2a. Pre-Qualification:** An AAR Pre-Qualification Form **is** attached hereto and incorporated herein by reference.
- 2b. Loan Contingency:** Buyer's obligation to complete this sale is contingent upon Buyer obtaining loan approval without Prior to Document ("PTD") conditions no later than three (3) days prior to the COE Date for the loan described in the AAR Loan Status Update ("LSU") form or the AAR Pre-Qualification Form, whichever is delivered later. **No later than three (3) days prior to the COE Date, Buyer shall either: (i) sign all loan documents; or (ii) deliver to Seller or Escrow Company notice of loan approval without PTD conditions AND date(s) of receipt of Closing Disclosure(s) from Lender; or (iii) deliver to Seller or Escrow Company notice of inability to obtain loan approval without PTD conditions.**
- 2c. Unfulfilled Loan Contingency:** This Contract shall be cancelled and Buyer shall be entitled to a return of the Earnest Money if after diligent and good faith effort, Buyer is unable to obtain loan approval without PTD conditions and delivers notice of inability to obtain loan approval no later than three (3) days prior to the COE Date. If Buyer fails to deliver such notice, Seller may issue a cure notice to Buyer as required by Section 7a and, in the event of Buyer's breach, Seller shall be entitled to the Earnest Money pursuant to Section 7b. If, prior to expiration of any Cure Period, Buyer delivers notice of inability to obtain loan approval, Buyer shall be entitled to a return of the Earnest Money. Buyer acknowledges that prepaid items paid separately from the Earnest Money are not refundable.
- 2d. Interest Rate / Necessary Funds:** Buyer agrees that (i) the inability to obtain loan approval due to the failure to lock the interest rate and "points" by separate written agreement with the lender; or (ii) the failure to have the down payment or other funds due from Buyer necessary to obtain the loan approval without conditions and close this transaction is not an unfulfilled loan contingency.
- 2e. Loan Status Update:** Buyer shall deliver to Seller the LSU, with at a minimum lines 1-40 completed, describing the current status of the Buyer's proposed loan within ten (10) days after Contract acceptance and instruct lender to provide an updated LSU to Broker(s) and Seller upon request.

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SELLER SELLER

BUYER BUYER

Residential Resale Real Estate Purchase Contract >>

- 2f. 90. **Loan Application:** Unless previously completed, within three (3) days after Contract acceptance Buyer shall (i) provide lender
91. with Buyer's name, income, social security number, Premises address, estimate of value of the Premises, and mortgage loan
92. amount sought; and (ii) grant lender permission to access Buyer's Trimerged Residential Credit Report.
- 2g. 93. **Loan Processing During Escrow:** Within ten (10) days after receipt of the **Loan Estimate** Buyer shall (i) provide lender with
94. notice of intent to proceed with the loan transaction in a manner satisfactory to lender; and (ii) provide to lender all requested
95. signed disclosures and the documentation listed in the LSU at lines 32-35. Buyer agrees to diligently work to obtain the loan and
96. will promptly provide the lender with all additional documentation requested.
- 2h. 97. **Type of Financing:** ☐ Conventional ☐ FHA ☐ VA ☐ USDA ☐ Assumption ☐ Seller Carryback ☐ _____
98. (If financing is to be other than new financing, see attached addendum.)
- 2i. 99. **Loan Costs:** All costs of obtaining the loan shall be paid by Buyer, unless otherwise provided for herein.
- 2j. 100. **Seller Concessions (if any):** In addition to the other costs Seller has agreed to pay herein, Seller will credit Buyer _____%
101. of the Purchase Price **OR** \$ _____ (Seller Concessions). The Seller Concessions may be used for any Buyer fee, cost,
102. charge, or expenditure to the extent allowed by Buyer's lender.
- 2k. 103. **Changes:** Buyer shall immediately notify Seller of any changes in the loan program, financing terms, or lender described in the
104. Pre-Qualification Form attached hereto or LSU provided within ten (10) days after Contract acceptance and shall only make any
105. such changes without the prior written consent of Seller if such changes do not adversely affect Buyer's ability to obtain loan
106. approval without PTD conditions, increase Seller's closing costs, or delay COE.
- 2l. 107. **Appraisal Contingency:** Buyer's obligation to complete this sale is contingent upon an appraisal of the Premises acceptable to
108. lender for at least the purchase price. If the Premises fail to appraise for the purchase price in any appraisal required by lender,
109. Buyer has five (5) days after notice of the appraised value to cancel this Contract and receive a return of the Earnest Money or
110. the appraisal contingency shall be waived, unless otherwise prohibited by federal law.
- 2m. 111. **Appraisal Cost(s):** Initial appraisal fee shall be paid by ☐ Buyer ☐ Seller ☒ Other _____
112. at the time payment is required by lender and is non-refundable. If Seller is paying the initial appraisal fee, the fee ☐ will ☐ will not
113. be applied against Seller's Concessions at COE, if applicable. If Buyer's lender requires an updated appraisal prior to COE, it will be
114. performed at Buyer's expense. Any appraiser/lender required inspection cost(s) shall be paid for by Buyer.

3. TITLE AND ESCROW

- 3a. 115. **Escrow:** This Contract shall be used as escrow instructions. The Escrow Company employed by the parties to carry out the
116. terms of this Contract shall be:
117. _____
ESCROW/TITLE COMPANY
118. _____
ADDRESS CITY STATE ZIP
119. _____
EMAIL PHONE FAX
- 3b. 120. **Title and Vesting:** Buyer will take title as determined before COE. If Buyer is married and intends to take title as his/her sole
121. and separate property, a disclaimer deed may be required. Taking title may have significant legal, estate planning and tax
122. consequences. Buyer should obtain independent legal and tax advice.
- 3c. 123. **Title Commitment and Title Insurance:** Escrow Company is hereby instructed to obtain and deliver to Buyer and Seller directly,
124. addressed pursuant to 8s and 9c or as otherwise provided, a Commitment for Title Insurance together with complete and legible copies
125. of all documents that will remain as exceptions to Buyer's policy of Title Insurance ("Title Commitment"), including but not limited to
126. Conditions, Covenants and Restrictions ("CC&Rs"); deed restrictions; and easements. Buyer shall have five (5) days after receipt of the
127. Title Commitment and after receipt of notice of any subsequent exceptions to provide notice to Seller of any items disapproved. Seller
128. shall convey title by warranty deed, subject to existing taxes, assessments, covenants, conditions, restrictions, rights of way, easements
129. and all other matters of record. Buyer shall be provided at Seller's expense an American Land Title Association ("ALTA") Homeowner's
130. Title Insurance Policy or, if not available, a Standard Owner's Title Insurance Policy, showing title vested in Buyer. Buyer may acquire
131. extended coverage at Buyer's own additional expense. If applicable, Buyer shall pay the cost of obtaining the ALTA Lender Title
132. Insurance Policy.

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SELLER SELLER

BUYER BUYER

Residential Resale Real Estate Purchase Contract >>

- 3d. 133. Additional Instructions:** (i) Escrow Company shall promptly furnish notice of pending sale that contains the name and address of Buyer to any homeowner's association(s) in which the Premises are located. (ii) If Escrow Company is also acting as the title agency but is not the title insurer issuing the title insurance policy, Escrow Company shall deliver to Buyer and Seller, upon deposit of funds, a closing protection letter from the title insurer indemnifying Buyer and Seller for any losses due to fraudulent acts or breach of escrow instructions by Escrow Company. (iii) All documents necessary to close this transaction shall be executed promptly by Seller and Buyer in the standard form used by Escrow Company. Escrow Company shall modify such documents to the extent necessary to be consistent with this Contract. (iv) Escrow Company fees, unless otherwise stated herein, shall be allocated equally between Seller and Buyer. (v) Escrow Company shall send to all parties and Broker(s) copies of all notices and communications directed to Seller, Buyer and Broker(s). (vi) Escrow Company shall provide Broker(s) access to escrowed materials and information regarding the escrow. (vii) If an Affidavit of Disclosure is provided, Escrow Company shall record the Affidavit at COE.
- 3e. 143. Tax Prorations:** Real property taxes payable by Seller shall be prorated to COE based upon the latest tax information available.
- 3f. 144. Release of Earnest Money:** In the event of a dispute between Buyer and Seller regarding any Earnest Money deposited with Escrow Company, Buyer and Seller authorize Escrow Company to release the Earnest Money pursuant to the terms and conditions of this Contract in its sole and absolute discretion. Buyer and Seller agree to hold harmless and indemnify Escrow Company against any claim, action or lawsuit of any kind, and from any loss, judgment, or expense, including costs and attorney fees, arising from or relating in any way to the release of the Earnest Money.
- 3g. 149. Prorations of Assessments and Fees:** All assessments and fees that are not a lien as of COE, including homeowner's association fees, rents, irrigation fees, and, if assumed, insurance premiums, interest on assessments, interest on encumbrances, and service contracts, shall be prorated as of COE or ☐ Other: _____
- 3h. 152. Assessment Liens:** The amount of any assessment lien or bond including those charged by a special taxing district, such as a Community Facilities District, shall be prorated as of COE.

4. DISCLOSURE

- 4a. 154. Seller's Property Disclosure Statement ("SPDS"):** Seller shall deliver a completed AAR Residential SPDS form to Buyer within three (3) days after Contract acceptance. Buyer shall provide notice of any SPDS items disapproved within the Inspection Period or five (5) days after receipt of the SPDS, whichever is later.
- 4b. 157. Insurance Claims History:** Seller shall deliver to Buyer a written five (5) year insurance claims history regarding the Premises (or a claims history for the length of time Seller has owned the Premises if less than five (5) years) from Seller's insurance company or an insurance support organization or consumer reporting agency, or if unavailable from these sources, from Seller, within five (5) days after Contract acceptance. Buyer shall provide notice of any items disapproved within the Inspection Period or five (5) days after receipt of the claims history, whichever is later.
- 4c. 162. Foreign Sellers:** The Foreign Investment in Real Property Tax Act ("FIRPTA") is applicable if Seller is a non-resident alien individual, foreign corporation, foreign partnership, foreign trust, or foreign estate ("Foreign Person"). Seller agrees to complete, sign, and deliver to Escrow Company a certificate indicating whether Seller is a Foreign Person. FIRPTA requires that a foreign seller may have federal income taxes up to 15% of the purchase price withheld, unless an exception applies. Seller is responsible for obtaining independent legal and tax advice.
- 4d. 167. Lead-Based Paint Disclosure:** If the Premises were built prior to 1978, Seller shall: (i) notify Buyer of any known lead-based paint ("LBP") or LBP hazards in the Premises; (ii) provide Buyer with any LBP risk assessments or inspections of the Premises in Seller's possession; (iii) provide Buyer with the Disclosure of Information on Lead-Based Paint and Lead-Based Paint Hazards, and any report, records, pamphlets, and/or other materials referenced therein, including the pamphlet "Protect Your Family from Lead in Your Home" (collectively "LBP Information"). Buyer shall return a signed copy of the Disclosure of Information on Lead-Based Paint and Lead-Based Paint Hazards to Seller prior to COE.
173. ☐ LBP Information was provided prior to Contract acceptance and Buyer acknowledges the opportunity to conduct LBP risk assessments or inspections during Inspection Period.
175. ☐ Seller shall provide LBP Information within five (5) days after Contract acceptance. Buyer may within ten (10) days or _____ days after receipt of the LBP Information conduct or obtain a risk assessment or inspection of the Premises for the presence of LBP or LBP hazards ("Assessment Period"). Buyer may within five (5) days after receipt of the LBP Information or five (5) days after expiration of the Assessment Period cancel this Contract.
179. Buyer is further advised to use certified contractors to perform renovation, repair or painting projects that disturb lead-based paint in residential properties built before 1978 and to follow specific work practices to prevent lead contamination.
181. If Premises were constructed prior to 1978, **(BUYER'S INITIALS REQUIRED)** _____
182. If Premises were constructed in 1978 or later, **(BUYER'S INITIALS REQUIRED)** _____

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SELLER SELLER

BUYER BUYER

Residential Resale Real Estate Purchase Contract >>

- 4e. 183. **Affidavit of Disclosure:** If the Premises are located in an unincorporated area of the county, and five (5) or fewer parcels of
 184. property other than subdivided property are being transferred, Seller shall deliver a completed Affidavit of Disclosure in the form
 185. required by law to Buyer within five (5) days after Contract acceptance. Buyer shall provide notice of any Affidavit of Disclosure items
 186. disapproved within the Inspection Period or five (5) days after receipt of the Affidavit of Disclosure, whichever is later.
- 4f. 187. **Changes During Escrow:** Seller shall immediately notify Buyer of any changes in the Premises or disclosures made herein,
 188. in the SPDS, or otherwise. Such notice shall be considered an update of the SPDS. Unless Seller is already obligated by this
 189. Contract or any amendments hereto, to correct or repair the changed item disclosed, Buyer shall be allowed five (5) days after
 190. delivery of such notice to provide notice of disapproval to Seller.

5. WARRANTIES

- 5a. 191. **Condition of Premises: BUYER AND SELLER AGREE THE PREMISES ARE BEING SOLD IN ITS PRESENT PHYSICAL**
 192. **CONDITION AS OF THE DATE OF CONTRACT ACCEPTANCE.** Seller makes no warranty to Buyer, either express or implied,
 193. as to the condition, zoning, or fitness for any particular use or purpose of the Premises. However, Seller shall maintain and repair
 194. the Premises so that at the earlier of possession or COE: (i) the Premises, including all personal property included in the sale, will
 195. be in substantially the same condition as on the date of Contract acceptance; and (ii) all personal property not included in the sale
 196. and debris will be removed from the Premises. Buyer is advised to conduct independent inspections and investigations regarding
 197. the Premises within the Inspection Period as specified in Section 6a. Buyer and Seller acknowledge and understand they may,
 198. but are not obligated to, engage in negotiations or address repairs/improvements to the Premises. Any/all agreed upon repairs/
 199. improvements will be addressed pursuant to Section 6j.
- 5b. 200. **Warranties that Survive Closing:** Seller warrants that Seller has disclosed to Buyer and Broker(s) all material latent defects and
 201. any information concerning the Premises known to Seller, excluding opinions of value, which materially and adversely affect the
 202. consideration to be paid by Buyer. Prior to COE, Seller warrants that payment in full will have been made for all labor, professional
 203. services, materials, machinery, fixtures, or tools furnished within the 150 days immediately preceding COE in connection with the
 204. construction, alteration, or repair of any structure on or improvement to the Premises. Seller warrants that the information regarding
 205. connection to a sewer system or on-site wastewater treatment facility (conventional septic or alternative) is correct to the best of
 206. Seller's knowledge.
- 5c. 207. **Buyer Warranties:** Buyer warrants that Buyer has disclosed to Seller any information that may materially and adversely affect
 208. Buyer's ability to close escrow or complete the obligations of this Contract. At the earlier of possession of the Premises or COE,
 209. Buyer warrants to Seller that Buyer has conducted all desired independent inspections and investigations and accepts the Premises.
 210. **Buyer warrants that Buyer is not relying on any verbal representations concerning the Premises except disclosed as follows:**
 211. _____
 212. _____

6. DUE DILIGENCE

- 6a. 213. **Inspection Period:** Buyer's Inspection Period shall be ten (10) days or _____ days after Contract acceptance. During the
 214. Inspection Period Buyer, at Buyer's expense, shall: (i) conduct all desired physical, environmental, and other types of inspections
 215. and investigations to determine the value and condition of the Premises; (ii) make inquiries and consult government agencies,
 216. lenders, insurance agents, architects, and other appropriate persons and entities concerning the suitability of the Premises and
 217. the surrounding area; (iii) investigate applicable building, zoning, fire, health, and safety codes to determine any potential hazards,
 218. violations or defects in the Premises; and (iv) verify any material multiple listing service ("MLS") information. If the presence of
 219. sex offenders in the vicinity or the occurrence of a disease, natural death, suicide, homicide or other crime on or in the vicinity is
 220. a material matter to Buyer, it must be investigated by Buyer during the Inspection Period. Buyer shall keep the Premises free and
 221. clear of liens, shall indemnify and hold Seller harmless from all liability, claims, demands, damages, and costs, and shall repair all
 222. damages arising from the inspections. Buyer shall provide Seller and Broker(s) upon receipt, at no cost, copies of all inspection
 223. reports concerning the Premises obtained by Buyer. Buyer is advised to consult the Arizona Department of Real Estate Buyer
 224. *Advisory* to assist in Buyer's due diligence inspections and investigations.
- 6b. 225. **Square Footage: BUYER IS AWARE THAT ANY REFERENCE TO THE SQUARE FOOTAGE OF THE PREMISES, BOTH THE**
 226. **REAL PROPERTY (LAND) AND IMPROVEMENTS THEREON, IS APPROXIMATE. IF SQUARE FOOTAGE IS A MATERIAL**
 227. **MATTER TO BUYER, IT MUST BE INVESTIGATED DURING THE INSPECTION PERIOD.**
- 6c. 228. **Wood-Destroying Organism or Insect Inspection: IF CURRENT OR PAST WOOD-DESTROYING ORGANISMS OR INSECTS**
 229. **(SUCH AS TERMITES) ARE A MATERIAL MATTER TO BUYER, THESE ISSUES MUST BE INVESTIGATED DURING THE**
 230. **INSPECTION PERIOD.** Buyer shall order and pay for all wood-destroying organism or insect inspections performed during the
 231. Inspection Period. If the lender requires an updated Wood-Destroying Organism or Insect Inspection Report prior to COE, it will be
 232. performed at Buyer's expense.
- 6d. 233. **Flood Hazard: FLOOD HAZARD DESIGNATIONS OR THE COST OF FLOOD HAZARD INSURANCE SHALL BE**
 234. **DETERMINED BY BUYER DURING THE INSPECTION PERIOD.** If the Premises are situated in an area identified as having
 235. any special flood hazards by any governmental entity, **THE LENDER MAY REQUIRE THE PURCHASE OF FLOOD HAZARD**
 236. **INSURANCE.** Special flood hazards may also affect the ability to encumber or improve the Premises.

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SELLER SELLER

BUYER BUYER

Residential Resale Real Estate Purchase Contract >>

- 6e. 237. **Insurance: IF HOMEOWNER'S INSURANCE IS A MATERIAL MATTER TO BUYER, BUYER SHALL APPLY FOR AND**
 238. **OBTAIN WRITTEN CONFIRMATION OF THE AVAILABILITY AND COST OF HOMEOWNER'S INSURANCE FOR THE**
 239. **PREMISES FROM BUYER'S INSURANCE COMPANY DURING THE INSPECTION PERIOD.** Buyer understands that any
 240. homeowner's, fire, casualty, flood or other insurance desired by Buyer or required by lender should be in place at COE.
- 6f. 241. **Sewer or On-site Wastewater Treatment System:** The Premises are connected to a:
 242. ☐ sewer system ☐ conventional septic system ☐ alternative system
243. **IF A SEWER CONNECTION IS A MATERIAL MATTER TO BUYER, IT MUST BE INVESTIGATED DURING THE INSPECTION**
 244. **PERIOD.** If the Premises are served by a conventional septic or alternative system, the AAR On-site Wastewater Treatment Facility
 245. Addendum is incorporated herein by reference.
246. (BUYER'S INITIALS REQUIRED) _____ BUYER BUYER
- 6g. 247. **Swimming Pool Barrier Regulations:** During the Inspection Period, Buyer agrees to investigate all applicable state, county, and
 248. municipal Swimming Pool barrier regulations and agrees to comply with and pay all costs of compliance with said regulations prior to
 249. occupying the Premises, unless otherwise agreed in writing. If the Premises contains a Swimming Pool, Buyer acknowledges receipt
 250. of the Arizona Department of Health Services approved private pool safety notice.
251. (BUYER'S INITIALS REQUIRED) _____ BUYER BUYER
- 6h. 252. **BUYER ACKNOWLEDGMENT: BUYER RECOGNIZES, ACKNOWLEDGES, AND AGREES THAT BROKER(S) ARE NOT**
 253. **QUALIFIED, NOR LICENSED, TO CONDUCT DUE DILIGENCE WITH RESPECT TO THE PREMISES OR THE SURROUNDING**
 254. **AREA. BUYER IS INSTRUCTED TO CONSULT WITH QUALIFIED LICENSED PROFESSIONALS TO ASSIST IN BUYER'S**
 255. **DUE DILIGENCE EFFORTS. BECAUSE CONDUCTING DUE DILIGENCE WITH RESPECT TO THE PREMISES AND THE**
 256. **SURROUNDING AREA IS BEYOND THE SCOPE OF BROKER'S EXPERTISE AND LICENSING, BUYER EXPRESSLY**
 257. **RELEASES AND HOLDS HARMLESS BROKER(S) FROM LIABILITY FOR ANY DEFECTS OR CONDITIONS THAT COULD**
 258. **HAVE BEEN DISCOVERED BY INSPECTION OR INVESTIGATION.**
259. (BUYER'S INITIALS REQUIRED) _____ BUYER BUYER
- 6i. 260. **Inspection Period Notice:** Prior to expiration of the Inspection Period, Buyer shall deliver to Seller a signed notice of any items
 261. disapproved. AAR's Buyer's Inspection Notice and Seller's Response form is available for this purpose. Buyer shall conduct all
 262. desired inspections and investigations prior to delivering such notice to Seller and all Inspection Period items disapproved shall be
 263. provided in a single notice.
- 6j. 264. **Buyer Disapproval:** If Buyer, in Buyer's sole discretion, disapproves of items as allowed herein, Buyer shall deliver to Seller a
 265. signed notice of the items disapproved and state in the notice that Buyer elects to either:
 266. (1) Immediately cancel this Contract, in which case:
 267. (a) If Buyer's notice specifies disapproval of items as allowed herein, the Earnest Money shall be released to Buyer.
 268. (b) If Buyer's notice fails to specify items disapproved as allowed herein, the cancellation will remain in effect but Buyer has
 269. failed to comply with a provision of this Contract and Seller may deliver to Buyer a cure notice as required by Section 7a.
 270. If Buyer fails to cure their non-compliance within three (3) days after delivery of such notice, Buyer shall be in breach and
 271. Seller shall be entitled to the Earnest Money. If, prior to expiration of the Cure Period, Buyer delivers notice specifying
 272. items disapproved as allowed herein, Buyer shall be entitled to a return of the Earnest Money.
273. **OR**
274. (2) Provide Seller an opportunity to correct or address the items disapproved, in which case:
 275. (a) Seller shall respond in writing within five (5) days or _____ days after delivery to Seller of Buyer's notice of items
 276. disapproved. Seller's failure to respond to Buyer in writing within the specified time period shall conclusively be deemed
 277. Seller's refusal to correct or address any of the items disapproved.
 278. (b) **If Seller agrees in writing to correct items disapproved, Seller shall correct the items, complete any repairs in a**
 279. **workmanlike manner and deliver any paid receipts evidencing the corrections and repairs to Buyer three (3) days**
 280. **or _____ days prior to the COE Date.**
 281. (c) If Seller is unwilling or unable to correct or address any of the items disapproved, Buyer may cancel this Contract within
 282. five (5) days after delivery of Seller's response or after expiration of the time for Seller's response, whichever occurs
 283. first, and the Earnest Money shall be released to Buyer. If Buyer does not cancel this Contract within the five (5) days as
 284. provided, Buyer shall close escrow without those items that Seller has not agreed in writing to correct or address.
285. **VERBAL DISCUSSIONS WILL NOT EXTEND THESE TIME PERIODS.** Only a written agreement signed by both parties will extend
 286. response times or cancellation rights.
287. **BUYER'S FAILURE TO GIVE NOTICE OF DISAPPROVAL OF ITEMS OR CANCELLATION OF THIS CONTRACT WITHIN**
 288. **THE SPECIFIED TIME PERIOD SHALL CONCLUSIVELY BE DEEMED BUYER'S ELECTION TO PROCEED WITH THE**
 289. **TRANSACTION WITHOUT CORRECTION OF ANY DISAPPROVED ITEMS.**

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BUYER BUYER

Residential Resale Real Estate Purchase Contract >>

- 6k. 290. **Home Warranty Plan:** Buyer and Seller are advised to investigate the various home warranty plans available for purchase. The
 291. parties acknowledge that different home warranty plans have different coverage options, exclusions, limitations, service fees and
 292. most plans exclude pre-existing conditions.
293. ☐ A Home Warranty Plan will be ordered by ☐ Buyer or ☐ Seller with the following optional coverage
 294. _____, to be issued by _____ at a cost
 295. not to exceed \$ _____, to be paid for by ☐ Buyer ☐ Seller ☐ Split evenly between Buyer and Seller
 296. ☐ Buyer declines the purchase of a Home Warranty Plan.
297. **(BUYER'S INITIALS REQUIRED)** _____ BUYER BUYER
- 6l. 298. **Walkthrough(s):** Seller grants Buyer and Buyer's inspector(s) reasonable access to conduct walkthrough(s) of the Premises for
 299. the purpose of satisfying Buyer that any corrections or repairs agreed to by Seller have been completed, and the Premises are
 300. in substantially the same condition as of the date of Contract acceptance. If Buyer does not conduct such walkthrough(s), Buyer
 301. releases Seller and Broker(s) from liability for any defects that could have been discovered.
- 6m. 302. **Seller's Responsibility Regarding Inspections and Walkthrough(s):** Seller shall make the Premises available for all inspections
 303. and walkthrough(s) upon reasonable notice by Buyer. Seller shall, at Seller's expense, have all utilities on, including any propane,
 304. until COE to enable Buyer to conduct these inspections and walkthrough(s).
- 6n. 305. **IRS and FIRPTA Reporting:** The Foreign Investment in Real Property Tax Act ("FIRPTA") provides that, if a seller is a Foreign
 306. Person, a buyer of residential real property must withhold federal income taxes up to 15% of the purchase price, unless an exception
 307. applies. If FIRPTA is applicable and Buyer fails to withhold, Buyer may be held liable for the tax. Buyer agrees to perform any acts
 308. reasonable or necessary to comply with FIRPTA and IRS reporting requirements and Buyer is responsible for obtaining independent
 309. legal and tax advice.

7. REMEDIES

- 7a. 310. **Cure Period:** A party shall have an opportunity to cure a potential breach of this Contract. If a party fails to comply with any
 311. provision of this Contract, the other party shall deliver a notice to the non-complying party specifying the non-compliance. If the
 312. non-compliance is not cured within three (3) days after delivery of such notice ("Cure Period"), the failure to comply shall become a
 313. breach of Contract. If Escrow Company or recorder's office is closed on the last day of the Cure Period, and COE must occur
 314. to cure a potential breach, COE shall occur on the next day that both are open for business.
- 7b. 315. **Breach:** In the event of a breach of Contract, the non-breaching party may cancel this Contract and/or proceed against the
 316. breaching party in any claim or remedy that the non-breaching party may have in law or equity, subject to the Alternative Dispute
 317. Resolution obligations set forth herein. In the case of Seller, because it would be difficult to fix actual damages in the event of
 318. Buyer's breach, the Earnest Money may be deemed a reasonable estimate of damages and Seller may, at Seller's option, accept
 319. the Earnest Money as Seller's sole right to damages; and in the event of Buyer's breach arising from Buyer's failure to deliver the
 320. notice required by Section 2b, or Buyer's inability to obtain loan approval due to the waiver of the appraisal contingency pursuant
 321. to Section 2l, Seller shall exercise this option and accept the Earnest Money as Seller's sole right to damages. An unfulfilled
 322. contingency is not a breach of Contract. The parties expressly agree that the failure of any party to comply with the terms and
 323. conditions of Section 1d to allow COE to occur on the COE Date, if not cured after a cure notice is delivered pursuant to Section 7a,
 324. will constitute a material breach of this Contract, rendering the Contract subject to cancellation.
- 7c. 325. **Alternative Dispute Resolution ("ADR"):** Buyer and Seller agree to mediate any dispute or claim arising out of or relating to this
 326. Contract in accordance with the REALTORS® Dispute Resolution System, or as otherwise agreed. All mediation costs shall be paid
 327. equally by the parties. In the event that mediation does not resolve all disputes or claims, the unresolved disputes or claims shall
 328. be submitted for binding arbitration. In such event, the parties shall agree upon an arbitrator and cooperate in the scheduling of
 329. an arbitration hearing. If the parties are unable to agree on an arbitrator, the dispute shall be submitted to the American Arbitration
 330. Association ("AAA") in accordance with the AAA Arbitration Rules for the Real Estate Industry. The decision of the arbitrator shall be
 331. final and nonappealable. Judgment on the award rendered by the arbitrator may be entered in any court of competent jurisdiction.
 332. Notwithstanding the foregoing, either party may opt out of binding arbitration within thirty (30) days after the conclusion of the
 333. mediation conference by notice to the other and, in such event, either party shall have the right to resort to court action.
- 7d. 334. **Exclusions from ADR:** The following matters are excluded from the requirement for ADR hereunder: (i) any action brought in the
 335. Small Claims Division of an Arizona Justice Court (up to \$3,500) so long as the matter is not thereafter transferred or removed from
 336. the small claims division; (ii) judicial or nonjudicial foreclosure or other action or proceeding to enforce a deed of trust, mortgage, or
 337. agreement for sale; (iii) an unlawful entry or detainer action; (iv) the filing or enforcement of a mechanic's lien; or (v) any matter that
 338. is within the jurisdiction of a probate court. Further, the filing of a judicial action to enable the recording of a notice of pending action
 339. ("lis pendens"), or order of attachment, receivership, injunction, or other provisional remedies shall not constitute a waiver of the
 340. obligation to submit the claim to ADR, nor shall such action constitute a breach of the duty to mediate or arbitrate.
- 7e. 341. **Attorney Fees and Costs:** The prevailing party in any dispute or claim between Buyer and Seller arising out of or relating to this
 342. Contract shall be awarded their reasonable attorney fees and costs. Costs shall include, without limitation, attorney fees, expert
 343. witness fees, fees paid to investigators, and arbitration costs.

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BUYER BUYER

8. ADDITIONAL TERMS AND CONDITIONS

8a. 344.

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SAMPLE

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BUYER	BUYER

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Residential Resale Real Estate Purchase Contract >>**8q. 443. Broker on behalf of Buyer:**

444. _____
PRINT AGENT'S NAME AGENT MLS CODE AGENT STATE LICENSE NO.

445. _____
PRINT AGENT'S NAME AGENT MLS CODE AGENT STATE LICENSE NO.

446. _____
PRINT FIRM NAME FIRM MLS CODE

447. _____
FIRM ADDRESS STATE ZIP CODE FIRM STATE LICENSE NO.

448. _____
PREFERRED TELEPHONE FAX EMAIL

8r. 449. Agency Confirmation: Broker named in Section 8q above is the agent of (check one):

450. ☐ Buyer; ☐ Seller; or ☐ both Buyer and Seller

8s. 451. The undersigned agree to purchase the Premises on the terms and conditions herein stated and acknowledge receipt of a copy hereof including the Buyer Attachment.

453. ^ BUYER'S SIGNATURE MO/DA/YR ^ BUYER'S SIGNATURE MO/DA/YR

454. ^ BUYER'S NAME PRINTED ^ BUYER'S NAME PRINTED

455. ADDRESS ADDRESS

456. CITY, STATE, ZIP CODE CITY, STATE, ZIP CODE

9. SELLER ACCEPTANCE**9a. 457. Broker on behalf of Seller:**

458. _____
PRINT AGENT'S NAME AGENT MLS CODE AGENT STATE LICENSE NO.

459. _____
PRINT AGENT'S NAME AGENT MLS CODE AGENT STATE LICENSE NO.

460. _____
PRINT FIRM NAME FIRM MLS CODE

461. _____
FIRM ADDRESS STATE ZIP CODE FIRM STATE LICENSE NO.

462. _____
PREFERRED TELEPHONE FAX EMAIL

9b. 463. Agency Confirmation: Broker named in Section 9a above is the agent of (check one):

464. ☐ Seller; or ☐ both Buyer and Seller

9c. 465. The undersigned agree to sell the Premises on the terms and conditions herein stated, acknowledge receipt of a copy hereof and grant permission to Broker named in Section 9a to deliver a copy to Buyer.

467. ☐ Counter Offer is attached, and is incorporated herein by reference. Seller must sign and deliver both this offer and the Counter Offer. If there is a conflict between this offer and the Counter Offer, the provisions of the Counter Offer shall be controlling.

469. ^ SELLER'S SIGNATURE MO/DA/YR ^ SELLER'S SIGNATURE MO/DA/YR

470. ^ SELLER'S NAME PRINTED ^ SELLER'S NAME PRINTED

471. ADDRESS ADDRESS

472. CITY, STATE, ZIP CODE CITY, STATE, ZIP CODE

473. ☐ OFFER REJECTED BY SELLER: _____, 20_____
MONTH DAY YEAR (SELLER'S INITIALS)

For Broker Use Only:

Brokerage File/Log No. _____ Manager's Initials _____ Broker's Initials _____ Date _____
MO/DA/YR

ADDENDUM

Document updated:
June 1993



The pre-printed portion of this form has been drafted by the Arizona Association of REALTORS®. Any change in the pre-printed language of this form must be made in a prominent manner. No representations are made as to the legal validity, adequacy and/or effects of any provision, including tax consequences thereof. If you desire legal, tax or other professional advice, please consult your attorney, tax advisor or professional consultant.



1. This is an addendum originated by the: ☐ Seller ☐ Buyer ☐ Landlord ☐ Tenant.
2. This is an addendum to the Contract dated _____ between the following Parties:
MO/DA/YR
3. Seller/Landlord: _____
4. Buyer/Tenant: _____
5. Premises: _____
6. The following additional terms and conditions are hereby included as a part of the Contract between Seller and Buyer for the above referenced Premises:
7. _____
8. _____
9. _____
10. _____
11. _____
12. _____
13. _____
14. _____
15. _____
16. _____
17. _____
18. _____
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32. _____
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34. _____
35. _____
36. _____
37. _____
38. _____
39. _____
40. _____
41. _____

42. The undersigned agrees to the additional terms and conditions and acknowledges receipt of a copy hereof.

- | | | | |
|---------------------------------------|-------------------------------------|---------------------------------------|-------------------------------------|
| 43. _____ | 43. _____ | 43. _____ | 43. _____ |
| 44. <input type="checkbox"/> Seller | 44. <input type="checkbox"/> Buyer | 44. <input type="checkbox"/> Seller | 44. <input type="checkbox"/> Buyer |
| 45. <input type="checkbox"/> Landlord | 45. <input type="checkbox"/> Tenant | 45. <input type="checkbox"/> Landlord | 45. <input type="checkbox"/> Tenant |
| 46. _____ | 46. _____ | 46. _____ | 46. _____ |
| 47. <input type="checkbox"/> Seller | 47. <input type="checkbox"/> Buyer | 47. <input type="checkbox"/> Seller | 47. <input type="checkbox"/> Buyer |
| 48. <input type="checkbox"/> Landlord | 48. <input type="checkbox"/> Tenant | 48. <input type="checkbox"/> Landlord | 48. <input type="checkbox"/> Tenant |

49. **For Broker Use Only:**

Brokerage File/Log No. _____ Manager's Initials _____ Broker's Initials _____ Date _____
MO/DA/YR

COUNTER OFFER

Document updated:
June 2021



The pre-printed portion of this form has been drafted by the Arizona Association of REALTORS®. Any change in the pre-printed language of this form must be made in a prominent manner. No representations are made as to the legal validity, adequacy and/or effects of any provision, including tax consequences thereof. If you desire legal, tax or other professional advice, please consult your attorney, tax advisor or professional consultant.



1. This is a Counter Offer originated by: ☐ Seller ☐ Buyer ☐ Landlord ☐ Tenant
2. This is a Counter Offer to the ☐ Offer ☐ Counter Offer dated _____ between the following Parties:
MO/DA/YR
3. Seller/Landlord: _____
4. Buyer/Tenant: _____
5. Premises Address: _____
6. Acceptance of the above Offer and/or Counter Offer is contingent upon agreement to the following:
7. _____
8. _____
9. _____
10. _____
11. _____
12. _____
13. _____
14. _____
15. _____
16. _____
17. _____
18. _____
19. Terms of Acceptance: Unless acceptance of this Counter Offer is signed by all parties and a signed copy delivered in person, by mail, facsimile or electronically, and received by the originating party's Broker named in the Contract Section 8q or 9a as applicable
20. by _____ at _____ ☐ a.m. ☐ p.m., Mountain Standard Time, this Counter Offer shall be considered withdrawn.
21. Except as modified by this Counter Offer, all other terms and conditions of the above referenced Offer/Counter Offer(s) shall remain unchanged and deemed accepted. Until this Counter Offer has been accepted in the manner described above, the Parties understand
22. that the Party originating this Counter Offer may withdraw the offer to buy, sell, or lease the Premises.
23. The undersigned acknowledges receipt of a copy hereof.

24. _____ Date: _____ Time: _____
25. ☐ Seller ☐ Buyer ☐ Landlord ☐ Tenant
26. _____ Date: _____ Time: _____
27. ☐ Seller ☐ Buyer ☐ Landlord ☐ Tenant

☐ RESPONSE

28. An additional Counter Offer is attached, and is incorporated by reference. If there is a conflict between this Counter Offer and the additional Counter Offer, the provisions of the additional Counter Offer shall be controlling.

29. _____ Date: _____ Time: _____
30. ☐ Seller ☐ Buyer ☐ Landlord ☐ Tenant
31. _____ Date: _____ Time: _____
32. ☐ Seller ☐ Buyer ☐ Landlord ☐ Tenant

☐ ACCEPTANCE

33. The undersigned agrees to the terms and conditions of this Counter Offer and acknowledges receipt of a copy hereof.

34. _____ Date: _____ Time: _____
35. ☐ Seller ☐ Buyer ☐ Landlord ☐ Tenant
36. _____ Date: _____ Time: _____
37. ☐ Seller ☐ Buyer ☐ Landlord ☐ Tenant

For Broker Use Only:

Brokerage File/Log No. _____ Manager's Initials _____ Broker's Initials _____ Date _____
MO/DA/YR

RESIDENTIAL BUYER'S INSPECTION NOTICE AND SELLER'S RESPONSE (BINSR)

Page 1 of 3
Document updated:
October 2022



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1. Contract dated: _____, 20____
MONTH DAY YEAR
2. Seller: _____
3. Buyer: _____
4. Premises Address: _____

BUYER INSPECTIONS AND INVESTIGATIONS COMPLETED

(See Section 6j)

Buyer has completed all desired Inspection Period items, such as:

- (a) physical, environmental, and other inspections and investigations;
- (b) inquiries and consultations with government agencies, lenders, insurance agents, architects, and other persons and entities;
- (c) investigations of applicable building, zoning, fire, health, and safety codes;
- (d) inquiries regarding sex offenders; and the occurrence of a disease, natural death, suicide, homicide or other crime on the Premises or in the vicinity
- (e) inspections and investigations pertaining to square footage, wood-destroying organisms or insects, sewer, flood hazard, swimming pool barriers, and insurance; and
- (f) inspections and investigations of any other items important to Buyer.

Buyer has verified all information deemed important including:

- (a) MLS or listing information; and
- (b) all other information obtained regarding the Premises.

Buyer acknowledges that:

- (a) All desired Inspection Period inspections and investigations must be completed prior to delivering this notice to Seller;
- (b) All Inspection Period items disapproved must be provided in this notice;
- (c) Buyer's election is limited to the options specified below; and
- (d) Buyer is not entitled to change or modify Buyer's election after this notice is delivered to Seller.

Buyer and Seller acknowledge that any agreed upon corrections/repairs;

- (a) Must be performed in a workmanlike manner; and
- (b) Arizona law, A.R.S. § 32-1121, requires that a licensed contractor perform corrections/repairs for which: (i) the aggregate contract price, including labor and materials, is \$1,000 or greater; or (ii) the work to be performed is not of a casual or minor nature; or (iii) the work to be performed requires a local building permit.

Buyer elects as follows:

- ☐ Premises Accepted – No corrections requested. Buyer accepts the Premises in its present condition and no corrections or repairs are requested.
- ☐ Premises Rejected – Buyer disapproves of the items listed below and elects to immediately cancel the Contract.
- ☐ Buyer elects to provide Seller an opportunity to correct or address the disapproved items listed below. (Attach an addendum, if applicable.)

Items disapproved: _____

>>



Buyer acknowledges that Broker(s): (1) make no representations concerning the competency of any inspectors, contractors and/or repair persons and assume no responsibility for any deficiencies or errors made; and (2) neither Seller nor Broker(s) are experts at detecting or repairing, or estimating costs to repair physical defects in the Premises. Buyer further acknowledges that if Seller agrees to address the items disapproved by monetary credit or change in Purchase Price, an addendum must be submitted to Buyer's lender, who may limit or restrict total contractual credits. The undersigned agrees to the modified or additional terms and conditions, if any, and acknowledges receipt of a copy hereof.

^ BUYER'S SIGNATURE

MO/DA/YR

^ BUYER'S SIGNATURE

MO/DA/YR

BUYER'S WAIVER OF INSPECTIONS

BUYER ACKNOWLEDGES THAT BUYER WAS ADVISED TO OBTAIN INSPECTIONS OF THE PREMISES BY QUALIFIED INSPECTOR(S) AND BUYER DECLINED. By acting against Broker's advice, Buyer accepts responsibility and hereby releases, indemnifies and holds harmless Brokers from any and all liability for all matters that professional inspections could have revealed.

^ BUYER'S SIGNATURE

MO/DA/YR

^ BUYER'S SIGNATURE

MO/DA/YR

>>

MO/DAY/YR

MO/DAY/YR

CURE PERIOD NOTICE

Document updated:
February 2019



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1. Contract Dated: _____
2. Buyer: _____
3. Seller: _____
4. Escrow Company: _____
5. Premises/Property Address: _____

6. PURSUANT TO THE REMEDIES SECTION OF THE CONTRACT

7. ☐ Buyer ☐ Seller

8. hereby delivers notice to

9. ☐ Buyer ☐ Seller

10. of the following non-compliance with the Contract:

11. _____
12. _____
13. _____
14. _____
15. _____
16. _____
17. _____

18. If the non-compliance is not cured within three (3) days after delivery of this notice ("Cure Period") the failure to comply
19. shall become a breach of Contract. In the event of a breach of Contract, review the Remedies Section of the Contract and
20. consult independent legal counsel.

21. _____ MO/DA/YR ^ SIGNATURE ^ SIGNATURE MO/DA/YR

LOAN STATUS UPDATE (LSU)

Document updated:
February 2017



ARIZONA
association of
REALTORS®
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1. Pursuant to Section 2e of the Contract, Buyer shall deliver to Seller the AAR Loan Status Update ("LSU") describing the current
2. status of Buyer's proposed loan within ten (10) days after Contract acceptance and hereby instructs lender to provide an updated
3. LSU to Broker(s) and Seller upon request. "Lender" is indicated on lines 4 and 5.

4. **Lender:** _____
COMPANY ARIZONA LICENSE # NMLS #
5. _____
LOAN OFFICER ARIZONA LICENSE # NMLS #
6. ADDRESS CITY STATE ZIP
7. EMAIL PHONE FAX
8. **Close of Escrow Date:** _____
9. **Buyer(s):** _____
10. **Seller(s):** _____
11. **Premises/Property Address or Assessor's #(s):** _____
12. **City:** _____, AZ **ZIP Code:** _____

PRE-QUALIFICATION INFORMATION

13. **Buyer is:** ☐ Married ☐ Unmarried ☐ Legally Separated
14. **Buyer:** ☐ is ☐ is not relying on the sale or lease of a property to qualify for this loan.
15. **Buyer:** ☐ is ☐ is not relying on Seller Concessions for Buyer's loan costs, impounds, Title/Escrow Company costs, recording fees, and, if applicable, VA loan costs not permitted to be paid by Buyer. (Note: The amount that Seller agrees to contribute, if any, shall be established in the Contract.)
16. **Buyer:** ☐ is ☐ is not relying on down payment assistance to qualify for this loan.
17. **Type of Loan:** ☐ Conventional ☐ FHA ☐ VA ☐ USDA ☐ Other: _____
18. **Occupancy Type:** ☐ Primary ☐ Secondary ☐ Non-Owner Occupied
19. **Property Type:** ☐ Single Family Residence ☐ Condominium ☐ Planned Unit Development ☐ Manufactured Home
20. ☐ Mobile Home ☐ Vacant Land/Lot ☐ Other: _____
21. **YES NO N/A**
22. ☐ ☐ ☐ Lender has provided Buyer with the HUD form "For Your Protection: Get a Home Inspection" (FHA loans only).
23. ☐ ☐ ☐ Lender has completed a verbal discussion with Buyer including a discussion of income, assets and debts.
24. ☐ ☐ ☐ Lender has obtained a Tri-Merged Residential Credit Report.
25. **Based on the information provided, Buyer can pre-qualify for a loan amount of: \$** _____,
26. assuming a monthly principal and interest loan payment of \$ _____, **provided that the total monthly**
27. **payment** (which includes principal, interest, mortgage insurance, property taxes, insurance, HOA fees, and flood insurance,
28. if applicable) **does not exceed: \$** _____
29. **Interest rate not to exceed:** _____%, ☐ Fixed Interest Rate ☐ Adjustable Interest Rate ☐ Pre-Payment Penalty
30. **Initial Documentation Received:** Lender received the following information from Buyer (Additional documentation may be requested.):
- | YES | NO | N/A | YES | NO | N/A |
|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
31. **Additional comments:** _____
32. Buyer has instructed, and Lender agrees to provide loan status updates on this AAR Loan Status Update form to Seller and Broker(s)
33. within ten (10) days of Contract acceptance pursuant to Section 2e of the Contract and upon request thereafter.
34. Buyer commits to work with the above referenced Lender on the terms described herein. Buyer acknowledges receipt of a copy hereof.

40. ^ BUYER'S SIGNATURE MO/DA/YR ^ BUYER'S SIGNATURE MO/DA/YR >>

Loan Status Update (LSU) >>

Premises/Property Address or Assessor's #(s): _____

DOCUMENTATION

	YES	NO		DATE COMPLETED	LENDER INITIALS
41.	<input type="checkbox"/>	<input type="checkbox"/>	Lender received the Contract and all Addenda	___/___/___	_____
42.	<input type="checkbox"/>	<input type="checkbox"/>	Lender received Buyer's name, income, social security number, Premises address,		
43.			estimate of value of the Premises, and mortgage loan amount sought	___/___/___	_____
44.	<input type="checkbox"/>	<input type="checkbox"/>	Lender sent Loan Estimate	___/___/___	_____
45.	<input type="checkbox"/>	<input type="checkbox"/>	Buyer indicated to Lender an intent to proceed with the transaction after having		
46.			received the Loan Estimate	___/___/___	_____
47.	<input type="checkbox"/>	<input type="checkbox"/>	Lender received a signed Form 1003 and Lender disclosures	___/___/___	_____
48.	<input type="checkbox"/>	<input type="checkbox"/>	Payment for the appraisal has been received	___/___/___	_____
49.	<input type="checkbox"/>	<input type="checkbox"/>	Lender ordered the appraisal	___/___/___	_____
50.	<input type="checkbox"/>	<input type="checkbox"/>	Lender identified down payment source	___/___/___	_____
51.	<input type="checkbox"/>	<input type="checkbox"/>	Lender received and reviewed the Title Commitment	___/___/___	_____
52.	<input type="checkbox"/>	<input type="checkbox"/>	Buyer locked the loan program and financing terms, including interest rate and points	___/___/___	_____
53.	<input type="checkbox"/>	<input type="checkbox"/>	Lock expiration date _____		
54.	<input type="checkbox"/>	<input type="checkbox"/>	Lender received the Initial Documentation listed on lines 32-35	___/___/___	_____
55.	<input type="checkbox"/>	<input type="checkbox"/>	Appraisal received	___/___/___	_____
56.	<input type="checkbox"/>	<input type="checkbox"/>	Premises/Property appraised for at least the purchase price	___/___/___	_____
57.	<input type="checkbox"/>	<input type="checkbox"/>	Closing Disclosure provided to Buyer	___/___/___	_____
58.	<input type="checkbox"/>	<input type="checkbox"/>	Closing Disclosure received by Buyer	___/___/___	_____

UNDERWRITING AND APPROVAL

59.	<input type="checkbox"/>	<input type="checkbox"/>	Lender submitted the loan package to the Underwriter	___/___/___	_____
60.	<input type="checkbox"/>	<input type="checkbox"/>	Lender obtained loan approval with Prior to Document ("PTD") Conditions	___/___/___	_____
61.	<input type="checkbox"/>	<input type="checkbox"/>	Appraisal conditions have been met	___/___/___	_____
62.	<input type="checkbox"/>	<input type="checkbox"/>	Buyer has loan approval without PTD Conditions	___/___/___	_____

CLOSING

63.	<input type="checkbox"/>	<input type="checkbox"/>	Lender ordered the Closing Loan Documents and Instructions	___/___/___	_____
64.	<input type="checkbox"/>	<input type="checkbox"/>	Lender received signed Closing Loan Documents from all parties	___/___/___	_____
65.	<input type="checkbox"/>	<input type="checkbox"/>	All Lender Quality Control Reviews have been completed	___/___/___	_____
66.	<input type="checkbox"/>	<input type="checkbox"/>	All Prior to Funding ("PTF") Conditions have been met and Buyer has obtained		
67.			loan approval without conditions	___/___/___	_____
68.	<input type="checkbox"/>	<input type="checkbox"/>	Funds have been ordered	___/___/___	_____
69.	<input type="checkbox"/>	<input type="checkbox"/>	All funds have been received by Escrow Company	___/___/___	_____

70. **Close of escrow occurs when the deed has been recorded at the appropriate county recorder's office.**

71. ^ LOAN OFFICER'S SIGNATURE _____ MO/DA/YR _____

MULTIPLE COUNTER OFFER

Document updated:
October 2021



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1. This is a Multiple Counter Offer originated by Seller to the:
2. ☐ Offer ☐ Counter Offer dated _____ between the following Parties:
3. Seller: _____
4. Buyer: _____
5. Premises Address: _____
6. Acceptance of the above Offer and/or Counter Offer is contingent upon agreement to the following:
7. **Seller is making one or more counter offer(s) to other prospective buyers on terms that may or may not be the same**
8. **as contained herein. Acceptance of this Multiple Counter Offer by Buyer shall not be binding unless and until it is**
9. **subsequently finally accepted by Seller and the final acceptance is delivered per Section 8m of the Contract to Buyer's**
10. **Broker within the time specified ("Final Acceptance").** Until Final Acceptance, the parties understand that the Premises can
11. be sold to someone else and/or either party may withdraw any offer/counter offer to buy or sell the Premises.
12. _____
13. _____
14. _____
15. _____
16. _____
17. Unless acceptance of this Multiple Counter Offer is signed by Buyer and a signed copy delivered pursuant to Section 8m of the
18. Contract and received by Broker named in Contract Section 9a by _____ at _____ ☐ a.m. ☐ p.m., Mountain
19. Standard Time, this Multiple Counter Offer shall be considered withdrawn. Seller acknowledges receipt of a copy hereof.
20. Seller: _____ Date: _____ Time: _____
21. Seller: _____ Date: _____ Time: _____

☐ BUYER RESPONSE

22. An additional counter/multiple counter offer is attached and is incorporated by reference.
23. Buyer should sign both this Multiple Counter Offer and the additional counter/multiple counter offer. If there is a conflict between this
24. Multiple Counter Offer and the additional counter/multiple counter offer, the provisions of the additional counter/multiple counter offer
25. shall be controlling.
26. Buyer: _____ Date: _____ Time: _____
27. Buyer: _____ Date: _____ Time: _____

☐ BUYER ACCEPTANCE

28. The Buyer agrees to the terms and conditions of this Multiple Counter Offer and acknowledges receipt of a copy hereof.
29. Unless final acceptance of this Multiple Counter Offer is signed by Seller and a signed copy delivered pursuant to Section 8m of the
30. Contract and received by Broker named in Contract Section 8q by _____ at _____ ☐ a.m. ☐ p.m., Mountain
31. Standard Time, Buyer's acceptance shall be considered withdrawn.
32. Buyer: _____ Date: _____ Time: _____
33. Buyer: _____ Date: _____ Time: _____

>>

Multiple Counter Offer >>☐**SELLER RESPONSE**

34. An additional counter/multiple counter offer is attached and is incorporated by reference.
35. Seller should sign both this Multiple Counter Offer and the additional counter/multiple counter offer. If there is a conflict between this
36. Multiple Counter Offer and the additional counter/multiple counter offer, the provisions of the additional counter/multiple counter offer
37. shall be controlling.

38. Seller: _____ Date: _____ Time: _____

39. Seller: _____ Date: _____ Time: _____

☐**SELLER FINAL ACCEPTANCE**

40. Signature by Seller below and delivery to Buyer or Buyer's Broker as indicated above creates a binding agreement. Seller
41. agrees to revoke all counter offers previously conveyed to other prospective buyers by separate notice and agrees to
42. sell the Premises to Buyer. Except as modified by this Multiple Counter Offer, all other terms and
43. conditions of the above referenced Offer/Counter Offer(s) shall remain unchanged and deemed accepted.

44. Seller: _____ Date: _____ Time: _____

45. Seller: _____ Date: _____ Time: _____

For Broker Use Only:

Brokerage File/Log No. _____ Manager's Initials _____ Broker's Initials _____ Date _____
MO/DA/YR

PRE-QUALIFICATION FORM

Document updated:
February 2017



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Your actual rate, payment, and costs could be higher. Get an official Loan Estimate before choosing a loan.

PRE-QUALIFICATION INFORMATION

1. **Purpose:** This Pre-Qualification Form is to be used in conjunction with an AAR Residential Resale Real Estate Purchase Contract or
2. Vacant Land/Lot Purchase Contract ("Contract").
3. ☐ Buyer **HAS NOT** consulted with a lender. (If Buyer marks the box on line 3, Buyer is to complete only lines 4 and 5.)
4. _____
PRINT BUYER'S NAME
5. _____
^ BUYER'S SIGNATURE
6. ☐ Lender indicated on lines 36 and 37 has consulted with _____ ("Buyer") and submits the following:
7. **Buyer is:** ☐ Married ☐ Unmarried ☐ Legally Separated
8. **Buyer:** ☐ is ☐ is not relying on the sale or lease of a property to qualify for this loan.
9. **Buyer:** ☐ is ☐ is not relying on Seller Concessions for Buyer's loan costs, impounds, Title/Escrow Company costs, recording fees, and, if applicable, VA loan costs not permitted to be paid by Buyer. (Note: The amount Seller agrees to contribute, if any, shall be established in the Contract.)
10. _____
11. **Buyer:** ☐ is ☐ is not relying on down payment assistance to qualify for this loan.
12. **Type of Loan:** ☐ Conventional ☐ FHA ☐ VA ☐ USDA ☐ Other: _____
13. **Occupancy Type:** ☐ Primary ☐ Secondary ☐ Non-Owner Occupied
14. **Property Type:** ☐ Single Family Residence ☐ Condominium ☐ Planned Unit Development ☐ Manufactured Home
15. ☐ Mobile Home ☐ Vacant Land/Lot ☐ Other: _____
16. _____
17.

YES	NO	N/A
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

 Lender provided Buyer with the HUD form "For Your Protection: Get a Home Inspection" (FHA loans only).
18.

YES	NO	N/A
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

 Lender completed a verbal discussion with Buyer including a discussion of income, assets and debts.
19.

YES	NO	N/A
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

 Lender obtained a Tri-Merged Residential Credit Report.
20. **Based on the information provided, Buyer can pre-qualify for a loan amount of:** \$ _____, assuming a monthly principal
21. and interest loan payment of \$ _____, **provided that the total monthly payment** (which includes principal, interest, mortgage
22. insurance, property taxes, insurance, HOA fees, and flood insurance, if applicable) **does not exceed:** \$ _____
23. **Interest rate not to exceed:** _____%, ☐ Fixed Interest Rate ☐ Adjustable Interest Rate ☐ Pre-Payment Penalty
24. **Initial Documentation Received:** Lender received the following information from Buyer (additional documentation may be requested):
25.

YES	NO	N/A		YES	NO	N/A	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Paystubs	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Down Payment/Reserves Documentation
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	W-2s	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Gift Documentation
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Personal Tax Returns	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Credit/Liability Documentation
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Corporate Tax Returns	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Other: _____
26. _____
27. _____
28. _____
29. Additional comments: _____
30. Buyer has instructed, and Lender agrees to provide loan status updates on the AAR Loan Status Update form to Seller and Broker(s)
31. within ten (10) days of Contract acceptance pursuant to Section 2e of the Contract and upon request thereafter.

LENDER INFORMATION

32. The Lender identified below has prepared the information listed above with Buyer(s) and has completed the above action points noted.
33. This information does not constitute loan approval. All information provided must be approved by an underwriter, and any material change
34. in Buyer's credit or financial profile will render this pre-qualification null and void.
35. The above pre-qualification expires on: _____
DATE
36. **Lender:** _____
COMPANY
37. _____
LOAN OFFICER
38. _____
ARIZONA LICENSE #
39. _____
NMLS #
40. _____
ADDRESS
41. _____
CITY
42. _____
STATE
- _____
ZIP
- _____
EMAIL
- _____
PHONE
- _____
FAX
- _____
^ LOAN OFFICER'S SIGNATURE
- _____
MO/DA/YR
41. **Buyer acknowledges receipt of a copy hereof and grants permission to Broker to submit this Pre-Qualification Form with Contract.**
42. _____
^ BUYER'S SIGNATURE
- _____
MO/DA/YR
- _____
^ BUYER'S SIGNATURE
- _____
MO/DA/YR

SHORT SALE ADDENDUM TO THE RESIDENTIAL RESALE REAL ESTATE PURCHASE CONTRACT

Page 1 of 2

Document updated:
February 2017



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1. Seller: _____
2. Buyer: _____
3. Premises Address: _____
4. Date: _____

5. The following additional terms and conditions are hereby included as part of the Contract between Seller and Buyer for the above
6. referenced Premises. Delivery of all notices and documentation shall be deemed delivered and received when sent as required by
7. Section 8m of the Contract.

8. **CONTINGENT UPON ACCEPTABLE SHORT SALE AGREEMENT**

9. Buyer and Seller acknowledge that there is more debt owing against the Premises than the purchase price. Therefore, this
10. Contract is contingent upon an agreement between Seller and Seller's creditor(s), acceptable to both, to sell the Premises for
11. less than the loan amount(s) ("short sale"). Buyer and Seller acknowledge that it may take weeks or months to obtain creditor(s)
12. approval of a short sale.
13. Nothing shall limit a Seller from accepting subsequent offers from subsequent buyer(s) and submitting the back-up contract(s) to
14. Seller's creditor(s) for consideration. All parties understand and agree that Seller's creditor(s) may elect to allow Seller to sell
15. the Premises only to the holder of the Contract with terms and conditions most acceptable to creditor(s).

16. **DOCUMENTATION TO CREDITOR(S)**

17. Seller shall submit to creditor(s) a copy of this Contract, including this and other Addenda, and any other documentation required by the
18. creditor(s) for approval of this sale within five (5) days after Contract acceptance. Seller agrees to diligently work to obtain short sale
19. approval and will promptly provide the creditor(s) with all additional documentation required, including an appraisal, at Seller's expense,
20. if required. Seller instructs creditor(s) to provide approval status updates to Broker(s) and Buyer upon request.

21. **TERMS UPON ACCEPTABLE SHORT SALE AGREEMENT**

22. **Agreement Notice:** If Seller and Seller's creditors enter into a short sale agreement, Seller shall immediately deliver notice
23. to Buyer ("Agreement Notice").
24. **Time Periods:** The date of Seller's delivery of the Short Sale Agreement Notice to Buyer shall be deemed the date of Contract
25. acceptance for purposes of all applicable Contract time periods.
26. **Escrow and Earnest Money:** Buyer shall promptly open Escrow and deposit Earnest Money as described in the Contract upon
27. receipt of Agreement Notice.
28. **Close of Escrow:** Close of Escrow shall occur thirty (30) days or _____ days after delivery of Agreement Notice.
29. **Creditor Requirements:** Buyer and Seller agree to cooperate with Creditor(s) and sign additional Creditor disclosure(s) or execute
30. additional addendum(s) required by Creditor(s) as a condition of approval of the short sale, provided that Buyer and Seller incur no
31. additional cost or liability.

32. **BUYER CANCELLATION**

33. Buyer may unilaterally cancel this Contract by notice to Seller at any time before receipt of a short sale Agreement Notice from Seller.

34. **LEGAL AND TAX ADVICE**

35. **Seller acknowledges that Broker is not qualified to provide financial, legal, or tax advice regarding a short sale**
36. **transaction. Therefore, the Seller is advised to obtain professional tax advice and consult independent legal counsel**
37. **immediately regarding the tax implications and advisability of entering into a short sale agreement.**

38. (SELLER'S INITIALS REQUIRED) _____ SELLER _____ SELLER

>>

Short Sale Addendum to the Residential Resale Real Estate
Purchase Contract • Updated: February 2017

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SELLER	SELLER
--------	--------

BUYER	BUYER
-------	-------



39. **UNFULFILLED CONTINGENCY**

40. In the event that Seller and Seller's creditor(s) are unable to reach a short sale agreement acceptable to both, at the sales price
 41. contained herein, Seller shall promptly notify Buyer of same, and the Contract shall be deemed cancelled due to the unfulfilled short
 42. sale contingency. If applicable, Buyer shall be entitled to a return of any Earnest Money.

43. **OTHER TERMS AND CONDITIONS**

44. _____
 45. _____
 46. _____
 47. _____
 48. _____
 49. _____
 50. _____
 51. _____
 52. _____
 53. _____
 54. _____
 55. _____
 56. _____
 57. _____
 58. _____
 59. _____
 60. _____
 61. _____
 62. _____
 63. _____
 64. _____
 65. _____
 66. _____
 67. _____
 68. _____
 69. _____
 70. _____
 71. _____
 72. _____
 73. _____

74. In the event that any provision contained in this Addendum conflicts in whole or in part with any terms contained in the Contract,
 75. the provisions of this Addendum shall prevail and the conflicting terms are hereby considered deleted and expressly waived by
 76. both Buyer and Seller.

77. _____
 ^ BUYER'S SIGNATURE MO/DA/YR ^ BUYER'S SIGNATURE MO/DA/YR

78. _____
 ^ SELLER'S SIGNATURE MO/DA/YR ^ SELLER'S SIGNATURE MO/DA/YR

For Broker Use Only:

Brokerage File/Log No. _____ Manager's Initials _____ Broker's Initials _____ Date _____
 MO/DA/YR



CRITICAL DATE LIST

Updated: October 2018

SELLER	BUYER
PREMISES ADDRESS	CITY, AZ ZIP CODE
ESCROW OFFICER	ESCROW NUMBER
ESCROW COMPANY	ESCROW OFFICER PHONE
ESCROW OFFICER EMAIL	ESCROW OFFICER FAX
LISTING AGENT NAME	LISTING AGENT PHONE
LISTING AGENT COMPANY	LISTING AGENT EMAIL
SELLING AGENT NAME	SELLING AGENT PHONE
SELLING AGENT COMPANY	SELLING AGENT EMAIL
LOAN OFFICER	LOAN OFFICER PHONE
LENDER COMPANY NAME	LOAN OFFICER EMAIL

This is a Critical Date List for the transaction listed above as of this date: ____/____/____

ACTIONS:	DUE DATE:	DATE COMPLETED:
1. Mutual Acceptance of Purchase Contract:		____/____/____
<input checked="" type="checkbox"/> 2. Buyer to deposit Earnest Money with Escrow Company:	<u>Upon Acceptance</u>	____/____/____
<input checked="" type="checkbox"/> 3. Buyer to provide lender with Loan Application (3 days after Contract acceptance):	____/____/____	____/____/____
<input checked="" type="checkbox"/> 4. Buyer to grant lender permission to access Credit Report (3 days after Contract acceptance):	____/____/____	____/____/____
<input checked="" type="checkbox"/> 5. Seller to deliver SPDS (3 days after Contract acceptance):	____/____/____	____/____/____
<input checked="" type="checkbox"/> 6. Seller to deliver Insurance Claims History (5 days after Contract acceptance):	____/____/____	____/____/____
7. Buyer to receive Loan Estimate (LE):	____/____/____	____/____/____
<input checked="" type="checkbox"/> 8. Seller to notify HOA of pending sale if over 50 units (5 days after Contract acceptance):	____/____/____	____/____/____
<input checked="" type="checkbox"/> 9. Buyer to receive required HOA disclosures (10 days after Contract acceptance if less than 50 units) (10 days after HOA's receipt of notice if 50 or more units):	____/____/____	____/____/____
<input checked="" type="checkbox"/> 10. Buyer to supply LSU (10 days after Contract acceptance):	____/____/____	____/____/____
11. Buyer to provide notice of any items disapproved within the SPDS (5 days after receipt/Inspection Period):	____/____/____	____/____/____
12. Buyer to provide notice of any items disapproved within the Insurance Claims History (5 day after receipt/Inspection Period):	____/____/____	____/____/____
13. Buyer to apply for Homeowners Insurance (Inspection Period):	____/____/____	____/____/____
14. Buyer to order Termite or Insect Inspection (Inspection Period):	____/____/____	____/____/____

☒ CURE NOTICE

Premises Address: _____

ACTIONS:	DUE DATE:	DATE COMPLETED:
15. Buyer to deliver Inspection Notice (Inspection Period):	___/___/___	___/___/___
16. Seller to deliver response to Buyer's Inspection Notice (5 days after receipt):	___/___/___	___/___/___
17. Buyer to deliver reply to Seller's Inspection Notice response (5 days after receipt):	___/___/___	___/___/___
<input checked="" type="checkbox"/> 18. Buyer to provide lender with Notice of Intent to Proceed with loan (10 days after receipt of LE):	___/___/___	___/___/___
<input checked="" type="checkbox"/> 19. Buyer to provide lender all requested signed disclosures and documentation listed in LSU at lines 32-35 (10 days after receipt of LE):	___/___/___	___/___/___
20. Buyer's disapproval of Title Commitment/Sch. B, etc. (5 days after receipt):	___/___/___	___/___/___
21. Buyer's disapproval of HOA documents (5 days after receipt):	___/___/___	___/___/___
22. Buyer may cancel in the event of low appraisal (5 days after notice):	___/___/___	___/___/___
23. Buyer's Homeowners Insurance in place (COE):	___/___/___	___/___/___
24. Buyer to perform Walkthrough(s):	___/___/___	___/___/___
25. Buyer to receive Closing Disclosure (CD) (no later than 3 business days prior to signing):	___/___/___	___/___/___
<input checked="" type="checkbox"/> 26a. Buyer to sign Loan Documents (no later than 3 days prior to COE):	___/___/___	___/___/___
-OR-		
<input checked="" type="checkbox"/> 26b. Buyer to deliver Notice of Loan Approval without PTD conditions AND date(s) of CD receipt from lender (no later than 3 days prior to COE):	___/___/___	___/___/___
-OR-		
<input checked="" type="checkbox"/> 26c. Buyer to deliver Notice of Inability to Obtain Loan Approval without PTD conditions (no later than 3 days prior to COE):	___/___/___	___/___/___
<input checked="" type="checkbox"/> 27. Buyer to have funds in Escrow to allow COE on COE Date:	___/___/___	___/___/___
<input checked="" type="checkbox"/> 28. Seller to complete repairs (if any) / receipts to Buyer (3 days prior to COE):	___/___/___	___/___/___
<input checked="" type="checkbox"/> 29. Recordation of Documents (COE):	___/___/___	___/___/___
<input checked="" type="checkbox"/> 30. Seller to deliver possession, existing keys, security system/alarms, mailbox, etc. (COE):	___/___/___	___/___/___

OTHER ACTIONS REQUIRED SPECIFIC TO TRANSACTION:	DUE DATE:	DATE COMPLETED:
<input checked="" type="checkbox"/> 31. Seller to deliver AAR DWWA SPDS (5 days after Contract acceptance):	___/___/___	___/___/___
<input checked="" type="checkbox"/> 32. Buyer to provide notice of any items disapproved within the DWWA SPDS (5 days after receipt):	___/___/___	___/___/___
<input checked="" type="checkbox"/> 33. Seller to deliver Solar System Documents as described in Solar Lease / Solar Loan Assumption Addendum (3 days after Contract acceptance):	___/___/___	___/___/___
<input checked="" type="checkbox"/> 34. Buyer to provide notice of disapproved items related to Solar System Documents (5 days after receipt/Inspection Period):	___/___/___	___/___/___
<input checked="" type="checkbox"/> 35. Buyer to receive Assumption Approval for Solar System lease/loan (no later than 3 days prior to COE):	___/___/___	___/___/___
<input checked="" type="checkbox"/> 36. Seller to deliver ADWR Registration of Existing Well (5 days after Contract acceptance):	___/___/___	___/___/___
<input checked="" type="checkbox"/> 37. Buyer to respond to ADWR Registration of Existing Well (5 days after receipt):	___/___/___	___/___/___
<input checked="" type="checkbox"/> 38. Seller to have On-Site Wastewater Treatment Facility inspected (20 days after Contract acceptance):	___/___/___	___/___/___
<input checked="" type="checkbox"/> 39. Seller to deliver On-Site Wastewater Facility Documents (20 days after Contract Acceptance):	___/___/___	___/___/___
<input checked="" type="checkbox"/> 40. Buyer to deliver notice of any items disapproved within the On-site Wastewater Facility Documents (5 days after receipt/Inspection period):	___/___/___	___/___/___
<input checked="" type="checkbox"/> 41. Buyer to deliver On-Site Wastewater Treatment Facility Ownership Transfer Doc (prior to COE):	___/___/___	___/___/___
<input checked="" type="checkbox"/> 42. Seller to deliver Lead Based Paint Information (5 days after Contract acceptance):	___/___/___	___/___/___

☒ CURE NOTICE

Premises Address: _____

**OTHER ACTIONS REQUIRED
SPECIFIC TO TRANSACTION:**

DUE DATE:

**DATE
COMPLETED:**

- | | | |
|---|----------------|----------------|
| <input checked="" type="checkbox"/> 43. Buyer to respond to Lead Based Paint Disclosure (5 days after receipt): | ____/____/____ | ____/____/____ |
| <input checked="" type="checkbox"/> 44. Seller to deliver Affidavit of Disclosure (5 days after Contract acceptance): | ____/____/____ | ____/____/____ |
| <input checked="" type="checkbox"/> 45. Buyer to provide notice of any Affidavit of Disclosure items disapproved (5 days after receipt): | ____/____/____ | ____/____/____ |
| 46. Buyer to receive Flood Status Report: | ____/____/____ | ____/____/____ |
| 47. <input type="checkbox"/> Buyer <input type="checkbox"/> Seller to order Home Warranty Plan: | ____/____/____ | ____/____/____ |
| 48. Other: | ____/____/____ | ____/____/____ |

CURE NOTICE ACTIVATED

Date: ____/____/____

Reason: _____

Cure Deadline: ____/____/____

Date Cured: ____/____/____

or Date Cancelled: ____/____/____

Date: ____/____/____

Reason: _____

Cure Deadline: ____/____/____

Date Cured: ____/____/____

or Date Cancelled: ____/____/____

Date: ____/____/____

Reason: _____

Cure Deadline: ____/____/____

Date Cured: ____/____/____

or Date Cancelled: ____/____/____

SHORT SALE ADDENDUM TO LISTING CONTRACT

Document updated:
February 2017



The pre-printed portion of this form has been drafted by the Arizona Association of REALTORS®. Any change in the pre-printed language of this form must be made in a prominent manner. No representations are made as to the legal validity, adequacy and/or effects of any provision, including tax consequences thereof. If you desire legal, tax or other professional advice, please consult your attorney, tax advisor or professional consultant.



1. Seller: _____
2. Broker: _____
3. Premises Address: _____
4. Date: _____

5. **Seller acknowledges that Broker is not qualified to provide financial, legal, or tax advice regarding a short sale transaction.**
6. **Therefore, the Seller is advised to obtain professional tax advice and consult independent legal counsel immediately regarding the tax implications and advisability of entering into a short sale agreement. Seller is advised to consult the Arizona Department of Real Estate Short Sale Seller Advisory at www.aaronline.com to assist Seller in exploring options other than a short sale and determining the advisability of entering into a short sale agreement.**

10. (SELLER'S INITIALS REQUIRED) _____
SELLER SELLER

11. **SHORT-SALE DEFINED:** The term "short sale" is used to describe a sale in a situation where there is more debt owing against a property than the property's value. In a loan default situation, (pre-foreclosure) the creditor(s) may be willing to agree to allow the property to be sold for less than the loan amount and/or accept less than (or "short") the amount owed as payment in full.
14. **Seller acknowledges that there may be disadvantages to a short sale.**

15. **CREDIT AND CREDITOR CONSIDERATIONS:** A short sale may adversely affect the Seller's credit score. Further, even if the creditor(s) agrees to a short sale, the creditor(s) may not agree to forgive the debt entirely, and may require the Seller to pay the difference as a personal obligation. If the loan is guaranteed by the FHA or VA, these entities may also require payment of the difference. **Seller is advised to be certain of the terms of any short sale before making a decision, and obtain any debt forgiveness agreement in writing.**

20. **TAX CONSIDERATIONS:** A short sale in which a portion of the debt is forgiven is considered a relief of debt and may be treated as income for tax purposes. A creditor who forgives a debt may submit a 1099 form to the IRS indicating the amount of the debt that has been forgiven.

23. **DETERMINING THE AMOUNT OWED:** Seller agrees to disclose all liens encumbering the Premises and to cooperate with Broker(s), escrow company, and creditor(s) to determine the amount of debt owed on the property, including but not limited to, purchase money loans, home equity loans, homeowner's association fees, property taxes and other tax liens.

26. **OBTAINING CREDITOR APPROVAL:** Obtaining creditor(s) approval of a short sale involves documentation similar to that required for the original loan application. The Seller must generally establish that the Seller is financially incapable of paying the loan(s). The Seller agrees to promptly submit to creditor(s) all requested documentation, including W-2 forms from employers, bank statements, tax returns, "hardship letter" (stating the reason the creditor(s) should consider granting a short sale) and other requested financial documents outlining income and debt. The Seller acknowledges that it may take weeks or months to obtain creditor(s) approval of a short sale. Seller(s) agrees to grant creditor(s) permission to communicate directly with Broker(s).

33. **OTHER OPTIONS:** Seller is advised to explore options with creditors other than a short sale, such as loan modification, revised repayment plan, refinance or entry into a lender(s) loan mitigation program, if available.
35. Seller agrees to notify Broker if Seller decides to pursue other options.

36. ^ SELLER SIGNATURE _____ MO/DA/YR ^ SELLER SIGNATURE _____ MO/DA/YR

37. ^ FIRM NAME (BROKER) _____ MO/DA/YR

For Broker Use Only:

Brokerage File/Log No. _____ Manager's Initials _____ Broker's Initials _____ Date _____
MO/DA/YR

<Initials

Initials>

BROKER BROKER

SELLER SELLER

CORONAVIRUS/COVID-19 ADDENDUM

Document:
March 2020



The pre-printed portion of this form has been drafted by the Arizona Association of REALTORS®. Any change in the pre-printed language of this form must be made in a prominent manner. No representations are made as to the legal validity, adequacy and/or effects of any provision, including tax consequences thereof. If you desire legal, tax or other professional advice, please consult your attorney, tax advisor or professional consultant.



1. This is an addendum to the Contract dated _____ between the following parties:

MO/DA/YR

2. Seller: _____

3. Buyer: _____

4. Premises: _____

5. The current world-wide Coronavirus / COVID-19 pandemic has impacted real estate transactions in many unique ways, including,
6. but not limited to, travel restrictions, self-imposed and governmentally required quarantines and closures of both governmental and
7. private offices required to fund, close and record real estate transactions. Because of the unprecedented nature of this pandemic,
8. Buyer and Seller are hereby advised to seek appropriate counsel from insurance, legal, tax, and accounting professionals to better
9. understand their rights and obligations.

10. **BUYER'S INITIALS REQUIRED:** _____
BUYER BUYER

11. **SELLER'S INITIALS REQUIRED:** _____
SELLER SELLER

12. A variety of issues outside the control of Buyer and Seller may impact this real estate transaction and affect the parties'
13. contractual performance. As a result, the following additional terms and conditions are hereby included as part of the Contract
14. between Buyer and Seller for the above referenced Premises:

15. **Only those items checked are hereby included as part of the Contract. All other terms and conditions of the Contract remain**
16. **unchanged.**

17. ☐ The date for Close of Escrow is hereby postponed and extended to _____
MONTH DAY YEAR

18. ☐ Notwithstanding any other provisions of this Contract, Buyer and Seller acknowledge the possibility that Buyer, Buyer's lender,
19. Seller, Escrow Company or appropriate county recorder's office may become the subject of a voluntary or mandatory COVID-19 virus
20. quarantine or closure prior to or at the time of Close of Escrow. Should such an event occur that results in a party's inability to perform
21. on the Close of Escrow date, Buyer and Seller agree that the closing may be automatically extended by either party via written notice
22. for a period of up to ten (10) days after such quarantine is over or closure order is lifted, unless the parties otherwise mutually agree
23. in writing to further extend Close of Escrow.

24. ☐ Notwithstanding any other provisions of this Contract, Buyer and Seller acknowledge the possibility that Buyer, Buyer's lender,
25. Seller, Escrow Company or appropriate county recorder's office may become the subject of a voluntary or mandatory COVID-19 virus
26. quarantine or closure prior to or at the time of Close of Escrow. Should such an event occur that results in a party's inability to perform
27. on the Close of Escrow date, Buyer and Seller agree that the closing may be automatically extended by either party via written notice
28. for a period of up to ten (10) days after such quarantine is over or closure order is lifted. This delay shall not exceed thirty (30) days in
29. total unless the parties otherwise mutually agree in writing to further extend Close of Escrow. Upon the expiration of any automatic or
30. agreed extension, either party may terminate this Agreement in writing without any further liability to the other party, and the Earnest
31. Money shall be released to Buyer.

32. ☐ Buyer and Seller agree to mutually cancel the Contract and the Earnest Money shall be released to Buyer.

SELLER SELLER

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BUYER BUYER

33. ☐ Additional Terms and Conditions:

34. _____
35. _____
36. _____
37. _____
38. _____
39. _____

40. The undersigned agrees to the modified or additional terms and conditions contained herein and acknowledges receipt of a copy hereof.

41. _____
☐ SELLER ☐ BUYER MO/DA/YR ☐ SELLER ☐ BUYER MO/DA/YR

42. _____
☐ SELLER ☐ BUYER MO/DA/YR ☐ SELLER ☐ BUYER MO/DA/YR



For Broker Use Only:			
Brokerage File/Log No. _____	Manager's Initials _____	Broker's Initials _____	Date _____ MO/DA/YR



Buyer Advisory



ARIZONA
association of
REALTORS®
REAL SOLUTIONS. REALTOR® SUCCESS.



A Resource for Real Estate Consumers

*Provided by the Arizona Association of REALTORS®
and the Arizona Department of Real Estate*

A real estate agent is vital to the purchase of real property and can provide a variety of services in locating a property, negotiating the sale, and advising the buyer.

A real estate agent is generally not qualified to discover defects or evaluate the physical condition of property; however, a real estate agent can assist a buyer in finding qualified inspectors and provide the buyer with documents and other resources containing vital information about a prospective property.

This Advisory is designed to make the purchase of real property as smooth as possible. Some of the more common issues that a buyer may decide to

investigate or verify concerning a property purchase are summarized in this Advisory. Included in this Advisory are:

1. Common documents a buyer should review;
2. Physical conditions in the property the buyer should investigate; and
3. Conditions affecting the surrounding area that the buyer should investigate.

In addition, a buyer must communicate to the real estate agents in the transaction any special concerns the buyer may have about the property or surrounding area, whether or not those issues are addressed in this Advisory.

Reminder:

This Advisory is supplemental to obtaining professional property inspections. Professional property inspections are absolutely essential: there is no practical substitute for a professional inspection as a measure to discover and investigate defects or shortcoming in a property.

Please Note:

The property may be subject to video and/or audio surveillance. Buyer should therefore exercise caution and not discuss features or pricing while in the home.

Table of Contents

SECTION 1

COMMON DOCUMENTS A BUYER SHOULD REVIEW

- | | | |
|---|---|--|
| 3 Purchase Contract | 4 Homeowner's Association (HOA) Governing Documents | 5 Lead-Based Paint Disclosure Form |
| 3 MLS Printout | 4 HOA Disclosures | 5 Professional Inspection Report |
| 3 The Subdivision Disclosure Report (Public Report) | 4 Community Facilities District | 5 County Assessors/Tax Records |
| 3 Seller's Property Disclosure Statement (SPDS) | 4 Title Report or Title Commitment | 5 Termites and Other Wood Destroying Insects and Organisms |
| 3 Covenants, Conditions and Restrictions (CC&Rs) | 4 Loan Information & Documents | 5 Foreign Investment in Real Property Tax Act (FIRPTA) |
| | 4 Home Warranty Policy | |
| | 5 Affidavit of Disclosure | |
-

SECTION 2

COMMON PHYSICAL CONDITIONS IN THE PROPERTY A BUYER SHOULD INVESTIGATE

- | | | |
|--|---|--|
| 6 Repairs, Remodeling and New Construction | 7 Water/Well Issues (Adjudications, CAGRDs) | 8 Indoor Environmental Concerns (Mold, Drywall, Radon Gas & Carbon Monoxide, Drug labs, Other) |
| 6 Square Footage | 7 Soil Problems | 8 Property Boundaries |
| 6 Roof | 7 Previous Fire/Flood | 9 Flood Insurance / Flood Plain Status |
| 6 Swimming Pools and Spas (Barriers) | 7 Pests (Scorpions, Bed bugs, Roof Rats, Termites & Bark Beetles) | 9 Insurance (Claims History) |
| 6 Septic and Other On-Site Wastewater Treatment Facilities | 8 Endangered & Threatened Species | 9 Other Property Conditions (Plumbing, Cooling/Heating, Electrical systems) |
| 7 Sewer | 8 Deaths & Felonies on the Property | |
-

SECTION 3

CONDITIONS AFFECTING THE AREA SURROUNDING THE PROPERTY THE BUYER SHOULD INVESTIGATE

- | | | |
|--|--|--|
| 10 Environmental Concerns (Environmentally Sensitive Land Ordinance) | 10 Freeway Construction & Traffic Conditions | 10 Military and Public Airports |
| 10 Electromagnetic Fields | 10 Crime Statistics | 10 Zoning/Planning/Neighborhood Services |
| 10 Superfund Sites | 10 Sex Offenders | 11 Schools |
| | 10 Forested Areas | 11 City Profile Report |
-

SECTION 4

OTHER METHODS TO GETTING INFORMATION ABOUT A PROPERTY

- | | | |
|----------------------------------|--------------------------|----------------------------------|
| 11 Drive around the Neighborhood | 11 Talk to the Neighbors | 11 Investigate your Surroundings |
|----------------------------------|--------------------------|----------------------------------|
-

SECTION 5

RESOURCES

- | | |
|-----------------------------------|---|
| 12 Market Conditions Advisory | 12 Additional Information |
| 12 Fair Housing & Disability Laws | 12 Information about Arizona Government, State Agencies and Arizona REALTORS® |
| 12 Wire Fraud | |
-

BUYER

ACKNOWLEDGMENT 13

Section 1

COMMON DOCUMENTS A BUYER SHOULD REVIEW

The documents listed below may not be relevant in every transaction, nor is the list exhaustive. Unless otherwise stated, the real estate broker has not independently verified the information contained in these documents.

1 Purchase Contract

Buyers should protect themselves by taking the time to read the Arizona REALTORS® Residential Resale Real Estate Purchase Contract and understand their legal rights and obligations before they submit an offer to buy a property.

<http://bit.ly/38XEynJ>

(AAR Sample Residential Resale Purchase Contract)

Contingency Waivers

The Purchase Contract contains numerous contingencies, including, but not limited to, the loan contingency, the inspection contingency, and the appraisal contingency. Should a buyer elect to waive any such contingencies in conjunction with their purchase offer, adverse consequences may result that place buyer at risk of losing their Earnest Money or incurring monetary damages if buyer decides not to purchase the property after their offer is accepted. Before offering to waive any contractual contingencies, buyers should weigh the risks and consult with independent legal counsel.

2 MLS Printout

A listing is a contractual agreement between the seller and the listing broker and may authorize the broker to submit information to the Multiple Listing Service (MLS). The MLS printout is similar to an advertisement. Neither the listing agreement nor the printout is a part of the purchase contract between the buyer and seller. The information in the MLS printout was probably secured from the seller, the builder, or a governmental agency, and could be inaccurate, incomplete or an approximation. Therefore, the buyer should verify any important information contained in the MLS.

3 The Subdivision Disclosure Report (Public Report)

A Subdivision Disclosure Report (Public Report) is intended to point out material information about a subdivision. Subdividers (any person who offers for sale or lease six or more lots in a subdivision or who causes land to be divided into a subdivision) are required to give buyers a Public Report. Read the Public Report before signing any contract to purchase a property in a subdivision. Although some of the information may become outdated, subsequent buyers can also benefit from

reviewing the Public Report. Public Reports dating from January 1, 1997, are available on the Arizona Department of Real Estate (ADRE) website.

<https://services.azre.gov/publicdatabase/SearchDevelopments.aspx>
(ADRE Search Developments)

<https://azre.gov/consumers/property-buyers-checklist-home-or-land>
(ADRE Property Buyer's Checklist)

ADRE does not verify the information in the Public Report. Therefore, the Report could be inaccurate, so it should be verified by the buyer.

4 Seller's Property Disclosure Statement (SPDS)

Most sellers provide a SPDS. This document poses a variety of questions for the seller to answer about the property and its condition. The real estate broker is not responsible for verifying the accuracy of the items on the SPDS; therefore, a buyer should carefully review the SPDS and verify those statements of concern.

A seller's disclosure obligation remains even if the buyer and seller agree that no Seller's Property Disclosure Statement will be provided.

<http://bit.ly/2knrNQA> (AAR Sample SPDS)

<http://www.azre.gov/PublicInfo/PropertyBuyerChecklist.aspx>
(ADRE Property Buyer's Checklist)

5 Covenants, Conditions and Restrictions (CC&Rs)

The CC&Rs are recorded against the property and generally empower a homeowner's association to control certain aspects of property use within the development. By purchasing a property in such a development, the buyer agrees to be bound by the CC&Rs. The association, the property owners as a whole, and individual property owner can enforce the CC&Rs. It is essential that the buyer review and agree to these restrictions prior to purchasing a property.

<http://www.azre.gov/PublicInfo/PropertyBuyerChecklist.aspx> (ADRE Property Buyer's Checklist)

It is the law of this state that any covenants or restrictions that are based on race, religion, color, handicap status or national origin are invalid and unenforceable. A.R.S. 32-2107.01

<https://www.aaronline.com/arizona-deed-restrictions/> (Arizona Deed Restrictions webpage)

ADRE ADVISES: "Read the deed restrictions, also called CC&Rs (covenants, conditions and restrictions). You might find some of the CC&Rs are very strict." Buyers should consult legal counsel if uncertain of the application of particular provisions in the CC&Rs.

6 Homeowners Association (HOA) Governing Documents

In addition to CC&Rs, HOAs may be governed by Articles of Incorporation, Bylaws, Rules and Regulations, and often architectural control standards. Read and understand these documents. Also, be aware that some HOAs impose fees that must be paid when the property is sold, so ask if the purchase of the property will result in any fees. Condominium and planned community HOAs are regulated by Arizona statutes. They are not under the jurisdiction of the Department of Real Estate (ADRE). Nonetheless, the Arizona's Homeowner's Association Dispute Process is administered by the ADRE.

<http://bit.ly/2ebBSLH> (A.R.S. 33-1260; and <http://bit.ly/2e8jdM3> (A.R.S. §33-1806)

<http://bit.ly/1rCg9kd> (ADRE HOA Information)

7 HOA Disclosures

If purchasing a resale home in a condominium or planned community, the seller (if fewer than 50 units in the community) or the HOA (if there are 50 or more units) must provide the buyer with a disclosure containing a variety of information.

<http://bit.ly/2ebBSLH> (A.R.S. 33-1260); and <http://bit.ly/2e8jdM3> (A.R.S. 33-1806)

8 Community Facilities District

Community Facilities Districts (CFDs) are special taxing districts that use bonds for the purpose of financing construction, acquisition, operation and maintenance of public infrastructure that benefits the real property owners comprising the CFD members. Roadways, public sewer, utility infrastructure and public parks are examples of the types of public infrastructure paid for by CFDs. CFDs have a Governing Board that may be the City Council acting as the board or a stand-alone board. Any member of a CFD may request disclosures from this board. Questions to ask include: the amount still owed and how many more payments are left in order to pay off the CFD for the property. It is important that you review the Detailed Property Tax Statement which will show the current amount due to the CFD. CFDs are most commonly found on the property's detailed property tax statement from the County Tax Assessor. The local municipality or county can also be a source of CFD information.

9 Title Report or Title Commitment

The title report or commitment contains important information and is provided to the buyer by the title/escrow company or agent. This report or commitment lists documents that are exceptions to the title insurance (Schedule B Exceptions). Schedule B Exceptions may include encumbrances, easements, and liens against the property, some of which may affect the use of the property, such as a future addition or swimming pool. Make sure you receive and review all of the listed documents. Questions about the title commitment and Schedule B documents may be answered by the title or escrow officer, legal counsel, or a surveyor.

<https://www.homeclosing101.org/> (American Land Title Association)

<https://bit.ly/34KkCaQ> (CFPB - What is title insurance?)

10 Loan Information and Documents

Unless a buyer is paying cash, the buyer must qualify for a loan in order to complete the purchase. A buyer should complete a loan application with a lender before making an offer on a property if at all possible and, if not, immediately after making an offer. It will be the buyer's responsibility to deposit any down payment and ensure that the buyer's lender deposits the remainder of the purchase price into escrow prior to the close of escrow date. Therefore, make sure you get all requested documentation to your lender as soon as possible.

<https://www.consumerfinance.gov/owning-a-home/> (Buying a house: Tools & Resources for Homebuyers)
https://www.hud.gov/topics/buying_a_home (HUD.gov)

11 Home Warranty Policy

A home warranty [policy] is a service contract that typically covers the repair and/or replacement costs of home appliances and major systems such as heating, cooling, plumbing, and possibly other components of a home that fail due to normal usage and age. Coverage varies depending on the policy. Be aware that pre-existing property conditions are generally not covered. A home warranty may be part of the sale of the home. If so, buyers should thoroughly read the home warranty contract to understand coverage, limitations, exclusions, and costs associated with the policy.

12 Affidavit of Disclosure

If the buyer is purchasing five or fewer parcels of land (whether improved or vacant), other than subdivided land, in an unincorporated area of a county, the seller must furnish the buyer with an Affidavit of Disclosure.

<https://bit.ly/2ZLwvdX>

(AAR Sample Affidavit of Disclosure)

13 Lead-Based Paint Disclosure Form

If the home was built prior to 1978, the seller must provide the buyer with a lead-based paint disclosure form. Buyer is further advised to use certified contractors to perform renovation, repair or painting projects that disturb lead-based paint in residential properties built before 1978 and to follow specific work practices to prevent lead contamination.

<http://bit.ly/2O4pL4A> (AAR Sample Form)

<https://bit.ly/3uzq5Kb> (ADRE Lead Based Paint Information)

14 Professional Inspection Report

The importance of having a property inspected by a professional inspector cannot be over-emphasized. An inspection is a visual physical examination, performed for a fee, designed to identify material defects in the property.

The inspector will generally provide the buyer with a report detailing information about the property's condition. The buyer should carefully review this report with the inspector and ask the inspector about any item of concern. Pay attention to the scope of the inspection and any portions of the property excluded from the inspection.

[Home | American Society of Home Inspectors, ASHI](#)

(ASHI Home Buyer's Guide)

15 County Assessors/Tax Records

The county assessor's records contain a variety of valuable information, including the assessed value of the property for tax purposes and some of the physical aspects of the property, such as the reported square footage. The date-built information in the assessor's records can be either the actual or effective/weighted age if the residence has been remodeled. All information on the site should be verified for accuracy.

Apache:

<https://bit.ly/3CVkXTu>

Coconino:

<http://bit.ly/2F9PstM>

Graham:

<http://bit.ly/2JGz2ZO>

La Paz:

<http://bit.ly/2HzhhdR>

Mohave:

<https://bit.ly/2Y8QH9g>

Pima:

<https://www.asr.pima.gov/>

Santa Cruz:

<http://bit.ly/1yRYwXI>

Yuma:

<https://bit.ly/3uO8BbW>

Cochise:

<http://bit.ly/1oUS7ok>

Gila:

<http://bit.ly/Yq3bV9>

Greenlee:

<http://bit.ly/2SCTzu6>

Maricopa:

<https://mcassessor.maricopa.gov/>

Navajo:

<http://bit.ly/1pWxgVA>

Pinal:

<http://www.pinalcountvaz.gov/Assessor/Pages/home.aspx>

Yavapai:

[Assessor's Office Home](#)
<http://yavapaiaz.gov>

16 Termites and Other Wood Destroying Insects and Organisms

Termites and other wood destroying insects are commonly found in some parts of Arizona. General guidance, inspection report information and the ability to search a property for past termite treatments may be found on the Arizona Department of Agriculture website.

[Termites | Arizona Department of Agriculture \(az.gov\)](#)

(AZDA-Termite Information)

<http://bit.ly/2GiGIIR> (AZDA-Wood Destroying Insect Inspection Reports)

<https://tarf.azda.gov/> (AZDA-Search for Termite Reports)

17 Foreign Investment in Real Property Tax Act (FIRPTA)

Foreign Investment in Real Property Tax Act (FIRPTA) may impact the purchase of property if the legal owner(s) of the property are foreign persons or non-resident aliens pursuant to FIRPTA. If so, consult a tax advisor as mandatory withholding may apply.

<https://bit.ly/3w10GsF> (I.R.S. FIRPTA Definitions)

<https://www.irs.gov/Individuals/International-taxpayers/firpta-withholding> (I.R.S. FIRPTA Information)

<https://www.irsvideos.gov/individual/education/FIRPTA>

(I.R.S. FIRPTA Video)

Section 2

COMMON PHYSICAL CONDITIONS IN THE PROPERTY A BUYER SHOULD INVESTIGATE

Because every buyer and every property are different, the physical property conditions requiring investigation will vary.

1 Repairs, Remodeling and New Construction

The seller may have made repairs or added a room to the property. The buyer should feel comfortable that the work was properly done or have an expert evaluate the work. Request copies of permits, invoices or other documentation regarding the work performed.

USE OF LICENSED CONTRACTORS

A contractor's license is required for work performed on a property unless the aggregate contract price, including labor and material, is less than \$1,000, the work performed is of a "casual or minor nature," and no building permit is required. An unlicensed property owner may also perform work themselves if the property is intended for occupancy solely by the owner. If, however, the property is listed or offered for sale or rent within one year of the completed work, it is considered prima facie evidence that the owner performed the work for purposes of sale or rent.

Owners of property who are acting as developers, who improve structures or appurtenances to structures on their property for the purpose of sale or rent, and who contract with a licensed general contractor must identify the licensed contractors' names and license numbers in all sales documents.

<https://roc.az.gov/before-hire> (Before you Hire a Contractor-Tips)
<https://remodelingdoneright.nari.org/> (National Association of the Remodeling Industry)

<https://apps-secure.phoenix.gov/PDD/Search/Permits> (Phoenix Building Permit Search)

<https://www.tucsonaz.gov/pdsd/records> (Tucson Building permit records)

Other cities- search Planning & Development

2 Square Footage

Square footage on the MLS printout or as listed by the county assessor's records is often only an estimate and generally should not be relied upon for the exact square footage. An appraiser or architect can measure the property's size to verify the square footage.

If the square footage is important, you should have it confirmed by one of these experts during the inspection period in a resale transaction and prior to executing a contract on a new home transaction.

<https://dfi.az.gov/industry/RealEstateAppraisers> (Licensed Real Estate Appraisers)

3 Roof

If the roof is 10 years old or older, a roof inspection by a licensed roofing contractors highly recommended.

www.azroofing.org

(Arizona Roofing Contractors Association)

<https://roc.az.gov/before-hire>

(Before you Hire a Contractor)

4 Swimming Pools and Spas

If the property has a pool or a spa, the home inspector may Exclude the pool or spa from the general inspection so an inspection by a pool or spa company may be necessary.

[Pool Barrier Laws & Information | Arizona Association of REALTORS® \(aaronline.com\)](#) (AAR-Pool Barrier Laws & Information-Updated August 2020)

[36-1681 - Pool enclosures; requirements; exceptions; enforcement \(azleg.gov\)](#) (A.R.S. 36-1681 Swimming Pool Enclosures)

5 Septic and Other On-Site Wastewater Treatment Facilities

If the home is not connected to a public sewer, it is probably served by an on-site wastewater treatment facility (conventional septic or alternative system). A qualified inspector must inspect any such facility within six months prior to transfer of ownership. For information on current inspection and transfer of ownership requirements, contact the specific county environmental/health agency where the property is located or the Arizona Department Environmental Quality (ADEQ).

[Notice of Transfer and Inspection | On-site Wastewater | ADEQ Arizona Department of Environmental Quality \(azdeq.gov\)](#)

(ADEQ— AZ Statewide Inspection Program File a Notice of Transfer Online)

6 SEWER

Even if the listing or SPDS indicates that the property is connected to the city sewer, a plumber, home inspector, or other professional should verify it. Some counties and cities can perform this test as well.

7 Water/Well Issues

The property may receive water from a municipal system, a private water company, or a well. You should investigate the availability and quality of the water to the property, as well as the water provider. A list of Arizona's water companies is available at the Arizona Corporation Commission.

<https://www.azcc.gov/utilities/water>

(Arizona Corporation Commission - Utilities-Water)

<https://new.azwater.gov/aaws/statutes-rules>

(Assured and Adequate Water Supply)

Adjudications: Arizona is undertaking several Stream Adjudications, which are court proceedings to determine the extent and priority of water rights in an entire river system.

For information regarding water uses and watersheds affected by these adjudications, and the forms upon sale of the property, visit the Department of Water Resources online.

[Adjudications Overview | Arizona Department of Water Resources \(azwater.gov\)](https://azwater.gov) (Department of Water Resources – Adjudications)

CAGRDs: The Central Arizona Groundwater Replenishment District (CAGRD) functions to replenish groundwater used by its members, individual subdivisions and service areas of member water providers. Homeowners in a CAGRD pay an annual assessment fee which is collected through the county property tax process based the amount of ground water served to member homes.

www.cagrd.com

(Central Arizona Ground Water Replenishment District)

8 Soil Problems

The soil in some areas of Arizona has “clay-like” tendencies, sometimes referred to as “expansive soil.”

Other areas are subject to fissure, subsidence and other soil conditions. Properties built on such soils may experience significant movement causing a major problem.

If it has been disclosed that the property is subject to any such soil conditions or if the buyer has any concerns about the soil condition or observes evidence of cracking, the buyer should secure an independent assessment of the property and its structural integrity by a licensed, bonded, and insured professional engineer.

<https://azre.gov/PublicInfo/Fissures>

(ADRE – Overview of Arizona Soils)

<https://bit.ly/3rTzD2O>

(Problem Soils AZGS)

<http://bit.ly/2MpcKNU>

(Shrink/Swell Potential & FAQs)

<http://bit.ly/2yfvVHR>

(Information on Land Subsidence & Earth Fissures)

www.btr.state.az.us

(State Certified Engineers & Firms)

9 Previous Fire/Flood

If it is disclosed there has been a fire or flood on the property, a qualified inspector should be hired to advise you regarding any possible future problems as a result of the fire or flood damage and/or any subsequent repairs. For example, if the property was not properly cleaned after a flood, mold issues may result. Your insurance agent may be able to assist you in obtaining information regarding fire, flood, or other past damage to the property.

10 Pests

Cockroaches, rattlesnakes, black widow spiders, scorpions, termites and other pests are common in parts of Arizona. Fortunately, most pests can be controlled with pesticides.

Scorpions: Scorpions, on the other hand, may be difficult to eliminate. If buyer has any concerns or if the SPDS indicates the seller has seen scorpions or other pests on the property, seek the advice of a pest control company.

Bed Bugs: Infestations are on the rise in Arizona and nationally.

Roof Rats: Roof Rats have been reported in some areas by Maricopa County Environmental Services.

Termites: Consumer Information is available from the Arizona Department of Agriculture.

Bark Beetles: Bark beetles have been reported in some forested areas.



<http://bit.ly/32v89I6> (Information on Scorpions)

[Bed Bugs | Arizona Department of Agriculture \(az.gov\)](#) (Bed Bugs)

Bedbugs: Get them Out and Keep them Out)

<http://www.maricopa.gov/FAQ.aspx?TID=104> (Maricopa County

– Roof Rats)

<https://agriculture.az.gov/pestspest-control/termites> (Termite Information

<https://agriculture.az.gov/pests-pest-control/agriculture->

(Bark Beetle Information)

11 Endangered & Threatened Species

Certain areas in the state may have issues related to federally listed endangered or threatened species that may affect land uses. Further information may be obtained on the U.S. Fish and Wildlife website or by contacting the appropriate planning/development service department.

[Arizona Ecological Services Field Office | U.S. Fish & Wildlife Service \(fws.gov\)](#)

(Arizona Ecological Services) (Arizona Endangered Species) _

12 Death and Felonies on the Properties

Arizona law states that sellers and real estate licensees have no liability for failure to disclose to a buyer that the property was ever the site of a natural death, suicide, murder or felony.

This information is often difficult to uncover; however, the local law enforcement agency may be able to identify incidents related to a property address.

<http://bit.ly/2lo53MZ> (A.R.S. § 32-2156)

13 Indoor Environmental Concerns

Attention has been given to the possible health effects of mold in homes, apartments and commercial buildings. Certain types of molds may cause health problems in some people while triggering only common allergic responses in others.

Mold is often not detectable by a visual inspection. To determine if the premises you are purchasing, or leasing contains mold or airborne health hazards, you may retain an environmental expert to perform an indoor air quality test. This is particularly important if any of the inspection reports or disclosure documents indicate the existence of past or present moisture, standing water, visible water stains, or water intrusion in the Premises.

The Arizona Department of Health Services, Office of Environmental Health, states:

"If you can see mold, or if there is an earthy or musty odor, you can assume you have a mold problem."

<https://www.epa.gov/indoor-air-quality-iaq>

(EPA-Indoor Air Quality)

<https://www.epa.gov/mold> (EPA-Mold)

<https://www.cdc.gov/mold/> (CDC-Mold Information)

Imported Drywall: There have been reports of problematic drywall, produced in China, used in Arizona homes. Residents in homes with problem drywall report health issues such as respiratory irritation, and other problems such as copper corrosion and sulfur odors. Visit the Consumer Product Safety Commission website for more information.

Radon Gas and Carbon Monoxide: Radon gas and carbon monoxide poisoning are two of the more common and potentially serious indoor air quality (IAQ) concerns. Both of these concerns can be addressed by the home inspector, usually for an additional fee. For information on radon levels in the state, visit Arizona Radiation Regulatory Agency online.

Drug labs: Residual contamination arising from the illicit manufacture of methamphetamine and other drugs carried out in clandestine drug laboratories presents a serious risk of harm to human and environmental health.

Other: For information on other indoor environmental concerns, the EPA has a host of resource materials and pamphlets online.

bit.ly/2kRk7jm (Drywall Information Center)

<http://bit.ly/2GclWpM> (About Radon)

<http://bit.ly/2t1CAPg> (Carbon Monoxide Infographic)

<https://www.epa.gov/asbestos> (Asbestos Information)

<http://bit.ly/2qUZcSt> (Voluntary Guidelines-

Methamphetamine & Fentanyl Laboratory Cleanup)

[Formaldehyde | US EPA](#) (EPA Formaldehyde)

14 Property Boundaries

If the property boundaries are of concern, a survey may be warranted. For example, a survey may be advisable if there is an obvious use of property by others, i.e., a well-worn path across a property and/or parked cars on the property or fences or structures of adjacent property owners that appear to be built on the property. For more information, visit the Arizona Professional Land Surveyors online. A search for surveyors may be found online at the Board of Technical Registration.

<https://btr.az.gov/arizona-professional-land-surveyors-apls> (AZ BTR Land Surveyors)

<http://www.azpls.org/> (Professional Land Surveyors)

15 Flood Insurance/Flood Plain Status

Your mortgage lender may require you to purchase flood insurance in connection with your purchase of the property. The National Flood Insurance Program provides for the availability of flood insurance and established flood insurance policy premiums based on the risk of flooding in the area where properties are located. Changes to the federal law (The Biggert-Waters Flood Insurance Reform Act of 2012 and the Homeowner Flood Insurance Affordability Act of 2014, in particular) will result in changes to flood insurance premiums that are likely to be higher, and in the future, may be substantially higher, than premiums paid for flood insurance prior to or at the time of sale of the property. As a result, purchasers of property should not rely on the premiums paid for flood insurance on the property previously as an indication of the premiums that will apply after completion of the purchase. In considering purchase of the property, you should consult with one or more carriers of flood insurance for a better understanding of flood insurance coverage, current and anticipated future flood insurance premiums, whether the prior owner's policy may be assumed by a subsequent purchase of the property, and other matters related to the purchase of flood insurance for the property. If community floodplain information is not available for a specific property, and in order to obtain flood insurance, it may be necessary to have an elevation survey and obtain an elevation certificate. This is necessary to determine a property's insurability and premium rate. You may also wish to contact the Federal Emergency Management Agency (FEMA) for

more information about flood insurance as it relates to the property.

[National Flood Insurance Program](#) (FEMA)

<https://www.realtor.com/flood-risk/> (Flood Risk Information)

<https://www.floodsmart.gov/flood-map-zone/elevation-certificate> (Elevation Certificates: Who Needs Them and Why - fact sheet)

<http://azgs.arizona.edu/center-natural-hazards/floods> (Flooding in Arizona)

<https://www.fcd.maricopa.gov/5308/Flood-Control-District> (Maricopa County Flood Control District-Services)

Other Arizona Counties: Consult County Websites.

16 Insurance (Claims History)

Many factors affect the availability and cost of homeowner's insurance. Property owners may request a five-year claims history from their insurance company, an insurance support organization or consumer reporting agency.

[Consumer Resources \(naic.org\)](#) (Helping You Navigate Insurance and Make Better Informed Decisions)

17 Other Property Conditions

Plumbing: Check functionality.

Cooling/Heating: Make sure the cooling and heating systems are adequate. If it is important to you, hire a qualified heating/cooling inspector.

<https://www.epa.gov/ods-phaseout> (Phaseout of Ozone-Depleting Substances - ODS)

Electrical Systems: Check for functionality and safety.

Section 3

CONDITIONS AFFECTING THE AREA SURROUNDING THE PROPERTY THE BUYER SHOULD INVESTIGATE

Every property is unique; therefore, important conditions vary.

Environmental Concerns

It is often very difficult to identify environmental hazards. The Arizona Department of Environmental Quality (ADEQ) website contains environmental information regarding the locations of open and closed landfills (Solid Waste Facilities), wildfire information, as well as air and water quality information

[Landfills | ADEQ Arizona Department of Environmental Quality \(azdeq.gov\)](#) (ADEQ)

<https://www.azdeq.gov/solidwaste> (ADEQ-Solid Waste Facilities)

[Wildfire Support | ADEQ Arizona Department of Environmental Quality \(azdeq.gov\)](#) (Wildfire Support)

1 Environmentally Sensitive Land Ordinance

Approximately two-thirds of the City of Scottsdale is affected by the Environmentally Sensitive Land Ordinance (ESLO), which requires some areas on private property be retained in their natural state and designated as National Area OpenSpace (NAOS).

[City of Scottsdale - ESL Overlay \(scottsdaleaz.gov\)](https://www.scottsdaleaz.gov/eslo/)
(ELS and NAOS)

2 Electromagnetic Fields

For information on electromagnetic fields, and whether they pose a health risk to you or your family, visit the National Institute of Environmental Health Sciences website.

<https://www.niehs.nih.gov/health/topics/agents/emf/index.cfm>
(National Institute of Environmental Health Sciences)

3 Superfund Sites

There are numerous sites in Arizona where the soil and groundwater have been contaminated by improper disposal of contaminants. Maps may be viewed on ADEQ's website to see if a property is in an area designated by the ADEQ as requiring cleanup.

www.azdeq.gov/emaps/ (ADEQ-Maps)
www.epa.gov/superfund/ (EPA)

4 Freeway Construction and Traffic Conditions

Although the existence of a freeway near the property may provide highly desirable access, sometimes it contributes to undesirable noise. To search for roadway construction and planning, visit the Arizona Department of Transportation (ADOT) website.

<https://azdot.gov/> (ADOT)
<https://azdot.gov/projects/> (ADOT Statewide Projects)
<https://az511.com> (ADOT Road Conditions)

5 Crime Statistics

Crime statistics, an imperfect measurement at best, provide some indication of the level of criminal activity in an area.

<https://communitycrimemap.com/> (Crime Statistics - All Arizona Cities)

6 Sex Offenders

Since June 1996, Arizona has maintained a registry and community notification program for convicted sex offenders. Prior to June 1996, registration was not required, and only the higher-risk sex offenders are on the website. The presence of a sex offender in the vicinity of the property is not a fact that the seller or real estate broker is required to disclose.

<https://www.azdps.gov/services/public/offender>
(Registered Sex Offender and Community Notification)
<https://www.nsopw.gov/>
(National Sex Offender Public Site)

7 Forested Areas

Life in a forested area has unique benefits and concerns. As with other natural disasters that affect the United States in any given year including flooding, tornados, hurricanes and earthquakes, having information regarding wildfire risk will be crucial for Buyers here in the Southwest. To get the most up to date information on the community you are seeking to purchase in, search by city name, zip code and/or contact county/city fire authority for more information on issues particular to a community.

www.wildfirerisk.org
(Search - Community Wildfire Risk)
<https://dfrm.az.gov/fire/prevention/firewise>
(Arizona Fire Wise Communities)
<https://www.nfpa.org/Public-Education/By-topic/Wildfire/Firewise-USA>
(Public Education/Fire Wise USA)

8 Military and Public Airports

The legislature has mandated the identification of areas in the immediate vicinity of military and public airports that are susceptible to a certain level of noise from aircraft. The boundaries of these areas have been plotted on maps that are useful in determining if a property falls within one of these areas. The maps for military and public airports may be accessed on the Arizona Department of Real Estate (ADRE) website. Additionally, the boundaries of military and public airports in Maricopa County may be viewed on the county website. These maps are intended to show the area subject to a preponderance of airport-related noise from a given airport. Periodic over-flights that may contribute to noise cannot usually be determined from these maps.

Vacant land or lots may be for sale within areas of high noise or accident potential zones. Because the zoning of these lots may conflict with the buyer's ability to develop the property, the buyer should verify whether development is prohibited Zoning regulations for these areas, may be found at A.R.S. §28-8481.

<https://azre.gov/military-airports>

(ADRE - Maps of Military Airports & Boundaries)

<http://azre.gov/public-airports>

(ADRE - Maps of Public Airports & Boundaries)

<https://www.skyharbor.com/FlightPaths>

(Phoenix Skyharbor Airport - General Information)

ADRE ADVISES:

"Call the school district serving the subdivision to determine whether nearby schools' area accepting new students. Some school districts, especially in the northwest of the greater Phoenix area, have placed a cap on enrolment. You may find that your children cannot attend the school nearest you and may even be transported to another community."

www.azre.gov/PublicInfo/PropertyBuyerChecklist.aspx (ADRE)

9 Zoning/Planning/Neighborhood Services

Information may be found on community websites.

<http://phoenix.gov/business/zoning> (Phoenix)

<http://www.tucsonaz.gov/pdsd/planning-zoning> (Tucson)

10 Schools

Although there is no substitute for an on-site visit to the school to talk with principals and teachers, there is a significant amount of information about Arizona's schools on the Internet.

Visit the Arizona Department of Education website for more information.

<https://www.azed.gov/> (Arizona Department of Education)

11 City Profile Report

Information on demographics, finances and other factors are drawn from an array of sources, such as U.S. Census Bureau of Labor, Internal Revenue Service, Federal Bureau of Investigation, and the National Oceanic and Atmospheric Administration and may be viewed on Homefair's Website.

<https://www.moving.com/real-estate/compare-cities/> (City Profile Report)

Section 4

OTHER METHODS OF GETTING INFORMATION ABOUT A PROPERTY

Drive Around the Neighborhood

Buyers should always drive around the neighborhood, preferably on different days at several different times of the day and evening, to investigate the surrounding area.

Investigate Your Surroundings

Google Earth is an additional method to investigate the surrounding area: [Google Earth](https://www.google.com/earth/)

Talk to the Neighbors

Neighbors can provide a wealth of information. Buyer should always talk to the surrounding residents about the neighborhood and the history of the property the buyer is considering for purchase.

Section 5

RESOURCES

Market Conditions Advisory

The real estate market is cyclical and real estate values go up and down. The financial market also changes, affecting the terms on which a lender will agree to loan money on real property. It is impossible to accurately predict what the real estate or financial market conditions will be at any given time.

The ultimate decision on the price a buyer is willing to pay and the price a seller is willing to accept for a specific property rest solely with the individual buyer or seller. The parties to a real estate transaction must decide on what price and terms they are willing to buy or sell considering market conditions, their own financial resources and their own unique circumstances.

The parties must, upon careful deliberation, decide how much risk they are willing to assume in a transaction. Any waiver of contingencies, rights or warranties in the Contract may have adverse consequences. Buyer and seller acknowledge that they understand these risks.

Buyer and Seller assume all responsibility should the return on investment, tax consequences, credit effects, or financing terms not meet their expectations. The parties understand and agree that the Broker(s) do not provide advice on property as an investment. Broker(s) are not qualified to provide financial, legal, or tax advice regarding a real estate transaction. Therefore, Broker(s) make no representation regarding the above items. Buyer and seller are advised to obtain professional tax and legal advice regarding the advisability of entering into this transaction.

[Market Conditions Advisory](#) (AAR – Sample Forms)

Fair Housing and Disability Laws

The Fair Housing Act prohibits discrimination in the sale, rental, and financing of dwellings based on race, color, national origin, religion, sex, familial status (including children under the age of 18 living with people securing custody of children under the age of 18), and disability.

[Fair Housing Rights and Obligations](#) (HUD.gov)

<http://www.ada.gov/pubs/ada.htm>
(Americans with Disabilities Act)

Wire Fraud

Beware of wiring instructions sent via email. Cyber criminals may hack email accounts and send emails with fake wiring instructions. You should independently confirm wiring instructions in person or via a telephone call to a trusted and verified phone number prior to wiring any money.

[Wire Fraud Advisory](#) (Arizona REALTORS® Wire Fraud Advisory)
<http://bit.ly/2vDDvFk> (CFPB- Buying a home? Watch out for mortgage closing scams)

Additional Information

NATIONAL ASSOCIATION OF REALTORS® (NAR)
<https://www.nar.realtor/>

Ten Step Guide to Buying a Home (Realtor.com)
<http://bit.ly/3pQgXX7>

Home Closing 101
www.homeclosing101.org

Information about Arizona Government, State Agencies and Arizona REALTORS®

Arizona Department of Real
Estate Consumer Information
www.azre.gov/InfoFor/Consumers.aspx

Arizona Association of REALTORS®
www.aaronline.com

BUYER ACKNOWLEDGMENT

Buyer acknowledges receipt of all 13 pages of this Advisory.

Buyer further acknowledges that there may be other disclosure issues of concern not listed in this Advisory. Buyer is responsible for making all necessary inquiries and consulting the appropriate persons or entities prior to the purchase of any property.

The information in this Advisory is provided with the understanding that it is not intended as legal or other professional services or advice. These materials have been prepared for general informational purposes only. The information and links contained herein may not be updated or revised for accuracy. If you have any additional questions or need advice, please contact your own lawyer or other professional representative.

^BUYER SIGNATURE

DATE

^BUYER SIGNATURE

DATE

