



**EQUITY
TITLE AGENCY**

A Member of the Orange Coast Title Family of Companies

PURCHASE CONTRACT GUIDE



Buyer Attachment

Provide this to the Buyer before they sign the contract.
The Buyer Attachment details the Buyer's rights and obligations under the terms of the contract, and points out disclosures and documentation that may be important.

BUYER ATTACHMENT

Document updated:
February 2020



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.

Buyer's Check List

SECTION 1 – Property

1a	<p>Lines 1-2 Buyer’s and Seller’s names are at the beginning of the contract. If the Seller’s name is unknown at the time the contract is written, mark the box “as identified in Section 9c.”</p> <p>The Seller’s name is very important to escrow because if it is not filled in they will have to rely on the Seller’s signature on the contract or the last deed of record to determine the identity of the Seller. Neither may be 100% reliable.</p>
1c	<p>Lines 19-20 Cash sales require documenting the source of funds to close.</p>
1d	<p>Lines 21-24 Close of Escrow (COE) is defined as Recordation of the Deed. If Escrow Company or Recorder’s Office is closed on the COE date; COE shall occur on the next day that both are open for business. No contract extension is required if COE falls on a date escrow or recorder is closed. COE is automatically extended to the next date both are open for business.</p> <p>Lines 26-28 Defines the funds (cashier’s check, wired funds or other immediately available funds) the Buyer must deliver to the Escrow Company “in sufficient time to allow COE to occur on COE Date.” Also requires the Buyer to be certain the lender deposits immediately available funds as well. Immediately Available Funds are defined as funds that are in the Escrow Company’s Bank and are available for immediate withdrawal.</p> <p>Buyers are responsible for the lender performing in a timely manner. Failure of the lender to perform in a timely manner could put the Buyer in breach of the contract and put their earnest deposit at risk.</p>
1e	<p>Lines 29-30 Defines a breach if final funds are not deposited by COE and not Cured after a Cure Notice is issued.</p> <p>Lines 32-35 When possession will occur. Brokers recommend that the parties seek appropriate counsel from insurance, legal, tax and accounting professionals regarding the risks of pre-possession or post-possession of the premises.</p>
1f	<p>Lines 36-38 Addenda Incorporated if the appropriate box is checked. The agents need to make sure they mark the addendums that are to be attached to the contract. Portions of the contract address the various addenda and automatically incorporate that addenda to the contact.</p>

RESIDENTIAL RESALE REAL ESTATE PURCHASE CONTRACT

Document updated:
February 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. 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 Lease / Solar Loan Assumption Addendum Other: _____

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BUYER BUYER

SECTION 1 – Property Continued

1g.	<p>Lines 39-54 Fixtures and Personal Property List. Defines fixtures. Unless specifically excluded in writing, the items here are included in the sale if they exist in or on the property at the time of contract.</p> <p>Lines 51-54 Include items that may or may not be owned or conveyed. Buyer should be aware of the status of those items.</p> <p>Lines 55-62 Additional personal property – allows for additional items to be included in the sale, if the boxes are marked or if detailed under “other.” Used to describe the additional existing personal property i.e. make, model, year, serial number etc. “Existing” means the refrigerator, washer or dryer that was there when the contract was written should be there when the escrow closes.</p> <p>Lines 63-64 Other personal property, if included, is conveyed with no value and free of encumbrances.</p> <p>Lines 65-67 Leased items not included must be disclosed in writing within 3 days of acceptance. Buyer has 5 days from notice to disapprove in writing.</p>
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SECTION 2 – Financing

2a.	<p>Lines 69 AAR Prequalification form must be submitted with contract.</p>
2b.	<p>Lines 70-75 Loan Contingency – The sale is contingent upon Buyer obtaining loan approval for the loan described in the Loan Status Update or the AAR Pre-Qualification form, without Prior to Document conditions (PTD) no later than 3 days before COE date. If Buyer is unable to obtain loan approval without PTD conditions, Buyer must perform one of the three actions noted at least 3 days before COE date.</p> <p>Lines 73-75 If Buyer does not deliver the Notice of Unfulfilled Loan Contingency to escrow or Seller at least 3 days prior to COE date, the Seller will have to serve a Cure Notice to the Buyer which gives the Buyer an additional 3 days to provide the notice. If Buyer does not provide the notice within 3 days, the Buyer will be in breach of the contract and may forfeit their earnest deposit.</p>
2c.	<p>Lines 76-82 Buyer is entitled to a refund of the earnest money if they are not able to obtain loan approval without PTD conditions, and deliver notice of inability no later than 3 days prior to COE. If Buyer fails to deliver notice, seller may issue cure notice. If Buyer delivers notice during cure period, they are entitled to the earnest money.</p>
2e.	<p>Lines 87-89 Loan Status Update – The Loan Status Update is to be provided within 10 days of contract acceptance to Buyer and instruct lender to provide updated LSU to Broker(s) & Seller upon request.</p>

Residential Resale Real Estate Purchase Contract >>

- 1g. 39. Fixtures and Personal Property:** For purposes of this Contract, fixtures shall mean property attached/affixed to the Premises.
40. Seller agrees that all existing: fixtures on the Premises, personal property specified herein, and means to operate fixtures and
41. property (i.e., remote controls) shall convey in this sale. Including the following:
- 42. •built-in appliances, ceiling fans and remotes
 - 43. •central vacuum, hose, and attachments
 - 44. •draperies and other window coverings
 - 45. •fireplace equipment (affixed)
 - 46. •floor coverings (affixed)
 - 47. •free-standing range/oven
 - 48. •garage door openers and remotes
 - 49. •light fixtures
 - 50. •mailbox
 - media antennas/satellite dishes (affixed)
 - outdoor fountains and lighting
 - outdoor landscaping (i.e., shrubbery, trees and unpotted plants)
 - shutters and awnings
 - smart home devices, access to which shall be transferred (i.e., video doorbell, automated thermostat)
 - speakers (flush-mounted)
 - storage sheds
 - storm windows and doors
 - stoves: gas-log, pellet, wood-burning
 - timers (affixed)
 - towel, curtain and drapery rods
 - wall mounted TV brackets and hardware (excluding TVs)
 - water-misting systems
 - window and door screens, sun shades
51. If owned by Seller, the following items also are included in this sale:
- 52. •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
53. 54.
55. **Additional existing personal property included in this sale** (if checked):
56. refrigerator (description): _____
57. washer (description): _____
58. dryer (description): _____
59. above-ground spa/hot tub including equipment, covers, and any mechanical or other cleaning systems (description): _____
60. _____
61. other personal property not otherwise addressed (description): _____
62. other personal property not otherwise addressed (description): _____
63. **Additional existing personal property included shall not be considered part of the Premises and shall be transferred with no**
64. **monetary value, and free and clear of all liens or encumbrances.**
65. Leased items shall **NOT** be included in this sale. Seller shall deliver notice of all leased items within three (3) days after Contract
66. acceptance. Buyer shall provide notice of any leased items disapproved within the Inspection Period or five (5) days after receipt of
67. the notice, whichever is later.
68. **IF THIS IS AN ALL CASH SALE:** Section 2 does not apply - go to Section 3.

2. FINANCING

- 2a. 69. Pre-Qualification:** An AAR Pre-Qualification Form *is* attached hereto and incorporated herein by reference.
- 2b. 70. Loan Contingency:** Buyer's obligation to complete this sale is contingent upon Buyer obtaining loan approval without Prior to
71. Document ("PTD") conditions no later than three (3) days prior to the COE Date for the loan described in the AAR Loan Status
72. Update ("LSU") form or the AAR Pre-Qualification Form, whichever is delivered later. **No later than three (3) days prior to the**
73. **COE Date, Buyer shall either: (i) sign all loan documents; or (ii) deliver to Seller or Escrow Company notice of loan**
74. **approval without PTD conditions AND date(s) of receipt of Closing Disclosure(s) from Lender; or (iii) deliver to Seller or**
75. **Escrow Company notice of inability to obtain loan approval without PTD conditions.**
- 2c. 76. Unfulfilled Loan Contingency:** This Contract shall be cancelled and Buyer shall be entitled to a return of the Earnest Money if
77. after diligent and good faith effort, Buyer is unable to obtain loan approval without PTD conditions and delivers notice of inability
78. 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
79. 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
80. pursuant to Section 7b. If, prior to expiration of any Cure Period, Buyer delivers notice of inability to obtain loan approval, Buyer
81. shall be entitled to a return of the Earnest Money. Buyer acknowledges that prepaid items paid separately from the Earnest Money
82. are not refundable.
- 2d. 83. Interest Rate / Necessary Funds:** Buyer agrees that (i) the inability to obtain loan approval due to the failure to lock the interest
84. rate and "points" by separate written agreement with the lender; or (ii) the failure to have the down payment or other funds
85. due from Buyer necessary to obtain the loan approval without conditions and close this transaction is not an unfulfilled loan
86. contingency.
- 2e. 87. Loan Status Update:** Buyer shall deliver to Seller the LSU, with at a minimum lines 1-40 completed, describing the current status
88. of the Buyer's proposed loan within ten (10) days after Contract acceptance and instruct lender to provide an updated LSU to
89. Broker(s) and Seller upon request.

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SECTION 2 – Financing Cont.

2f.	Lines 90-92 – Loan Application – Within 3 days after acceptance, Buyer must provide lender with the 6 components of a loan application as noted and, grant the lender permission to access Trimerged Residential Credit Report and provide all requested disclosures and documents listed on the LSU. If this requirement is not met, Seller can serve a cure notice to the Buyer to perform.
2g.	Lines 93-96 Buyer has 10 days after receipt of lender loan estimate to provide notice of intent to proceed and provide all required documentation. Buyer agrees to work diligently and act promptly.
2j.	Lines 100-102 Specifies the amount seller agrees to credit towards any buyer fees or costs allowable by lender. Agents need to be aware that if Seller agreed to pay items elsewhere in the contract such as appraisal, loan origination fee, escrow fee, owner's title policy, etc., that the amount on line 101 IS IN ADDITION TO those fees.
2k.	Lines 103-106 Changes: Buyer is required to notify the Seller of any changes to the loan described in the LSU within 10 days after contract acceptance. Failure to do so may remove Buyer's loan contingency protection.
2l.	Lines 107-110 Appraisal Contingency – If the Premises fails to appraise for the sales price, Buyer has 5 days after notice of the appraised value to cancel this Contract and receive a refund of the Earnest Money or the appraisal contingency shall be waived, unless prohibited by Federal law. If the Buyer does not cancel the contract in writing within 5 days after notice of the appraised value, Buyer has waived the appraisal contingency. Therefore, if Buyer cannot close escrow because of the appraisal, they will forfeit their earnest deposit.
2m.	Lines 111-114 Stipulates who is to pay the appraisal up front, whether it is included in Seller concessions in paragraph 2J, and that is non-refundable.

SECTION 3 – Title and Escrow

3b.	Lines 120-122 Title and Vesting-Buyer should seek sufficient counsel on the methods of taking title. Neither agents nor escrow can advise. Agents will need to remember that escrow will need to know the marital status of the Buyer(s) in order to properly prepare documents.
3c.	Lines 123-132 Instruction to title company and notification that Buyer has 5 days from receipt to disapprove title commitment and exceptions. Seller to convey by Warranty Deed and provide and ALTA Homeowners Policy.

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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SECTION 3 – Title and Escrow

3d.	<p>Lines 133-142 Additional instructions: Escrow Company shall furnish notice of pending sale to the HOA. Seller is to disclose all Homeowners Associations, using the HOA Addendum.</p> <p>If an Affidavit of Disclosure is provided, Escrow Company shall record the Affidavit at COE. It is the sole responsibility of the Seller to provide the Affidavit of Disclosure.</p>
3e.	<p>Line 143 Prorations of Real Property taxes will be based upon latest available figures. Buyers should be aware that taxes change from year to year and that current year tax figures may not be available at COE.</p>
3f.	<p>Lines 144-148 Release of Earnest Money – holds escrow agent harmless for release of earnest money.</p>
3h.	<p>Lines 152-153 Assessment liens or bonds will be prorated to COE. This may include Community Facility District liens, Impact fees or other assessments.</p>

SECTION 4 – Disclosures

4a.	<p>Lines 154-156 Seller to deliver SPDS to Buyer within 3 days after acceptance, Buyer’s written disapproval can be within the inspection period or five (5) days after Buyer received the SPDS, whichever is later.</p>
4b.	<p>Lines 157-161 Insurance Claims History – Seller shall deliver to Buyer a written 5 year insurance claims history regarding premises (or a claims history for the length of time Seller has owned the Premises if less than 5 years).</p>
4c.	<p>Lines 162-166 FIRPTA-Foreign Seller may be subject to a withholding up to 15% of the sale price. They agree to complete, sign & deliver documentation needed to determine FIRPTA applicability, to Escrow Company.</p>
4d.	<p>Lines 167-172 The lead-based paint disclosure has different time requirements than most other disclosures depending on the box checked on lines 154 & 156. Be sure you are aware of the delivery and response times. Buyer initials required.</p>

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- 3d. 133. **Additional Instructions:** (i) Escrow Company shall promptly furnish notice of pending sale that contains the name and address of 134. Buyer to any homeowner's association(s) in which the Premises are located. (ii) If Escrow Company is also acting as the title agency 135. but is not the title insurer issuing the title insurance policy, Escrow Company shall deliver to Buyer and Seller, upon deposit of funds, a 136. closing protection letter from the title insurer indemnifying Buyer and Seller for any losses due to fraudulent acts or breach of escrow 137. instructions by Escrow Company. (iii) All documents necessary to close this transaction shall be executed promptly by Seller and 138. Buyer in the standard form used by Escrow Company. Escrow Company shall modify such documents to the extent necessary to be 139. consistent with this Contract. (iv) Escrow Company fees, unless otherwise stated herein, shall be allocated equally between Seller and 140. Buyer. (v) Escrow Company shall send to all parties and Broker(s) copies of all notices and communications directed to Seller, Buyer 141. and Broker(s). (vi) Escrow Company shall provide Broker(s) access to escrowed materials and information regarding the escrow. (vii) 142. 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 145. Escrow Company, Buyer and Seller authorize Escrow Company to release the Earnest Money pursuant to the terms and conditions 146. of this Contract in its sole and absolute discretion. Buyer and Seller agree to hold harmless and indemnify Escrow Company against 147. any claim, action or lawsuit of any kind, and from any loss, judgment, or expense, including costs and attorney fees, arising from or 148. 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 150. association fees, rents, irrigation fees, and, if assumed, insurance premiums, interest on assessments, interest on encumbrances, 151. 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 153. 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 155. within three (3) days after Contract acceptance. Buyer shall provide notice of any SPDS items disapproved within the Inspection 156. 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 158. 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 159. insurance support organization or consumer reporting agency, or if unavailable from these sources, from Seller, within five (5) days 160. after Contract acceptance. Buyer shall provide notice of any items disapproved within the Inspection Period or five (5) days after 161. 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 163. individual, foreign corporation, foreign partnership, foreign trust, or foreign estate ("Foreign Person"). Seller agrees to complete, 164. sign, and deliver to Escrow Company a certificate indicating whether Seller is a Foreign Person. FIRPTA requires that a foreign 165. seller may have federal income taxes up to 15% of the purchase price withheld, unless an exception applies. Seller is responsible 166. 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 168. ("LBP") or LBP hazards in the Premises; (ii) provide Buyer with any LBP risk assessments or inspections of the Premises in Seller's 169. possession; (iii) provide Buyer with the Disclosure of Information on Lead-Based Paint and Lead-Based Paint Hazards, and any 170. report, records, pamphlets, and/or other materials referenced therein, including the pamphlet "Protect Your Family from Lead in Your 171. Home" (collectively "LBP Information"). Buyer shall return a signed copy of the Disclosure of Information on Lead-Based Paint and 172. 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 174. 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 176. or _____ days after receipt of the LBP Information conduct or obtain a risk assessment or inspection of the Premises for the 177. presence of LBP or LBP hazards ("Assessment Period"). Buyer may within five (5) days after receipt of the LBP Information or five 178. (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 180. 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)** _____ BUYER _____ BUYER
- 182. If Premises were constructed in 1978 or later, **(BUYER'S INITIALS REQUIRED)** _____ BUYER _____ BUYER

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SECTION 4 – Disclosures

4e.	Lines 183-186 Affidavit of Disclosure – Escrow Agent’s sole responsibility is to record the affidavit if the Seller provides it to escrow. Buyer shall provide notice of any items disapproved within the inspection period or five (5) days after receipt of the Affidavit, whichever is later.
4f.	Lines 187-190 Seller must immediately notify Buyer of any changes in premises or disclosure and Buyer has 5 days after receipt of such notice to disapprove in writing.

SECTION 5 – Warranties

5a.	Lines 191-199 Property is purchased in it’s current physical condition without warranties, but Seller agrees to maintain it in it’s current condition.
5b.	Lines 200-206 Seller warrants that all known material defects have been disclosed and that Seller will ensure payment for all lienable work performed on the property.
5c.	Lines 207-210 Buyer warrants they have disclosed any information adversely affecting Buyer’s ability to close. At COE Buyer will have performed all investigations and accepts property. Buyer is not relying on any verbal representations concerning the Premises except as disclosed.

SECTION 6 – Due Diligence

6a.	Lines 213-224 Inspection Period: The inspection period begins “the day after acceptance of the Contract.” Buyer has the right to perform any inspections desired within the period specified. Buyer is encouraged to conduct all investigations necessary to determine the value and condition of the property. Buyer shall provide Seller and Broker(s) copies of all inspection reports concerning the Premises.
6c.	Lines 228-232 Wood-Destroying Organism or Insect Inspection: Buyer shall order AND PAY for the termite inspection. Any issues during the inspection must be addressed within the inspection period noted in 6a . NOTE: Conditions Conducive to Infestation on the reverse of the Wood Infestation Report may be a concern to the Buyer or the Buyer’s Lender. Nearly all lenders will require that active insect infestation be treated.
6d.	Lines 223-236 Buyer is responsible for determining if flood hazard insurance is required during the inspection period.

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, as
193. to the condition, zoning, or fitness for any particular use or purpose of the Premises. However, Seller shall maintain and repair the
194. Premises so that at the earlier of possession or COE: (i) the Premises, including all personal property included in the sale, will be in
195. substantially the same condition as on the date of Contract acceptance; and (ii) all personal property not included in the sale and
196. debris will be removed from the Premises. Buyer is advised to conduct independent inspections and investigations regarding the
197. Premises within the Inspection Period as specified in Section 6a. Buyer and Seller acknowledge and understand they may, but are
198. not obligated to, engage in negotiations for repairs/improvements to the Premises. Any/all agreed upon repairs/improvements will be
199. 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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SECTION 6 – Due Diligence Cont.

6j.	<p>Lines 264-266 Buyer Disapproval: Buyer shall deliver, to Seller, a signed notice specifying the items disapproved and state in that notice their election. Buyer's failure to give notice within the inspection time frame shall be deemed Buyer's election to proceed.</p> <p>Buyer has 3 options for items disapproved: proceed with no repairs, ask for repairs or cancel. Disapproval is at Buyer's sole discretion. If Buyer disapproves but fails to specify items disapproved, Seller may issue a cure notice. Buyer may specify items prior to expiration of cure period, but if they fail to do so they are in breach and earnest money can be forfeited.</p> <p>Lines 275-277 Seller has 5 days, or as specified, to respond. Seller's failure to respond to Buyer, in writing, within the specified time period shall be deemed Seller's refusal to correct any of the items disapproved.</p> <p>Close attention should be paid to the time frame after the BINSR has been presented to the Seller. If Seller does not respond, Buyer will then have 5 days, after Seller's 5 day response time, to either proceed or cancel.</p> <p>Lines 278-280 Seller shall correct any disapproved items agreed to in writing, complete any repairs in a workmanlike manner and deliver any paid receipts evidencing the corrections and repairs to Buyer 3 days prior to COE, or as specified.</p> <p>If the Seller does not complete the repairs and delivers the paid receipts to the Buyer within the specified time period the Buyer could deliver a cure notice to the Seller which could extend the COE date.</p> <p>Lines 281-284 If Seller is unwilling or unable to make repairs, Buyer may cancel contract within the timeframe specified.</p> <p>Lines 285-286 Verbal discussions will not extend these time periods. Only a written agreement signed by both parties will extend response times or cancellation rights.</p>
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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 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 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 any of the items disapproved, Buyer may cancel this Contract within five (5) days
282. after delivery of Seller's response or after expiration of the time for Seller's response, whichever occurs first, and the
283. Earnest Money shall be released to Buyer. If Buyer does not cancel this Contract within the five (5) days as provided,
284. Buyer shall close escrow without correction of those items that Seller has not agreed in writing to correct.

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.**

>>

SECTION 6 – Due Diligence Cont.

6m.	Lines 302-304 Seller’s Responsibility Regarding Inspections and Walkthroughs: Seller shall make the Premises available and have all utilities on, including propane, until COE to enable Buyer to conduct inspections and walkthrough(s).
6n.	Lines 305-309 FIRPTA notification to Buyer: Buyer is responsible, under Federal Law, for determining if a withholding from seller proceeds of up to 15% of the sale price is required, and, if so, to ensure the withholding is made and sent to IRS with appropriate filing documentation. Buyer can be held responsible if this process is not properly completed.

SECTION 7 – Remedies

7a.	Lines 310-314 Cure Period-If a party fails to comply with the provisions of the contract, the other party shall deliver a written notice to the non-complying party specifying the non-compliance (the Cure Notice). If the non-compliance is not cured within 3 days after delivery of the notice (the Cure Period) the failure to comply shall become a breach of contract. A breach of contract does not automatically cancel the contract. The Complying party must then act upon the breach as required on line 421. (See Page 9) The cure period cannot end on a day that escrow or recorder is closed if COE is required to cure the breach. NOTE: The cure period may extend the COE. NOTE: The non-complying party may cure the breach or cancel the contract in accordance with other terms of the agreement at any time prior to actual cancellation of the contract under a cure notice and demand to cancel.
7b.	Lines 315-324 Breach – the non-breaching party may cancel the contract (see lines 421-423). Legal recourse is subject to the Alternative Dispute Resolution obligations set forth in section 7c (See Page 7) and seller may have the right to Buyer’s earnest deposit as seller’s sole recourse. AN UNFULFILLED CONTINGENCY IS NOT A BREACH OF CONTRACT. NOTE: With few exceptions, in order for a breach to have occurred, a cure period must expire without a cure or proper cancellation for another reason, and the breach must be verifiable. Sellers and Buyers often disagree on what constitutes a breach.
7c.	Lines 325-333 Alternative Dispute Resolution – ADR is agreed to in the event of a dispute between the parties. If mediation does not resolve the disputes, the parties agree to binding arbitration and the decision of the arbitrator shall be final and non-appealable. Parties can opt out of arbitration and go to court.
7e.	Lines 341-343 Attorney Fees and Costs – The prevailing party in any dispute or claim arising out of or relating to this Contract shall be awarded their reasonable attorney fees and costs.

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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SELLER	SELLER

<Initials

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Initials>

BUYER	BUYER

SECTION 8 – Additional Terms and Conditions

Please Note: Page 8 of 10 NOT INCLUDED Lines 344-389 are blank lines designed to allow you to add additional terms to the Purchase Contract.

8b	Lines 390-393 Seller is responsible for any loss or damage to the property. If loss or damage exceeds 10% of the sale price either party may cancel the agreement.
8f.	Lines 398-403 Compensation – The contract shall constitute an irrevocable assignment of Seller’s proceeds at COE if Seller is obligated to pay the commission. If Buyer is obligated to pay Broker(s), payment shall be collected from Buyer as a condition of COE.
8g.	Line 404-408 Counterpart signatures are acceptable except for the lead-based paint disclosure.
8h.	Line 409-410 Days – all references to days in this Contract shall be construed as calendar days and a day shall begin at 12:00 am and end at 11:59 pm.
8i.	Line 411-415 All time periods referenced do not include the day the act or event occurs or is to occur and do include the last day of the time period stated. Lines 412-413 Contract acceptance occurs when the fully executed contract is delivered to and received by the appropriate broker. Since many compliance items run from the acceptance date, be sure there is no question as to the date the contract was accepted. Note: The signature dates on the contract cannot be relied upon as the acceptance date.
8m	Lines 424-427 Notice – Delivery of all notices and documentation required or permitted hereunder shall be in writing and deemed delivered and received when (1) hand delivered; (2) sent via facsimile; (3) sent via email or (4) sent by overnight courier service –Delivery to a party’s agent or broker constitutes delivery to the principal.
8n.	Lines 428-433 Release of Brokers – Buyer and Sellers initials required.
8o.	Lines 435-439 – Constitutes date offer must be accepted by, or offer is withdrawn.

SECTION 8 – Additional Terms and Conditions Continued

8q.	Lines 443-448 Buyer Broker information and license number to be provided.
8r.	Lines 449-450 Buyer Broker agency confirmation must be completed.

SECTION 9 – Seller Acceptance

9a.	Lines 457-462 Seller’s agent and Broker to be completed.
9b	Lines 463-464 Agency confirmation Required.
9c	Lines 467-468 Place a check mark if a counter offer is attached. Seller must sign contract and counter offer. Line 473 Check of offer rejected by Seller – Month, date, year must be filled in with Seller initials.

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 452. 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 466. 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

Contract Compliance Timeframes

<u>ACTION</u>	<u>RESP. PARTY</u>	<u>TIMEFRAME</u>	<u>DATE</u>
LOAN STATUS UPDATE	B	10 DAYS FROM CONTRACT	_____
SPDS TO BUYER	S	3 DAYS FROM CONTRACT	_____
LEAD BASED PAINT (PRE-'78)	S	5 DAYS FROM CONTRACT	_____
WELL SPDS (if applicable)	S	5 DAYS FROM CONTRACT	_____
SEPTIC SYS. DOCS (if applicable)	S	5 DAYS FROM CONTRACT	_____
AFF. OF DISCLOSURE (if appl.)	S	5 DAYS FROM CONTRACT	_____
CLUE/INSURANCE INFO	S	5 DAYS FROM CONTRACT	_____
MAKE LOAN APPLICATION	B	3 DAYS FROM CONTRACT	_____
REVIEW TITLE REPORT/CCR'S	B	5 DAYS FROM RECEIPT	_____
NOTICE OF INTENT TO PROCEED TO LENDER	B	10 DAYS FROM RECEIPT L.E.	_____
LOW APPRAISAL RESPONSE	B	5 DAYS FROM NOTICE	_____
BUYER INSPECTION NOTICE	B	10 DAYS FROM CONTRACT (OR AS AGREED)	_____
APPROVE TERMITE REPORT	B	DURING INSP. PERIOD	_____
HOA DISCLOSURE (over 50 units)	HOA	10 DAYS FROM NOTICE	_____
<u>OR</u> (under 50 units)	S	10 DAYS FROM CONTRACT	_____
AGREED REPAIRS COMPLETED	S	3 DAYS PRIOR TO COE (OR AS AGREED)	_____
LOAN DOCS SIGNED/ NOTICE OF LOAN APPROVAL OR NOTICE OF INABILITY TO OBTAIN LOAN	B	3 DAYS PRIOR TO COE	_____

Most approval conditions in the contract allow 5 calendar days after receipt of the document or disclosure, OR within the inspection period, *whichever is later*, to provide written notice of any items disapproved. Time frames in the contract are critical. Failure to comply with time frames can result in contract cancellation and/or forfeiture of earnest deposits



**EQUITY
TITLE AGENCY**

A Member of the Orange Coast Title Family of Companies