



PURCHASE CONTRACT

GUIDE TO ARIZONA RESIDENTIAL PURCHASE CONTRACT





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.



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.*

Buyer's Check List

SECTION 1 - Property

1a. **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."

1c. **Lines 17-18** Earnest money shall be delivered to escrow upon acceptance of offer.

Lines 19-20 Cash Sale – a letter of credit or a source of funds from a financial institution showing the availability of funds to close escrow shall be provided with offer.

1d. **Lines 21-25** 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 day both are open for business.

Lines 26-28 Define 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. "Available Funds" are defined as funds that are in the Escrow Company's bank and are available for immediate withdrawal.

Lines 29-31 Failure to pay the required closing funds by the scheduled COE, if not paid during the cure notice period (three (3) days after receipt) if a cure notice is delivered, shall be deemed a breach of contract and put earnest deposit at risk of loss. All funds shall be in U.S. currency.

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.

1e. **Lines 32-35** When possession shall occur. Broker 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.

1f. **Lines 36-38** Addenda incorporated if the appropriate box is checked. The agents need to make sure that they mark the addenda that are to be attached to the contract. Portions of the contract address the various addenda and automatically incorporate that addendum to the contract.

RESIDENTIAL RESALE REAL ESTATE PURCHASE 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. 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. Other: _____

>>

SELLER	SELLER

<Initials

Initials>

BUYER	BUYER

1g. **Lines 39-54** Fixtures and Personal Property list. Fixtures shall mean property attached/affixed to the Premises. 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.

Lines 55-62 Additional personal property – allows for additional items to be included in the sale as well as the description of those items i.e. make, model, year, serial number etc. This additional existing personal property shall be transferred with no monetary value and free and clear of liens.

Lines 65-67 Leased items are not included in the sale. Seller shall provide buyer with notice of all leased items within three (3) days of contract acceptance. Buyer shall provide notice of any leased items disapproved within inspection period or five (5) days after receipt whichever is later.

SECTION 2 - Financing

2a. **Line 69** Arizona Association of Realtors (AAR) Prequalification form is included.

2b. **Lines 70-75** Loan Contingency – the sale is contingent upon Buyer obtaining loan approval for the loan described in AAR Loan Status Update (LSU) or AAR Prequalification form, whichever is delivered later, without Prior to Document (PTD) conditions no later than three (3) days before COE date. Buyer shall no later than three (3) days prior to close of escrow either 1) sign all loan documents or 2) deliver to Seller or Escrow Company notice of the loan approval and date(s) of receipt of Closing Document (CD) from lender or 3) if unable to obtain loan approval with PTD conditions provide notice to Seller or Escrow Company.

2c. **Lines 76-82** Buyer is entitled to a refund if they are not able to obtain loan approval without PTD condition no later than three (3) days prior to COE. If Buyer does not deliver the Notice of unfulfilled Loan Contingency to escrow or Seller at least three (3) days prior to COE date, the seller may issue a cure notice to Buyer which gives the Buyer an additional three (3) days to provide any of three options from above. If Buyer does not provide within these three (3) days, the Buyer will be in breach of the contract and may forfeit their earnest deposit.

2e. **Lines 87-89** Loan Status Update – the Loan Status Update (LSU) is to be provided within ten (10) days of contract acceptance to Seller and Buyer instructs lender to provide updated LSU to Broker(s) and Seller upon request.

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
 - 43. • ceiling fans and remote controls
 - 44. • central vacuum, hose, and attachments
 - 45. • draperies and other window coverings
 - 46. • fireplace equipment (affixed)
 - 47. • floor coverings (affixed)
 - 48. • free-standing range/oven
 - 49. • garage door openers and remote controls
 - light fixtures
 - mailbox
 - media antennas/satellite dishes (affixed)
 - outdoor fountains and lighting
 - outdoor landscaping (i.e. – shrubbery, trees and unpotted plants)
 - shutters and awnings
 - 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. the Premises (i.e. – solar)
- 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.

>>

SELLER	SELLER

<Initials

Initials>

BUYER	BUYER

2f. **Lines 90-91** Loan Application – Buyer has to complete and provide the loan application to the lender and grant the lender permission to access Trimerged Residential Credit Report no later than three (3) days after contract acceptance. If this requirement is not met, Seller can serve a cure notice to the Buyer to perform.

2g. **Lines 93-96** Within ten (10) days of receipt of Loan Estimate buyer shall provide lender with their notice of intent to proceed with the loan transaction and provide lender with all requested signed disclosures and documents. Buyer agrees to work diligently and act promptly.

2j. **Lines 100-102** Specifies the amount that Seller agrees to pay towards financing, in addition to other costs seller has agreed to pay. This includes VA loan costs not permitted to be paid by Buyer, if applicable.

2k. **Lines 103-106** Changes. Buyer is required to notify the Seller of any changes to the loan described in the LSU. Failure to do so may remove Buyer's contingency protection.

2l. **Lines 107-110** Appraisal Contingency – if the premises fails to appraise for the sales price, Buyer has five (5) days after notice of the appraised value to cancel this Contract and receive a refund of the earnest deposit or the appraisal contingency shall be waived.

If the Buyer does not cancel the contract in writing with the five (5) days after notice of the appraised value, Buyer has waived the appraised contingency. Therefore, if Buyer cannot close escrow because of the appraisal, they will forfeit their earnest deposit.

2m. **Lines 111-114** Appraisal Cost – Initial appraisal fee can be paid by either buyer, seller or split between them. This payment will be required at the time of request by lender and is non-refundable. If Seller pays this initial fee, it can be applied toward Seller's Concessions at COE, if applicable. If an updated appraisal or appraisal/lender required inspection are required, these cost will be at the Buyer's expense.

SECTION 3 - Title and Escrow

3b. **Lines 120-122** Title and Vesting – Buyer should seek sufficient independent counsel on the methods of taking title. Neither agents nor escrow can advise.

Agent will need to remember that escrow will need to know the marital status of the Buyer(s) in order to properly prepare documents. If Buyer is married and intends to take title as his/her sole and separate property, a disclaimer deed may be required.

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 agrees to pay up to _____% 101. of the Purchase Price **OR** up to \$ _____ to be used only for Buyer's loan costs, impounds, Title/Escrow Company costs, 102. recording fees, and, if applicable, VA loan costs not permitted to be paid by Buyer.
- 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. _____ / Signature Title
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.

>>

SELLER	SELLER

<Initials

Initials>

BUYER	BUYER

3d. **Lines 133-142** Additional instructions. Escrow Company shall furnish notice of pending sale to the Homeowners Association (HOA). Seller is to disclose all Homeowners Associations, using the HOA addendum.

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.

3e. **Line 143** Proration of the Real Property taxes will be based upon latest available figures. Buyer should be aware that taxes change from year to year and that current year tax figures may not be available at COE.

3f. **Lines 144-148** Release of Earnest Money – holds Escrow Company harmless for release of earnest money deposit.

3h. **Lines 152-153** Assessments that are liens at COE will be prorated as of COE. These may include Community Facility District liens, impact fees or other assessments.

SECTION 4 - Disclosure

4a. **Lines 154-156** Seller Property Disclosure Statement (SPDS) – Seller shall provide this document to the Buyer within three (3) days after contract acceptance. Buyer's written disapproval can be within the inspection time period or five (5) days after receipt of SPDS, whichever is later.

4b. **Lines 157-161** Insurance Claim History – Seller shall deliver to Buyer a written five-year insurance claims history regarding premises (or a claim history for the length of time Seller has owned the premises if less than five years). Buyer's written disapproval can be within the inspection time period or five (5) days after receipt of insurance claim history, whichever is later.

4c. **Lines 162-166** Foreign Investment in Real Property Tax Act (FIRPTA). Seller is to complete, sign, and deliver to Escrow Company a certificate indicating whether Seller is a foreign person. If the Seller is a foreign person or a non-resident alien of the U.S. then a withholding of 15% of the sale price may be required, unless an exception applies. Affected Sellers shall seek independent legal or tax counsel. Neither Agent nor Escrow Company may advise.

4d. **Lines 167-172** If the Premises were built prior to 1978, a lead-based paint disclosure is required. The lead-based paint disclosure has different time requirement that most other disclosures depending on the box checked on lines 173 & 175. Be sure you are aware of the deliver and response times. Buyer initials are required on either lines 181 or 182 based on the year of construction.

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
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

>>

SELLER	SELLER

<Initials

Initials>

BUYER	BUYER

-
- 4e.** **Lines 183-186** Affidavit of Disclosure – Escrow Company’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 time period or five (5) days after receipt of the Affidavit, whichever is later.
-

SECTION 5 - Warranties

- 5a.** **Lines 191-199** Buyer and Seller agree the premises are being sold in its present physical condition as of the date of contract acceptance. Seller is still responsible to maintain and repair the premises during the escrow time period. Buyer and Seller understand, they may, but are not obligated to engage in negotiation for repairs/improvement to the premises. Any/all agreed upon repairs/improvement will be addressed per Section 6j.
- 5b.** **Lines 200-206** Seller warrants that all known material defects have been disclosed and that Seller will ensure payments for all work performed on the property which, if unpaid could result in a lien being placed on the property.
-

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 with 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 upon receipt. These are at Buyer’s expense.
- 6c.** **Lines 228-232** Wood-Destroying Organism or Insect inspection. Buyer shall order and pay for termite or insect inspection. Any issues in the inspection must be addressed within the inspection period noted in 6a.
- Note:** Conditions conducive to infestation within the report may be a concern to the Buyer or the Buyer’s Lender.
- 6d.** **Lines 223-236** Flood hazard designation or the cost of Flood Hazard Insurance, if required by lender, shall be determined by Buyer 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.

>>

SELLER	SELLER

<Initials

Initials>

BUYER	BUYER

6e. **Lines 237-240** Insurance. Buyer assumes the responsibility for determining, within the inspection period, that suitable insurance for the property can be obtained.

6f. **Lines 241-246** States the type of wastewater system exists on the property. Must be investigated by the Buyer during the inspection time period. Buyer initial required.

6g. **Lines 247-250** Buyer to investigate all Swimming Pool Barrier regulations within the inspection period and agrees to comply with and pay all costs of compliance prior to occupying the premises, unless otherwise agreed to in writing. Buyer initials required, this applies even if there is no pool on premises.

6h. **Lines 252-259** Agents and Brokers are not qualified to perform due diligence. Buyer should retain qualified professionals. Buyer initials required.

6i. **Lines 260-263** Buyer shall conduct all desired inspection and investigation prior to delivering the Buyer Inspection Notice and Seller Response (BINSR) to Seller and all items disapproved shall be provided in a single notice.

6j. **Lines 223-236** Lines 264-265 Buyer Disapproval. Buyer shall deliver to Seller notice of 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.

Buyer has three election options: 1) accept premises 2) reject premises 3) provide Seller an opportunity to correct disapproved items. Disapproval is at Buyer's sole discretion.

Lines 267-272 If buyer elects to reject premises, notice must specify disapproval of items. If notice fails to specify items disapproved, the cancellation will remain although Seller may deliver a cure notice to Buyer in regard to their failure to specify disapproved items. Buyer failure to comply within three (3) days of notice, shall be deemed buyer breach and Seller shall be entitled to Earnest deposit.

Lines 275-277 Seller has five (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.

Lines 278-280 Seller Shall correct any disapproved items agreed to in writing, complete any repairs in a workman/like manner and deliver any paid receipts evidencing the corrections and repairs to Buyer three (3) days prior to COE, or as specified.

If the Seller does not complete the repairs and deliver the paid receipts to the Buyer within the specified time period, the Buyer could deliver a cure notice to the Seller and may affect the COE date.

Lines 281-284 Close attention shall be paid to the five (5) day time frame after the BINSR has been presented to the Seller. If Seller does not respond or in their response does not agree to correct items disapproved, Buyer will then have five (5) days to either proceed or cancel.

Lines 285-286 Verbal discussions will not extend these time periods. Only a written agreement signed by all parties will extend response times or cancellation rights.

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.**

>>

SELLER SELLER

<Initials

Initials>

BUYER BUYER

6k. **Lines 290-297** Buyer and Seller should investigate the various home warranty plans. A decision needs to be made in regard to whether a home warranty is to be obtained, also who orders it, the company that it will be issued through and who pays for it, if applicable. Buyer initials are required.

6m. **Lines 298-301** 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** IRS and FIRPTA Reporting. If Seller is a foreign person, the buyer must ensure that the 15% of the purchase price, unless an exception applies, is withheld for federal income taxes. Buyer's failure to withhold may lead to Buyer being held liable for the tax. Buyer is responsible for obtaining independent legal and tax advice.

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 corrected (cured) within three (3) calendar days after delivery of the notice, this 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 in Section 8I.

Note: If the Escrow Company or recorder's office is closed on the last day of the cure period, and COE must occur to correct (cure) a potential breach, COE shall occur on the next day both are open for business.

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 per Section 8I lines 421-423. Legal recourse is subject to the Alternative Dispute Resolution obligation set forth in Section 7c, 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. ADRE 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 parties acknowledge that different home warranty plans have different coverage options, exclusions, limitations, service fees and 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 the purpose of satisfying Buyer that any corrections or repairs agreed to by Seller have been completed, and the Premises are in substantially the same condition as of the date of Contract acceptance. If Buyer does not conduct such walkthrough(s), Buyer 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 and walkthrough(s) upon reasonable notice by Buyer. Seller shall, at Seller's expense, have all utilities on, including any propane, 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 Person, a buyer of residential real property must withhold federal income taxes up to 15% of the purchase price, unless an exception applies. If FIRPTA is applicable and Buyer fails to withhold, Buyer may be held liable for the tax. Buyer agrees to perform any acts reasonable or necessary to comply with FIRPTA and IRS reporting requirements and Buyer is responsible for obtaining independent 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 provision of this Contract, the other party shall deliver a notice to the non-complying party specifying the non-compliance. If the non-compliance is not cured within three (3) days after delivery of such notice ("Cure Period"), the failure to comply shall become a breach of Contract. If Escrow Company or recorder's office is closed on the last day of the Cure Period, and COE must occur 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 breaching party in any claim or remedy that the non-breaching party may have in law or equity, subject to the Alternative Dispute Resolution obligations set forth herein. In the case of Seller, because it would be difficult to fix actual damages in the event of Buyer's breach, the Earnest Money may be deemed a reasonable estimate of damages and Seller may, at Seller's option, accept 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 notice required by Section 2b, or Buyer's inability to obtain loan approval due to the waiver of the appraisal contingency pursuant to Section 2l, Seller shall exercise this option and accept the Earnest Money as Seller's sole right to damages. An unfulfilled contingency is not a breach of Contract. The parties expressly agree that the failure of any party to comply with the terms and 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, 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 Contract in accordance with the REALTORS® Dispute Resolution System, or as otherwise agreed. All mediation costs shall be paid equally by the parties. In the event that mediation does not resolve all disputes or claims, the unresolved disputes or claims shall be submitted for binding arbitration. In such event, the parties shall agree upon an arbitrator and cooperate in the scheduling of an arbitration hearing. If the parties are unable to agree on an arbitrator, the dispute shall be submitted to the American Arbitration Association ("AAA") in accordance with the AAA Arbitration Rules for the Real Estate Industry. The decision of the arbitrator shall be final and nonappealable. Judgment on the award rendered by the arbitrator may be entered in any court of competent jurisdiction. Notwithstanding the foregoing, either party may opt out of binding arbitration within thirty (30) days after the conclusion of the 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 Small Claims Division of an Arizona Justice Court (up to \$3,500) so long as the matter is not thereafter transferred or removed from the small claims division; (ii) judicial or nonjudicial foreclosure or other action or proceeding to enforce a deed of trust, mortgage, or 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 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 ("lis pendens"), or order of attachment, receivership, injunction, or other provisional remedies shall not constitute a waiver of the 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 Contract shall be awarded their reasonable attorney fees and costs. Costs shall include, without limitation, attorney fees, expert witness fees, fees paid to investigators, and arbitration costs.

>>

SELLER SELLER

<Initials

Initials>

BUYER BUYER

8. ADDITIONAL TERMS AND CONDITIONS

- 8a. 344.
- 345.
- 346.
- 347.
- 348.
- 349.
- 350.
- 351.
- 352.
- 353.
- 354.
- 355.
- 356.
- 357.
- 358.
- 359.
- 360.
- 361.
- 362.
- 363.
- 364.
- 365.
- 366.
- 367.
- 368.
- 369.
- 370.
- 371.
- 372.
- 373.
- 374.
- 375.
- 376.
- 377.
- 378.
- 379.
- 380.
- 381.
- 382.
- 383.
- 384.
- 385.
- 386.
- 387.
- 388.
- 389.

SAMPLE

>>

SELLER	SELLER

<Initials

Initials>

BUYER	BUYER

SECTION 8 - Additional Terms and Conditions

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 contract.

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.

8h. **Lines 409-410** Days – all reference to days in this contract shall be construed as calendar days and a day shall begin at 12:00AM and end at 11:59PM.

8i. **Lines 411-415** Calculating Time Periods. All time periods reference 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.

Note: 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.

The signature dates on the contract cannot be relied upon as the acceptance date.

8m. **Lines 424-427** Notice Deliver 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 428-434** Release of Broker(s). Buyer initial required.

8o. **Lines 435-439** Terms of Acceptance. Date offer must be responded to, or offer is withdrawn.

SECTION 9 - Acceptance

9a. **Lines 457-462** Seller's agent and Broker information.

9b. **Lines 463-464** Agency Confirmation required..

9c. **Lines 467-468** This is where a counter offer is attached, if applicable.

Lines 473 Offer rejected seller, if applicable, with month, date and initial of seller provided.

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.

468.

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 TIME FRAMES

ACTION	RESPONSIBLE PARTY	TIME FRAME	DATE
Loan Status Update	Buyer	10 days from contract acceptance	
SPDS to buyer	Seller	3 days from contract acceptance	
Lead based paint (prior to 1978)	Seller	5 days from contract acceptance	
Well SPDS (if applicable)	Seller	5 days from contract acceptance	
Septic System Docs (if applicable)	Seller	5 days from contract acceptance	
Affidavit of disclosure (if applicable)	Seller	5 days from contract acceptance	
Insurance Claim History	Seller	5 days from contract acceptance	
Complete Loan Application	Buyer	3 days from contract acceptance	
Review Title Documents/CCR's	Buyer	5 days from receipt of said documents	
Low Appraisal Response (if applicable)	Buyer	5 days from notice	
Buyer Inspection Notice	Buyer	10 days from contract acceptance	
Approve Termite Report	Buyer	During inspection period	
HOA Disclosure (over 50 units)	HOA	10 days from notice	
HOA Disclosure (under 50 units)	Seller	10 days from contract acceptance	
Agreed Repairs completed	Seller	3 days prior to COE	
Loan Documents signed	Buyer	3 days prior to COE	

Time frames in the contract are critical and failure to comply with them can result in contract cancellation and/or forfeiture of earnest deposit.