



# HOMEBUYER GUIDE

NORTHERN ARIZONA

*Let's Roc*



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# QUICK REFERENCE

Escrow #	
New Address	
City/State/Zip	

Complete the following information as it becomes available.  
**IMPORTANT:** Do not cancel your home insurance or disconnect utilities prior to the close of escrow.

REAL ESTATE AGENT	
Name	
Team Members	
Company	
Address	
City/State/Zip	
Phone #	
Cell #	
Fax #	
Email	
Website	

LENDER	
Name	
Team Members	
Company	
Address	
City/State/Zip	
Phone #	
Cell #	
Fax #	
Email	
Website	

CLOSING AGENT OR ATTORNEY	
Name	
Phone #	
Fax #	
Email	

Assistant	
Phone #	
Email	
Address	
City/State/Zip	

HOME INSURANCE	
Current Agent	
Phone #	
Policy #	
<b>END</b> Date	

New Agent	
Phone #	
Policy #	
<b>START</b> Date	
Home Warranty	
Plan #	
Policy #	

PHONE SERVICE	
Company	
Phone #	
Account #	
New Phone #	
Activation Date	

SERVICE	COMPANY	PHONE #	ACCOUNT #	ACTIVATION DATE
Internet				
Cable/Satellite				
Gas				
Electric				

# KEY PROFESSIONALS

## *Involved in Your Transaction*

### **REAL ESTATE AGENT**

Licensed by the state to represent parties in the transfer of property.

### **HOME INSPECTOR**

Objectively and independently provides a comprehensive analysis of a home's major systems and components.

### **LOAN OFFICER**

A representative of a bank or other financial institution. They help customers identify their borrowing options and help them understand the terms of their loan.

### **APPRAISER**

Works on behalf of a lender and provides a market analysis of the subject property. An appraiser's finding is subjective and combined with market findings of sold properties within the surrounding neighborhood.

### **INSURANCE AGENT**

Helps a homebuyer determine the homeowner's protection coverage needed and then finds the right insurance policy to fit those needs.

### **REAL ESTATE ATTORNEY**

Can give advice on all legal aspects of the real estate transaction. Additionally, they are able to draft and review contracts, help decide how to take title and assist with the closing process. In some states, real estate closings can only be conducted by attorneys.

### **ESCROW/CLOSING OFFICER**

A non-biased third party who works with all participants to facilitate a successful closing of a real estate transaction. At closing, the closing officer will collect the purchase money funds from the buyer and lender as well as the settlement costs from each party. They disburse the funds in accordance with the closing documents and record the necessary documents to transfer ownership of the property.

### **CLOSING/SETTLEMENT/TITLE AGENT**

Performs title searches to ensure a clear title so a title insurance policy can be issued. In some states, they facilitate the transfer of real estate.



# ADVANTAGES OF USING A REALTOR®

## EXPERIENCE AND EDUCATION

You don't need to know everything about buying and selling real estate if you hire a real estate professional who does. Henry Ford once said that when you hire people who are smarter than you are, it proves you are smarter than they are. The trick is to find the right person. For the most part, all REALTORS® cost the same. So Why not hire a professional to represent you in one of the largest purchases in your life!

## INTERMEDIARY

REALTORS® act as a buffer. If you're a buyer of new homes, your REALTOR® will protect you from the builder's agents, preventing them from biting or nipping at your heels. If you're a seller, your REALTOR® will screen all those phone calls that lead to nowhere from lookie loos and try to induce serious buyers to write an offer immediately.

## NEIGHBORHOOD KNOWLEDGE

REALTORS® either possess extensive knowledge or they know where to find the industry buzz about your neighborhood. They can identify comparable sales and relay these facts to you, in addition to pointing you in the direction where you can find more data on schools, crime or demographics. For example, you may know that a home down the street was on the market for \$450,000, but a REALTOR® will know it had upgrades and sold at \$385,000 after 75 days on the market and after twice falling out of escrow.

## PRICING

Contrary to what some people believe, REALTORS® do not select prices for sellers or buyers. REALTORS® have valuable knowledge on local market conditions and will help you price your property realistically and fairly. Data such as the average per square foot cost of similar homes, median and average sales prices, average days on market and ratios of list-to-sold prices, among other criteria, will have a huge bearing on what you ultimately decide to do. A REALTOR® will also help you from overpaying for a property when buying.

## NEGOTIATIONS AND CONFIDENTIALITY

Top producing REALTORS® negotiate well because, unlike most buyers and sellers, they can remove themselves from the emotional aspects of the transaction. It's part of their job description. Good REALTORS® are mediators, delivering buyer's offers to sellers and vice versa. They are professionals who are trained to present their client's case in the best light and agree to hold client information confidential from competing interests.

## CLOSING OR SETTLEMENT

Today's purchase agreements run ten pages or more. Plus, the federal- and state-mandated disclosures or disclosures dictated by local customs. Your REALTOR® will guide you through the complexity of paperwork that ensues during a home sale or purchase. They will also monitor your transaction while in escrow and handle any problems that may arise.

## PROFESSIONALISM

Think of your REALTOR® as a trained professional who has the ability to represent you in a very complex transaction! In addition REALTORS® adhere to a strict code of ethics and are held to a higher standard.

# RENT OR BUY

## *You decide*

As real estate is the nation's largest market, its purchase and sale is essential to the health of the U.S. economy. However, these transactions are never without risk. That's why title insurance has been protecting American homeowners for more than 130 years.

RENT	5 YEARS	10 YEARS	15 YEARS	20 YEARS	25 YEARS	30 YEARS
\$1,000	\$60,000	\$120,000	\$180,000	\$240,000	\$300,000	\$360,000
\$1,200	\$72,000	\$144,000	\$216,000	\$288,000	\$360,000	\$432,000
\$1,400	\$84,000	\$168,000	\$252,000	\$336,000	\$420,000	\$504,000
\$1,600	\$96,000	\$192,000	\$288,000	\$384,000	\$480,000	\$576,000
\$1,800	\$108,000	\$216,000	\$324,000	\$432,000	\$540,000	\$648,000
\$2,000	\$120,000	\$240,000	\$360,000	\$480,000	\$600,000	\$720,000
\$2,200	\$132,000	\$264,000	\$396,000	\$528,000	\$660,000	\$792,000
\$2,400	\$144,000	\$288,000	\$432,000	\$576,000	\$720,000	\$864,000
\$2,600	\$156,000	\$312,000	\$468,000	\$624,000	\$780,000	\$936,000
\$2,800	\$168,000	\$336,000	\$504,000	\$672,000	\$840,000	\$1,008,000
\$3,000	\$180,000	\$360,000	\$540,000	\$720,000	\$900,000	\$1,080,000

## RENT

- No interest-payment deductions
- Rental amount may increase at any time
- Landlord approval needed for any changes
- No capitalization; your money disappears forever
- Rental is temporary and often subject to a 30-day notice

## BUY

- Mortgage interest may be tax deductible
- Decorate and make changes, without prior landlord approval
- The value of your property may increase in time
- Your house will become a home, not a temporary living situation; you are not at the mercy of a landlord

# SAMPLE MORTGAGE PAYMENT

## 30 YEAR LOAN / PRINCIPAL AND INTEREST ONLY

LOAN AMOUNT	INTEREST RATE						
	4.25%	4.50%	4.75%	5%	5.25%	5.50%	5.75%
\$260,000	\$1,280	\$1,318	\$1,357	\$1,396	\$1,436	\$1,477	\$1,518
\$280,000	\$1,378	\$1,419	\$1,461	\$1,504	\$1,547	\$1,590	\$1,634
\$300,000	\$1,476	\$1,521	\$1,565	\$1,611	\$1,657	\$1,704	\$1,751
\$320,000	\$1,575	\$1,622	\$1,670	\$1,718	\$1,768	\$1,817	\$1,868
\$340,000	\$1,673	\$1,723	\$1,774	\$1,826	\$1,878	\$1,931	\$1,985
\$360,000	\$1,771	\$1,825	\$1,878	\$1,933	\$1,988	\$2,045	\$2,101
\$380,000	\$1,870	\$1,926	\$1,983	\$2,040	\$2,099	\$2,158	\$2,218
\$400,000	\$1,968	\$2,027	\$2,087	\$2,148	\$2,209	\$2,272	\$2,335
\$420,000	\$2,067	\$2,129	\$2,191	\$2,255	\$2,320	\$2,385	\$2,452
\$440,000	\$2,165	\$2,230	\$2,296	\$2,363	\$2,430	\$2,499	\$2,568
\$460,000	\$2,263	\$2,331	\$2,400	\$2,470	\$2,541	\$2,612	\$2,685
\$480,000	\$2,362	\$2,433	\$2,504	\$2,577	\$2,651	\$2,726	\$2,802
\$500,000	\$2,460	\$2,534	\$2,609	\$2,685	\$2,762	\$2,839	\$2,918
\$520,000	\$2,559	\$2,635	\$2,713	\$2,792	\$2,872	\$2,953	\$3,035
\$540,000	\$2,657	\$2,737	\$2,817	\$2,899	\$2,982	\$3,067	\$3,152
\$560,000	\$2,755	\$2,838	\$2,922	\$3,007	\$3,093	\$3,180	\$3,269
\$580,000	\$2,854	\$2,939	\$3,026	\$3,114	\$3,203	\$3,294	\$3,385
\$600,000	\$2,952	\$3,041	\$3,130	\$3,221	\$3,314	\$3,407	\$3,502
\$620,000	\$3,051	\$3,142	\$3,235	\$3,239	\$3,424	\$3,521	\$3,619
\$640,000	\$3,149	\$3,243	\$3,339	\$3,436	\$3,535	\$3,634	\$3,735
\$660,000	\$3,247	\$3,345	\$3,443	\$3,544	\$3,645	\$3,748	\$3,852
\$680,000	\$3,346	\$3,446	\$3,548	\$3,651	\$3,755	\$3,861	\$3,969
\$700,000	\$3,444	\$3,547	\$3,652	\$3,758	\$3,866	\$3,975	\$4,086
\$720,000	\$3,542	\$3,649	\$3,756	\$3,866	\$3,976	\$4,089	\$4,202
\$740,000	\$3,641	\$3,750	\$3,861	\$3,973	\$4,087	\$4,202	\$4,319
\$760,000	\$3,739	\$3,851	\$3,965	\$4,080	\$4,197	\$4,316	\$4,436
\$780,000	\$3,838	\$3,953	\$4,069	\$4,188	\$4,308	\$4,429	\$4,552
\$800,000	\$3,936	\$4,054	\$4,174	\$4,295	\$4,418	\$4,543	\$4,669

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LOAN AMOUNT	INTEREST RATE					
	6%	6.25%	6.50%	6.75%	7%	7.25%
\$260,000	\$1,559	\$1,601	\$1,644	\$1,687	\$1,730	\$1,774
\$280,000	\$1,679	\$1,725	\$1,770	\$1,817	\$1,863	\$1,911
\$300,000	\$1,799	\$1,848	\$1,897	\$1,946	\$1,996	\$2,047
\$320,000	\$1,919	\$1,971	\$2,023	\$2,076	\$2,129	\$2,183
\$340,000	\$2,039	\$2,094	\$2,150	\$2,206	\$2,263	\$2,320
\$360,000	\$2,159	\$2,217	\$2,276	\$2,335	\$2,396	\$2,456
\$380,000	\$2,279	\$2,340	\$2,402	\$2,465	\$2,529	\$2,593
\$400,000	\$2,399	\$2,463	\$2,529	\$2,595	\$2,662	\$2,729
\$420,000	\$2,519	\$2,587	\$2,655	\$2,725	\$2,795	\$2,866
\$440,000	\$2,639	\$2,710	\$2,782	\$2,854	\$2,928	\$3,002
\$460,000	\$2,758	\$2,833	\$2,908	\$2,984	\$3,061	\$3,139
\$480,000	\$2,878	\$2,956	\$3,034	\$3,114	\$3,194	\$3,275
\$500,000	\$2,998	\$3,079	\$3,161	\$3,243	\$3,327	\$3,411
\$520,000	\$3,118	\$3,202	\$3,287	\$3,373	\$3,460	\$3,548
\$540,000	\$3,238	\$3,325	\$3,414	\$3,503	\$3,593	\$3,684
\$560,000	\$3,358	\$3,449	\$3,540	\$3,633	\$3,726	\$3,821
\$580,000	\$3,475	\$3,572	\$3,666	\$3,762	\$3,859	\$3,957
\$600,000	\$3,598	\$3,695	\$3,793	\$3,892	\$3,992	\$4,094
\$620,000	\$3,718	\$3,818	\$3,919	\$4,022	\$4,125	\$4,230
\$640,000	\$3,838	\$3,941	\$4,046	\$4,152	\$4,258	\$4,366
\$660,000	\$3,958	\$4,064	\$4,172	\$4,281	\$4,391	\$4,503
\$680,000	\$4,077	\$4,187	\$4,299	\$4,411	\$4,525	\$4,639
\$700,000	\$4,197	\$4,311	\$4,425	\$4,541	\$4,658	\$4,776
\$720,000	\$4,317	\$4,434	\$4,551	\$4,670	\$4,791	\$4,912
\$740,000	\$4,437	\$4,557	\$4,678	\$4,800	\$4,924	\$5,049
\$760,000	\$4,557	\$4,680	\$4,804	\$4,930	\$5,057	\$5,185
\$780,000	\$4,677	\$4,803	\$4,931	\$5,060	\$5,190	\$5,321
\$800,000	\$4,797	\$4,926	\$5,057	\$5,189	\$5,323	\$5,458

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<b>INTEREST RATE</b>					
<b>LOAN AMOUNT</b>	<b>7.5%</b>	<b>7.75%</b>	<b>8%</b>	<b>8.25%</b>	<b>8.5%</b>
<b>\$260,000</b>	\$1,181	\$1,863	\$1,908	\$1,953	\$1,999
<b>\$280,000</b>	\$1,958	\$2,006	\$2,055	\$2,104	\$2,153
<b>\$300,000</b>	\$2,098	\$2,149	\$2,201	\$2,254	\$2,307
<b>\$320,000</b>	\$2,237	\$2,293	\$2,348	\$2,404	\$2,461
<b>\$340,000</b>	\$2,377	\$2,436	\$2,495	\$2,554	\$2,614
<b>\$360,000</b>	\$2,517	\$2,579	\$2,642	\$2,705	\$2,768
<b>\$380,000</b>	\$2,657	\$2,722	\$2,788	\$2,855	\$2,922
<b>\$400,000</b>	\$2,797	\$2,866	\$2,935	\$3,005	\$3,076
<b>\$420,000</b>	\$2,937	\$3,009	\$3,082	\$3,155	\$3,229
<b>\$440,000</b>	\$3,077	\$3,152	\$3,229	\$3,306	\$3,383
<b>\$460,000</b>	\$3,216	\$3,295	\$3,375	\$3,456	\$3,537
<b>\$480,000</b>	\$3,356	\$3,439	\$3,522	\$3,606	\$3,691
<b>\$500,000</b>	\$3,496	\$3,582	\$3,669	\$3,756	\$3,845
<b>\$520,000</b>	\$3,636	\$3,725	\$3,816	\$3,907	\$3,998
<b>\$540,000</b>	\$3,776	\$3,869	\$3,962	\$4,057	\$4,152
<b>\$560,000</b>	\$3,916	\$4,012	\$4,109	\$4,207	\$4,306
<b>\$580,000</b>	\$4,055	\$4,155	\$4,256	\$4,357	\$4,460
<b>\$600,000</b>	\$4,195	\$4,298	\$4,403	\$4,508	\$4,613
<b>\$620,000</b>	\$4,335	\$4,442	\$4,549	\$4,658	\$4,767
<b>\$640,000</b>	\$4,475	\$4,585	\$4,696	\$4,808	\$4,921
<b>\$660,000</b>	\$4,615	\$4,728	\$4,843	\$4,958	\$5,075
<b>\$680,000</b>	\$4,755	\$4,872	\$4,990	\$5,109	\$5,229
<b>\$700,000</b>	\$4,895	\$5,015	\$5,136	\$5,259	\$5,382
<b>\$720,000</b>	\$5,034	\$5,158	\$5,283	\$5,409	\$5,536
<b>\$740,000</b>	\$5,174	\$5,301	\$5,430	\$5,559	\$5,690
<b>\$760,000</b>	\$5,314	\$5,445	\$5,577	\$5,710	\$5,844
<b>\$780,000</b>	\$5,454	\$5,588	\$5,723	\$5,860	\$5,998
<b>\$800,000</b>	\$5,594	\$5,731	\$5,870	\$6,010	\$6,151

**END OF SAMPLE MORTGAGE PAYMENT CHART**

# THE LOAN PROCESS

## 1 PREQUALIFICATION

Application interview and lender obtains all pertinent documentation

## 2 ORDER DOCUMENTS

Order credit report, appraisal, verifications of employment, mortgage and/or rent, and funds to close, landlord ratings, and commitment of title insurance.

## 3 LOAN SUBMISSION

The loan package is assembled and submitted to the underwriter for approval.

## 4 DOCUMENTATION

Supporting documents come in. Lender checks on any problems. Requests for any additional items are made.

## 5 LOAN APPROVAL

Parties are notified of loan approval and conditions.

## 6 DOCUMENTS ARE DRAWN

Loan documents are completed and sent to ROC Title. Borrowers come into ROC Title for final signatures.

## 7 FUNDING

Lender reviews the loan package. Funds are transferred by wire or check to ROC Title.

## 8 ORDER DOCUMENTS

ROC Title records the Deed and Deed of Trust with the County Recorder's Office.



**CONGRATULATIONS!**  
**YOU ARE NOW A HOMEOWNER**



# 5 MORTGAGE CLOSING TERMS

## *Every Buyer Should Know*

When the housing crisis and economic recession hit, it put many prospective home buyers' plans on hold, forcing those considering purchasing a home into the rental market. Now, as the economy continues to improve, some of those renters are looking to own.

However, there are many factors to consider when buying a home. When it comes to the closing process, it is a good idea to know the terminology that will be discussed. This can help make the situation much more comfortable and professional for all parties involved. Below are some of the terms that may be discussed during the closing process.



### **ANNUAL PERCENTAGE RATE (APR)**

This term reflects the cost of all credit and finances as determined by the length of a year, including the interest rate, points, broker fees, and other credit charges obligated to the buyer.



### **DOWN PAYMENT**

Like many transactions involving large sums of money, the mortgage process involves a down payment - the amount a home buyer pays in order to make up the difference between the purchase price and the mortgage amount. Some experts advise no less than 10% to 15%. However, any amount over 20% of the purchase price is often recommended, and may be required to avoid having to pay for private mortgage insurance.



### **PRIVATE MORTGAGE INSURANCE (PMI)**

PMI is typically required if a borrower puts a down payment that's less than 20% of the home's value. The charge is usually included in the monthly mortgage payment in an attempt to protect the lender from possible default.



### **LOAN ESTIMATE (LE)**

The Consumer Financial Protection Bureau, or CFPB, requires your lender to issue a Loan Estimate within three business days of receiving your mortgage application. The Loan Estimate details the terms of your loans along with estimated closing costs.



### **CLOSING COSTS**

Closing costs may also be referred to as transaction costs or settlement costs and may include various fees and charges associated with finalization. These may include or be related to application fees, title examination, title insurance, property fees, as well as settlement documents and attorney charges.

# 5 THINGS TO AVOID

## *During the Closing Process*

### **1 AVOID CHANGING YOUR MARITAL STATUS**

How you hold title is affected by your marital status. Be sure to make both your lender and closing/settlement agent aware of any changes in your marital status so that documents can be prepared correctly.

### **2 AVOID CHANGING JOBS**

A job change may result in your loan being denied, particularly if you are taking a lower-paying position or moving into a different field. Don't think you're safe because you've received approval earlier in the process, as the lender may call your employer to re-verify your employment just prior to funding the loan.

### **3 AVOID SWITCHING BANKS OR MOVING YOUR MONEY TO ANOTHER INSTITUTION**

After the lender has verified your funds at one or more institutions, the money should remain there until needed for the purchase.

### **4 AVOID PAYING OFF EXISTING ACCOUNTS UNLESS YOUR LENDER REQUESTS IT**

If your loan officer advises you to pay off certain bills in order to qualify for the loan, follow that advice. Otherwise, leave your accounts as they are until your escrow closes.

### **5 AVOID MAKING ANY LARGE PURCHASES**

A major purchase that requires a withdrawal from your verified funds or increases your debt can result in your not qualifying for the loan. A lender may check your credit or re-verify funds at the last minute, so avoid purchases that could impact your loan approval.



# WHAT IS ESCROW?

“Escrow” is a term that describes the neutral third-party handling of funds, documents, and tasks specific to the closing (or settlement, as it is also known), as outlined on the real estate purchase agreement or sales contract. The purpose of escrow is to facilitate the transaction by managing the disbursement of funds.

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## **KEY PLAYERS**

In accordance with local custom, the buyer or seller involved in the transaction will select the escrow provider, though they often defer to their real estate agent to make this decision. This provider could be an escrow company, title officer, or title/escrow attorney, depending upon many considerations, including the geographical location of the transaction.

## **ROLES**

The escrow provider may have a duty to arrange and/or track the requirements and contingencies outlined within the purchase contract. These might include home inspections, the purchase of homeowners insurance, the completion of negotiated repairs, and financing requirements.

## **PROCESS**

Once all transaction contingencies are met, including the execution of all documents necessary to complete the transaction, the escrow company will disburse funds to the seller and other parties, all in accordance with the purchase agreement.

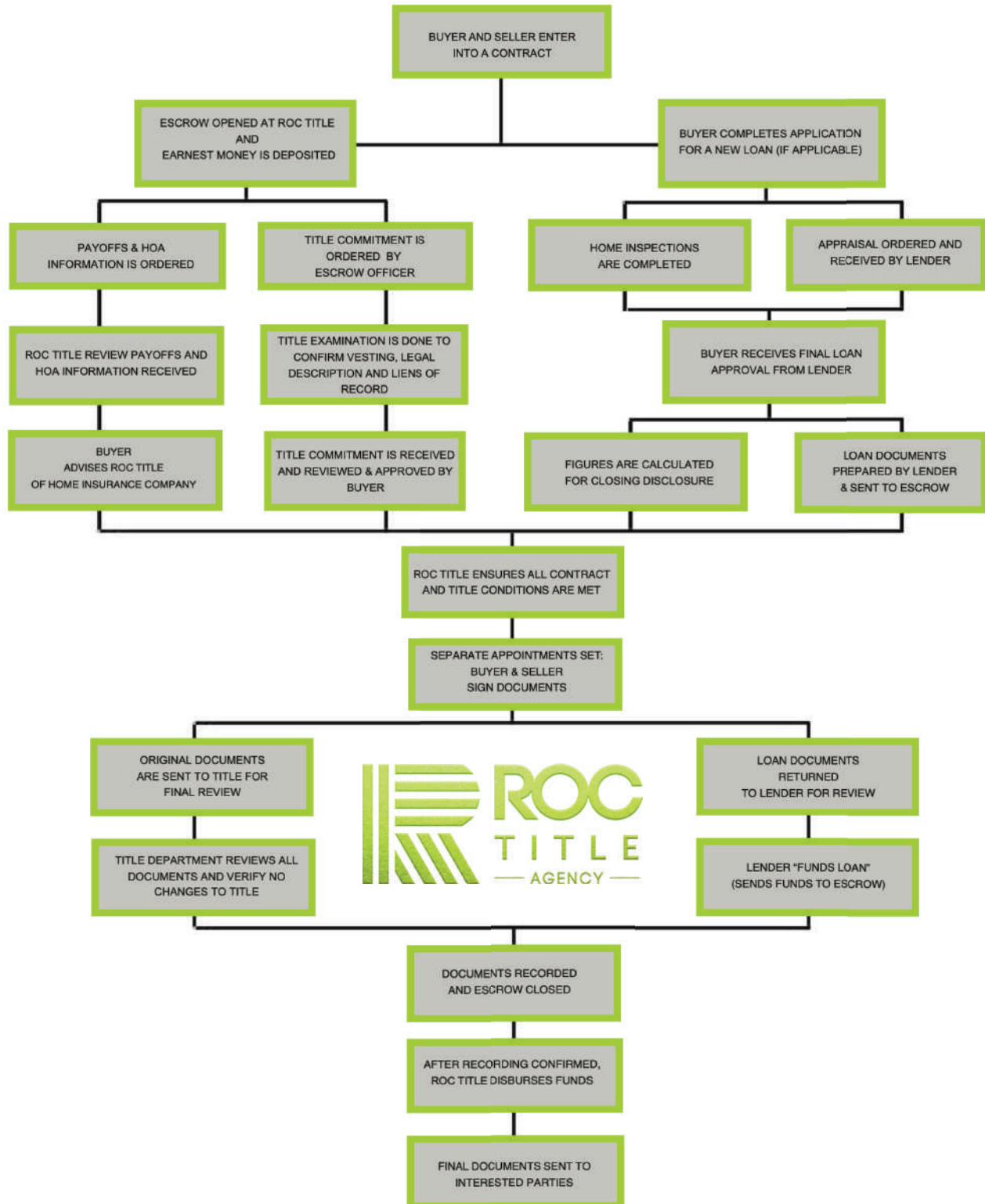
## **COST**

The cost of escrow services is covered by the buyer or seller as determined by local custom, market conditions, or contractual agreements made within the purchase offer.

## **CLOSING/CONSUMMATION**

Once all the tasks described within the sales purchase agreement have been completed and the appropriate funds are disbursed, the transaction is complete and the escrow closes.

# THE REAL ESTATE CLOSING PROCESS



# WHAT IS TITLE INSURANCE?

Title insurance protects against covered title defects such as a previous owner's debt, liens, and other claims of ownership that may have been instituted prior to purchasing the home.

As real estate is the nation's largest market, its purchase and sale is essential to the health of the U.S. economy. However, these transactions are never without risk. That's why title insurance has been protecting American homeowners for more than 130 years.

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## OVERVIEW

When a piece of real property is financed, purchased or sold, a record of that transaction is generally filed in public archives. Likewise, other events that may affect the ownership of a property are also documented and filed. These may include liens, levies, encumbrances, etc. When a buyer purchases title insurance, the title company searches these records to find (and remedy, if possible) issues that may affect the purchaser's ownership.

## TITLE SEARCH AND EXAM

That's where title insurance differs from traditional insurance models. When you purchase a policy insuring you for matters relating to your car or health, the insurance company assesses the risk of insuring you, and bases its premium on the risk being assumed. With title insurance, the insurer first works to identify the status of ownership, liens and other matters affecting title by collecting documents affecting title from the public records that are statutorily identified for the recording of real estate transactions. This process is called the search. Once the search is complete, the title insurance underwriter can then determine the insurability of the title and list exceptions from coverage and requirements to insure.

## UNDISCOVERED RISKS

Of course, even the most skilled title professionals may not find all title problems. Other risks include matters that are more difficult to identify, such as title issues resulting from filing errors, forgeries, undisclosed heirs, and other unforeseen problems. That's one reason why your title insurance policy can play a key role in protecting your real estate investment.



## **LOAN POLICY**

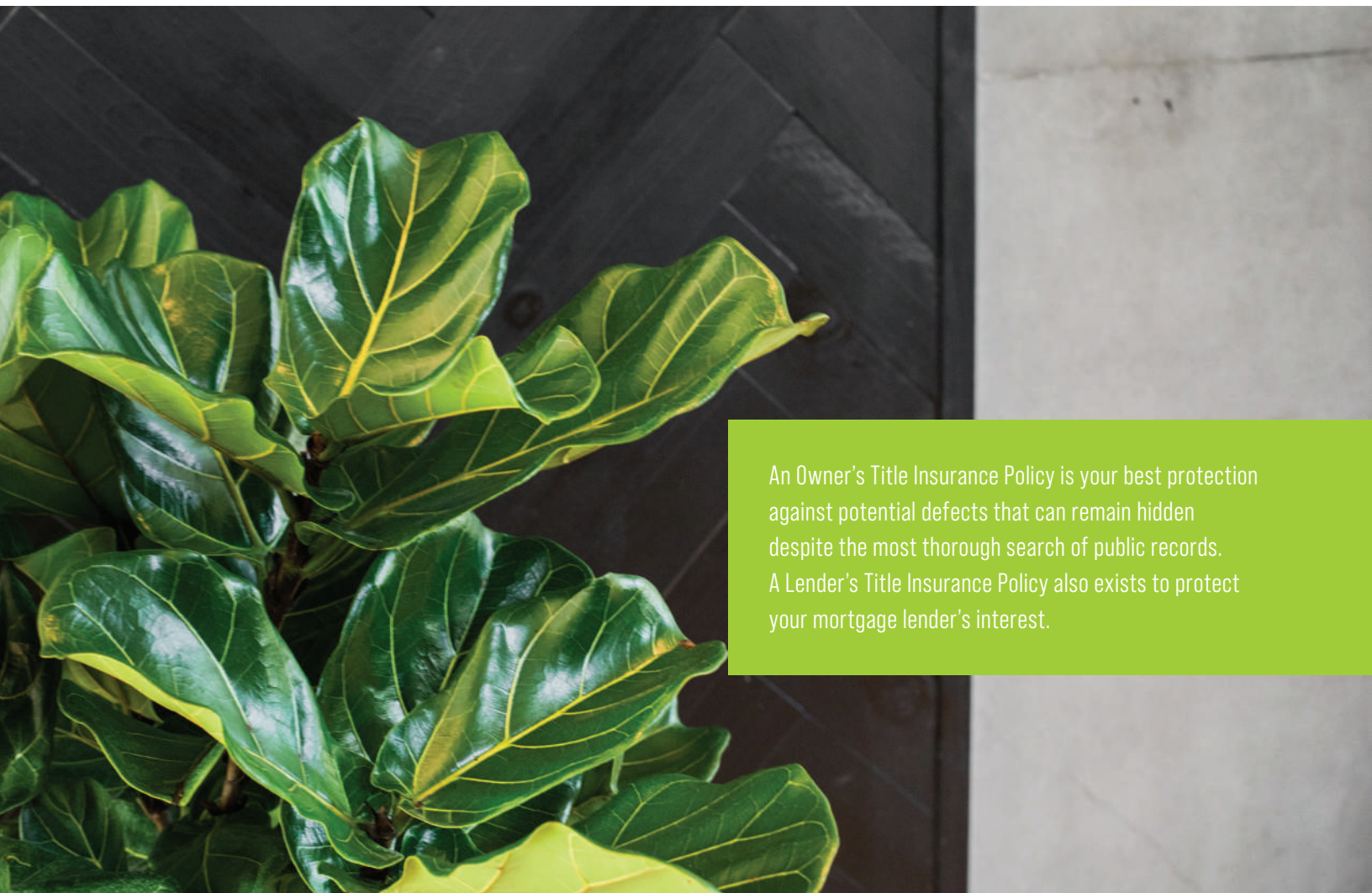
When you purchase a new home or other piece of real property by securing a mortgage, you may be required by your lender to purchase a Loan Policy of title insurance. This policy insures the lender against covered title defects up to the amount of insurance. This coverage in favor of the lender lasts for the life of the loan under limited circumstances stated within the policy.

## **OWNERS'S POLICY**

You will also have the option of purchasing an Owner's Policy of title insurance, which provides insurance directly to the insured owner listed in the policy, and describes the type of real property interest owned. The insurance in both an owner's and a Loan Policy is subject to the policy provisions, which include the covered risks, exclusions from coverage, the conditions and the exceptions to title listed on a schedule to the policy.

## **PREMIUM**

You will pay a one-time premium for both the Loan Policy and the Owner's Policy at the close of your transaction, based on the total value of your home and the amount of your loan. This is another way in which title insurance differs from other insurance models, where premiums are paid on an ongoing basis. The purchase of a home or other real estate may be the largest financial investment you ever make. Title insurance can give you added peace of mind in knowing that the title to your investment is insured.



An Owner's Title Insurance Policy is your best protection against potential defects that can remain hidden despite the most thorough search of public records. A Lender's Title Insurance Policy also exists to protect your mortgage lender's interest.

# WAYS TO TAKE TITLE IN ARIZONA

Community Property	Community Property with Right of Survivorship	Joint Tenancy with Right of Survivorship	Tenancy in Common
<ul style="list-style-type: none"> <li>Requires a valid marriage.</li> </ul>	<ul style="list-style-type: none"> <li>Requires a valid marriage</li> </ul>	<ul style="list-style-type: none"> <li>Parties need not be married; may be more than two Joint Tenants.</li> </ul>	<ul style="list-style-type: none"> <li>Parties need not be married; may be more than two tenants in common.</li> </ul>
<ul style="list-style-type: none"> <li>Each Spouse holds an undivided one-half interest in the estate.</li> </ul>	<ul style="list-style-type: none"> <li>Each spouse holds an undivided one-half interest in the estate</li> </ul>	<ul style="list-style-type: none"> <li>Each joint tenant holds an equal and undivided interest in the estate, unity of interest.</li> </ul>	<ul style="list-style-type: none"> <li>Each tenant in common holds an undivided fractional interest in the estate. Can be disproportionate, e.g., 20% and 80%; 60% and 40%; 20%, 20%, 20% and 40%; etc.</li> </ul>
<ul style="list-style-type: none"> <li>One spouse cannot partition the property by selling his or her interest.</li> </ul>	<ul style="list-style-type: none"> <li>One spouse cannot partition the property by selling his or her joint interest.</li> </ul>	<ul style="list-style-type: none"> <li>One joint tenant can partition the property by selling his or her joint interest.</li> </ul>	<ul style="list-style-type: none"> <li>Each tenant's share can be conveyed, mortgaged or devised to a third party.</li> </ul>
<ul style="list-style-type: none"> <li>Requires signatures of both spouses to convey or encumber.</li> </ul>	<ul style="list-style-type: none"> <li>Requires signatures of both spouses to convey or encumber.</li> </ul>	<ul style="list-style-type: none"> <li>Requires signatures of all joint tenants to convey or encumber the whole.</li> </ul>	<ul style="list-style-type: none"> <li>Requires signatures of all tenants to convey or encumber the whole.</li> </ul>
<ul style="list-style-type: none"> <li>Each spouse can devise (will) one-half of the community property.</li> </ul>	<ul style="list-style-type: none"> <li>Estate passes to the surviving spouse outside of probate.</li> </ul>	<ul style="list-style-type: none"> <li>Estate passes to surviving tenant(s) outside of probate.</li> </ul>	<ul style="list-style-type: none"> <li>Upon death the tenant's proportionate share passes to his or her heirs by will or intestacy.</li> </ul>
<ul style="list-style-type: none"> <li>Upon death the estate of the decedent must be "cleared" through probate, affidavit or adjudication.</li> </ul>	<ul style="list-style-type: none"> <li>No court action required to "clear" title upon death.</li> </ul>	<ul style="list-style-type: none"> <li>No court action required to "clear" title upon the death of joint tenant(s).</li> </ul>	<ul style="list-style-type: none"> <li>Upon death the estate of the decedent must be "cleared" through probate, affidavit or adjudication.</li> </ul>
<ul style="list-style-type: none"> <li>Both halves of the community property are entitled to a "stepped up" tax basis as of the date of death.</li> </ul>	<ul style="list-style-type: none"> <li>Both halves of the community property are entitled to a "stepped up" tax basis as of the date of death.</li> </ul>	<ul style="list-style-type: none"> <li>Deceased tenant's share is entitled to a "stepped up" tax basis as of the date of death.</li> </ul>	<ul style="list-style-type: none"> <li>Each share has its own tax basis.</li> </ul>

*Note: Arizona is a community property state. Property acquired by a husband and wife is presumed to be community property unless legally specified otherwise. Title may be held as "Sole and Separate". If a married person acquires title as sole and separate property, his or her spouse must execute a disclaimer deed to avoid the presumption of community property. Parties may choose to hold title in the name of an entity, e.g., a corporation; a limited liability company; a partnership (general or limited), or a trust. Each method of taking title has certain legal and tax consequences. Therefore, you are encouraged to obtain advice from an attorney or other qualified professional.*

# 10 COMMON TITLE PROBLEMS

## **1** ERRORS IN PUBLIC RECORDS

To err is human, but when it affects your home ownership rights, those mistakes can be devastating. Clerical or filing errors could affect the deed or survey of your property and cause undue financial strain in order to resolve them.

## **2** UNKNOWN LIENS

Prior owners of your property may not have been meticulous bookkeepers – or bill payers. And, even though the former debt is not your own, banks or other financing companies can place liens on your property for unpaid debts even after you have closed on the sale. This is an especially worrisome issue with distressed properties..

## **3** ILLEGAL DEEDS

While the chain of title on your property may appear perfectly sound, it's possible that a prior deed was made by an undocumented immigrant, a minor, a person of unsound mind, or one who is reported single but in actuality married. These instances may affect the enforceability of prior deeds, affecting prior (and possibly present) ownership.

## **4** MISSING HEIRS

When a person dies, the ownership of their home may fall to their heirs, or those named within their will. However, those heirs are sometimes missing or unknown at the time of death. Other times, family members may contest the will for their own property rights. These scenarios – which can happen long after you have purchased the property – may affect your rights to the property.

## **5** FORGERIES

Unfortunately, we don't live in a completely honest world. Sometimes forged or fabricated documents that affect property ownership are filed within public records, obscuring the rightful ownership of the property. Once these forgeries come to light, your rights to your home may be in jeopardy.

## **6** UNDISCOVERED ENCUMBRANCES

When it comes to owning a home, three can be a crowd. At the time of purchase, you may not know that a third party holds a claim to all or part of your property – due to a former mortgage or lien, or non-financial claims, like restrictions or covenants limiting the use of your property.

## **7 UNKNOWN EASEMENTS**

You may own your new home and its surrounding land, but an unknown easement may prohibit you from using it as you'd like, or could allow government agencies, businesses, or other parties access to all or portions of your property. While usually non-financial issues, easements can still affect your right to enjoy your property.

## **8 BOUNDARY/SURVEY DISPUTES**

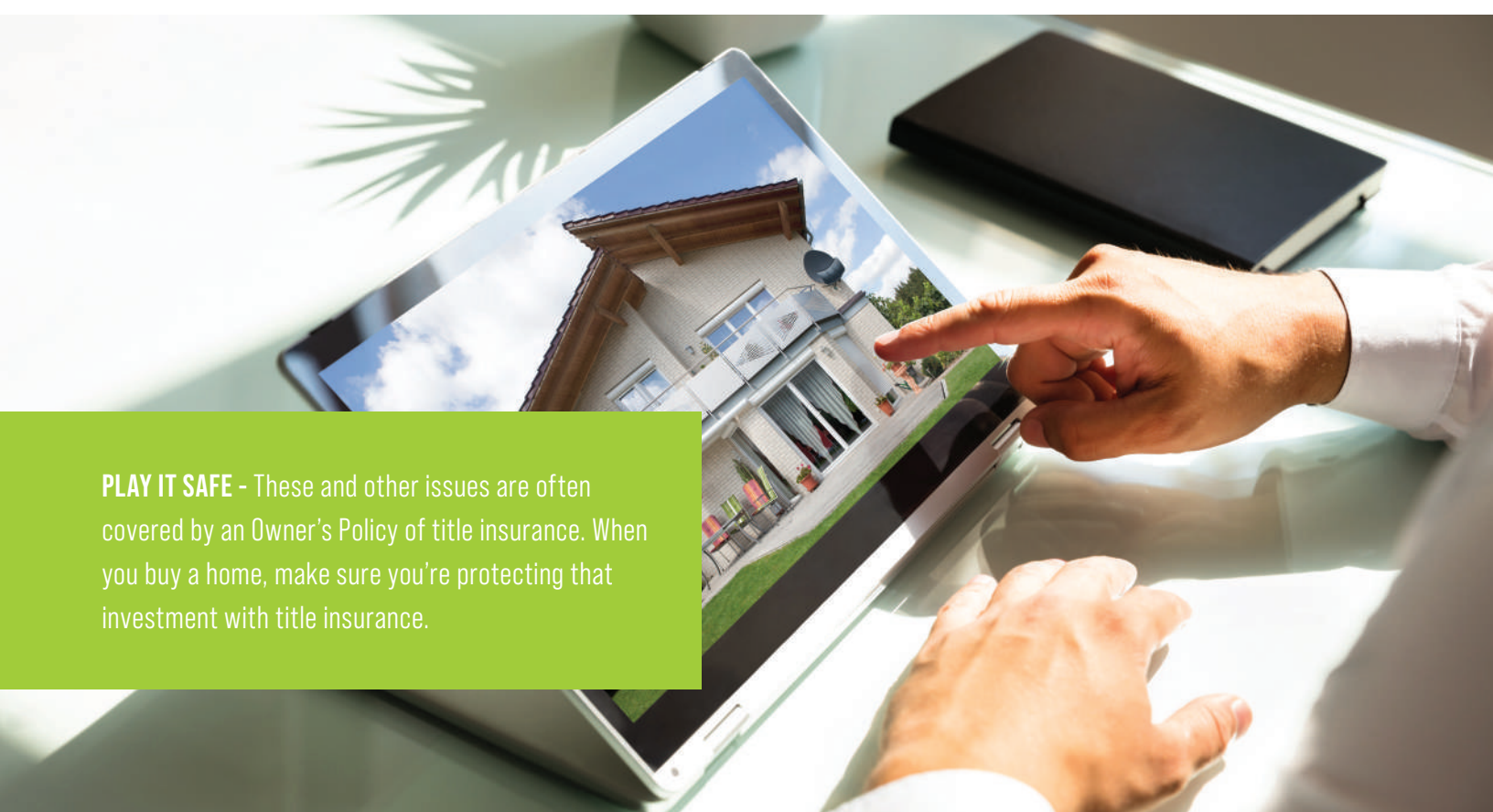
You may have seen several surveys of your property prior to purchasing, however, other surveys may exist that show differing boundaries. Therefore, a neighbor or other party may be able to claim ownership to a portion of your property.

## **9 UNDISCOVERED WILL**

When a property owner dies with no apparent will or heir, the state may sell his or her assets, including the home. When you purchase such a home, you assume your rights as owner. However, even years later, the deceased owner's will may come to light and your rights to the property may be seriously jeopardized.

## **10 FALSE IMPERSONATION OF PREVIOUS OWNER**

Common and similar names can make it possible to falsely "impersonate" a property owner. If you purchase a home that was once sold by a false owner, you can risk losing your legal claim to the property.

A photograph showing a person's hand pointing at a tablet computer. The tablet displays a high-angle view of a modern, two-story house with a balcony and a satellite dish. The scene is set on a light-colored desk with a dark notebook nearby. The lighting is bright, suggesting an indoor setting with natural light.

**PLAY IT SAFE** - These and other issues are often covered by an Owner's Policy of title insurance. When you buy a home, make sure you're protecting that investment with title insurance.

# CLOSING COSTS | WHO PAYS WHAT

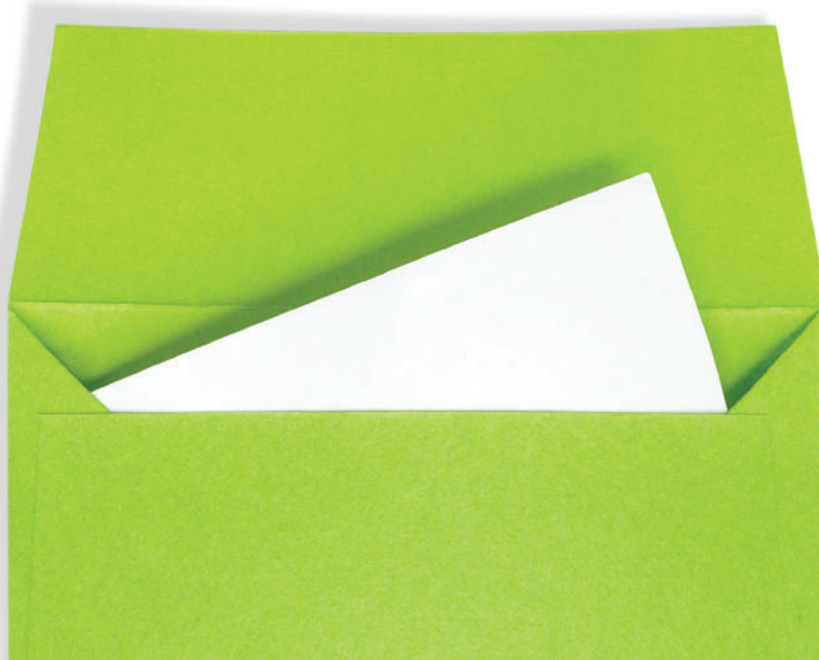
This chart represents who customarily pays what costs.  
Consult a professional before negotiating any costs.

	Cash	FHA	VA	Conventional
<b>Down Payment</b>	Buyer	Buyer	Buyer	Buyer
<b>Realtors Commissions</b>	Negotiable	Negotiable	Negotiable	Negotiable
<b>Taxes</b>	Prorated	Prorated	Prorated	Prorated
<b>Termite</b>	Negotiable	Negotiable	Seller	Negotiable
<b>Property Inspection</b>	Buyer	Buyer	Buyer	Buyer
<b>Home Owners Association Transfer Fee</b>	Negotiable	Negotiable	Seller	Negotiable
<b>HOA Disclosure Fee</b>	Seller	Seller	Seller	Seller
<b>Home Warranty</b>	Negotiable	Negotiable	Negotiable	Negotiable
<b>New Loan Origination Fee</b>	Buyer	Buyer	Buyer	Buyer
<b>Discount Points</b>	Buyer	Buyer	Buyer	Buyer
<b>Document Preparation Fee</b>	Buyer	Buyer	Seller	Buyer
<b>Credit Report</b>	Buyer	Buyer	Buyer	Buyer
<b>Appraisal</b>	Negotiable	Negotiable	Negotiable	Negotiable
<b>Tax Service Contract</b>	N/A	Seller	Seller	Buyer
<b>Prepaid Interest</b>	N/A	Buyer	Buyer	Buyer
<b>Impound Account</b>	N/A	Buyer	Buyer	Buyer
<b>FHA, MIP, VA Funding Fee, PMG Premium</b>	N/A	Buyer	Buyer	Buyer
<b>Fire/Hazard Insurance</b>	Buyer	Buyer	Buyer	Buyer
<b>Flood Insurance</b>	Buyer	Buyer	Buyer	Buyer
<b>Escrow Fee</b>	Split	Split	Seller	Split
<b>Homeowners Title Policy</b>	Seller	Seller	Seller	Seller
<b>Lenders Title Policy and Endorsements</b>	N/A	Buyer	Buyer	Buyer
<b>Recording Fee</b>	Split	Split	Split	Split
<b>Reconveyance/Tracking Fee</b>	Seller	Seller	Seller	Seller

# MAIL-AWAY CLOSING TIPS

As opportunities for real estate transactions expand across county and state lines, the frequency of mail-away closings is increasing. If you are involved in a closing that requires the mailing of documents, here are some tips that can help you avoid delays:

- 1** Inform your closing/settlement agent of the need to mail documents as soon as possible. This will allow them to better coordinate the document preparation and signing process.
- 2** Provide your closing/settlement agent with a physical address and the best phone number for each party involved in the transaction. Most overnight delivery services will not deliver to a P.O. Box.
- 3** Be aware that many lenders have specific closing practices that may differ from local customs. Not all lenders allow documents to be signed in advance of the closing date, and some require that the documents be signed in the presence of an attorney or at a local settlement agent's office.
- 4** Allow sufficient turnaround time for the documents to be signed. This may decrease the chances of funding delays due to errors in the signing process. In order to disburse funds on a transaction, your closing/settlement agent may require the original documents to be returned and in their possession. The minimum time required to send and receive documents is three business days.



# MOVING CHECKLIST

## SEND CHANGE OF ADDRESS TO

- Post Office
- Bank
- Credit card companies
- Friends and relatives
- Insurance companies – Life, health, fire, auto
- Automobile – Transfer of car title registration, driver's license
- Utility companies – Gas, light, water, telephone, cable
- Arrange for any refunds of deposits
- Arrange for service in new location
- Home delivery – Laundry, newspaper, magazine subscriptions
- School records – Ask for copies or transfer children's school records
- Medical records – Medical, dental, prescription histories
- Ask doctor and dentist for referrals
- Transfer needed prescriptions, x-rays, etc.
- Church, clubs, civic organizations – Transfer memberships and get letters of introduction

## DON'T FORGET TO

- Empty freezers – Plan use of foods
- Defrost freezer/refrigerator
- Have appliances serviced for moving
- Contact utility companies to disconnect services – Water, power, cable, trash, etc.
- Stay in contact with your mover – Confirm the following: insurance coverage, packing and unpacking labor, time and date of scheduled move, details of payment

## ON MOVING DAY

- Carry currency, jewelry, and important documents yourself
- Let a close friend or relative know route and schedule you will travel including overnight stops; use him/her as message headquarters
- Have appliances serviced for moving
- Double-check old closets, drawers, shelves to be sure they are empty
- Leave old keys needed by new owner

# 10 TIPS FOR MOVING WITH PETS

Moving to a home in a new location can be an exciting adventure, but it can also be the cause of stress and confusion for household pets. To minimize the trauma, here are a few tips that may help make your pet's transition a little easier.

- 1** Schedule an appointment with the veterinarian for a check-up prior to moving.
- 2** Obtain a copy of your pet's medical history along with rabies certifications that state when and where your pet was vaccinated.
- 3** Make sure the supply of current medications will last until a veterinarian in your new location can be found to provide refills.
- 4** Proper identification is essential. Be certain that any required license tags are secured properly and the contact information is current.
- 5** Pets can become anxious with the increase of activity prior to a move. To eliminate the threat of them misbehaving or running off, consider boarding your pet during the most hectic of moving days.
- 6** If you are moving your pet by car, be sure to take a favorite toy or two, a leash for when stops are made, and plenty of water to keep your pet hydrated.
- 7** Requirements for the movement of pets across state lines are set by each individual state. Contact the State Veterinarian in your new location to obtain the most current information.
- 8** Long-distance moves may require an overnight stay. People and pet-friendly accommodations can be found by searching a number of internet sites.
- 9** Once you and your pet have arrived in your new location, allow sufficient time for the new neighborhood adjustment to be made. It could take a few days or a few weeks for your pet to adapt to their new surroundings.
- 10** Carry a current photograph of your pet. If your pet is lost during the move, a photograph will make it much easier to search effectively.





# CLOSING DAY

Whether you are purchasing a home or selling a house, knowing what to expect and being prepared at the closing can help eliminate stress and result in a pleasant experience. We understand how important this transaction is to you, and we are committed to consistently providing a level of service that prepares you for this final step in your real estate transaction.

Although the settlement process can vary from state to state, here are some common items that may be required at closing to help the process go as smoothly and quickly as possible.

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## **VALID PHOTO IDENTIFICATION**

*Two forms of identification are typically required at closing, including one of the following:*

- Valid U.S. Driver's License or non-driver I.D.
- Valid Canadian or Mexican Driver's License issued by the Official Agency
- Current United States or Foreign Passport Foreign Passport must have been stamped by U.S. Immigration and Naturalized Service

## **CASHIER'S CHECK, TREASURER'S CHECK, OR WIRE TRANSFER**

In the event you are required to bring funds to closing, we cannot accept personal checks or cash. If you prefer to wire your funds, contact us for bank routing instructions.

If you will be bringing a proceeds check from another settlement, contact us to verify the acceptance of those funds - we do not automatically accept all checks.

## **HAZARD INSURANCE POLICY AND PAID RECEIPT**

A hazard policy, also known as homeowner's insurance, with the lender designated as the insured holder of the mortgage, is required on most loans. Evidence of hazard insurance, including a paid receipt, must be provided prior to closing.

## **IF POSSIBLE, ALL PARTIES WHO HOLD TITLE TO THE PROPERTY SHOULD ATTEND THE CLOSING**

State-specific laws may require the spouse of the parties in title, even though their name does not appear on the deed, to sign certain documents when obtaining a mortgage. If anyone is unable to attend closing, contact us to arrange a power of attorney or closing by mail.

# WHAT HAPPENS

## *After the Closing*

It is recommended you keep all records pertaining to your home together in a safe place, including all purchase documents, insurance, maintenance and improvements.

### **KEYS TO A HOME**

You have been supplied with a set of keys that unlocks the doors to your new home. To ensure security, change the locks upon moving in.

### **UTILITIES**

If you have not already done so, contact the local service providers to make arrangements for electricity, gas, water, phone and cable or satellite services. While some providers may need as little notice as a day to activate your services, it's best to give them a few weeks' notice.

### **OWNER'S TITLE INSURANCE POLICY**

You may have received a First American Title Owner's Policy of Title at the closing table. If this service is not available in your area, you will receive your policy by mail in the weeks following the closing.

### **RECORDED DEED**

Once recorded in the official county records, the original deed to your home will be mailed directly to you.

### **LOAN PAYMENTS**

At the closing, written instructions were provided with details for making your first loan payment. If you have questions about your tax and insurance escrows, please contact your closing/settlement agent.

### **PROPERTY TAXES**

At the closing, property taxes were prorated between the buyer and the seller based on occupancy time in the home. You may not receive a tax statement for the current year on the home you buy; however, it is your obligation to make sure the taxes are paid when due. Check with your lender to find out if taxes are included with your payment and if the tax bill will be paid by the lender from escrowed funds.

### **FILING FOR HOMESTEAD**

If the home you purchased is in a homestead state, you may be required to declare homestead or file a homestead exemption. A homestead exemption reduces the value of a home for state-tax purposes. You can check with the local county recorder's office to determine eligibility, filing requirements and deadlines.

### **POSTAL SERVICE**

Your local Post Office can provide the necessary Change of Address forms to expedite the delivery of mail to your new home. You can speed up the process by notifying everyone who sends you mail of your new address and the date of your move. Many bills provide an area for making an address change. You can check with the local county recorder's office to determine eligibility, filing requirements and deadlines.

SAMPLE REAL ESTATE FORMS

# **BUYER** ADVISORY

# Buyer Advisory



ARIZONA  
association of  
REALTORS®

REAL SOLUTIONS. REALTOR® SUCCESS.



## A Resource for Real Estate Consumers

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

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

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

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

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

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

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

### Reminder:

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

### Please Note:

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

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## Section 1

# COMMON DOCUMENTS A BUYER SHOULD REVIEW

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

## 1 Purchase Contract

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

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

(AAR Sample Residential Resale Purchase Contract)

### Contingency Waivers

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

## 2 MLS Printout

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

## 3 The Subdivision Disclosure Report (Public Report)

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

become outdated, subsequent buyers can also benefit from reviewing the Public Report. Public Reports dating from January 1, 1997, are available on the Arizona Department of Real Estate (ADRE) website.

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

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

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

## 4 Seller's Property Disclosure Statement (SPDS)

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

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

<http://bit.ly/2knrN0A> (AAR Sample SPDS)

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

## 5 Covenants, Conditions and Restrictions (CC&Rs)

The CC&Rs are recorded against the property and generally empower a homeowner's association to control certain aspects of property use within the development. By purchasing a property in such a development, the buyer agrees to be bound by the CC&Rs. The association, the property owners as a whole, and individual property owner can enforce the CC&Rs. It is essential that the buyer review and agree to these restrictions prior to purchasing a property. <http://www.azre.gov/PublicInfo/PropertyBuyerChecklist.aspx> (ADRE Property Buyer's Checklist)

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

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

## 6 Homeowners Association (HOA) Governing Documents

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

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

<http://bit.ly/1rCq9kd> (ADRE HOA Information)

## 7 HOA Disclosures

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

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

## 8 Community Facilities District

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

CFDs are most commonly found on the property's detailed property tax statement from the County Tax Assessor. The local municipality or county can also be a source of CFD information.

## 9 Title Report or Title Commitment

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

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

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

## 10 Loan Information and Documents

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

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

[https://www.hud.gov/topics/buying\\_a\\_home](https://www.hud.gov/topics/buying_a_home) (HUD.gov)

## 11 Home Warranty Policy

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

## 12 Affidavit of Disclosure

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

<https://bit.ly/2ZLwvdX>  
 (AAR Sample Affidavit of Disclosure)

## 13 Lead-Based Paint Disclosure Form

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

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

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

## 14 Professional Inspection Report

The importance of having a property inspected by a professional inspector cannot be over-emphasized. An inspection is a visual physical examination, performed for a fee, designed to identify material defects in the property. The inspector will generally provide the buyer with a report detailing information about the property's condition. The buyer should carefully review this report with the inspector and ask the inspector about any item of concern. Pay attention to the scope of the inspection and any portions of the property excluded from the inspection.

[Home | American Society of Home Inspectors, ASHI](#)  
 (ASHI Home Buyer's Guide)

## 15 County Assessors/Tax Records

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

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

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

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

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

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

Pima:  
<http://www.asr.pima.gov/>

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

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

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

Gila:  
<http://bit.ly/Yq3bV9>

Greenlee:  
<http://bit.ly/2SCTZu6>

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

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

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

Yavapai:  
[Assessor's Office Home \(yavapaiaz.gov\)](http://Assessor's Office Home (yavapaiaz.gov))

## 16 Termites and Other Wood Destroying Insects and Organisms

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

[Termites | Arizona Department of Agriculture \(az.gov\)](#)  
 (AZDA-Termite Information)

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

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

## 17 Foreign Investment in Real Property Tax Act (FIRPTA)

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

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

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

<https://www.irsvidEOS.gov/Individual/education/FIRPTA>  
 (I.R.S. FIRPTA Video)



## Section 2

# COMMON PHYSICAL CONDITIONS IN THE PROPERTY A BUYER SHOULD INVESTIGATE

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

## 1 Repairs, Remodeling and New Construction

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

### USE OF LICENSED CONTRACTORS

A contractor's license is required for work performed on a property unless the aggregate contract price, including labor and material, is less than \$1,000, the work performed is of a "casual or minor nature," and no building permit is required.

An unlicensed property owner may also perform work themselves if the property is intended for occupancy solely by the owner. If, however, the property is listed or offered for sale or rent within one year of the completed work, it is considered prima facie evidence that the owner performed the work for purposes of sale or rent.

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

<https://roc.az.gov/before-hire> (Before you Hire a Contractor—Tips)

[www.greaterphoenixnari.org](http://www.greaterphoenixnari.org) (National Association of Remodeling Industry—GreaterPhoenix Chapter)

<https://www.nariosouthemarizona.com/page-319328> (National Association of Remodeling Industry—Southern Association)

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

<https://www.tucsonaz.gov/PRO/pdsd/> (City of Tucson—Building Permit Records)

## 2 Square Footage

Square footage on the MLS printout or as listed by the county assessor's records is often only an estimate and generally should not be relied upon for the exact square

footage in a property. An appraiser or architect can measure the property's size to verify the square footage. If the square footage is important, you should have it confirmed by one of these experts during the inspection period in a resale transaction and prior to executing a contract on a new home transaction.

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

## 3 Roof

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

[www.azroofing.org](http://www.azroofing.org)

(Arizona Roofing Contractors Association)

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

(Before you Hire a Contractor)

## 4 Swimming Pools and Spas

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

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

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

## 5 Septic and Other On-Site Wastewater Treatment Facilities

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

[Notice of Transfer and Inspection | On-site Wastewater | ADEQ Arizona Department of Environmental Quality \(azdeg.gov\)](#) (ADEQ – AZ Statewide Inspection Program)

<http://az.gov/app/own/home.xhtml> (File a Notice of Transfer Online)

## 6 SEWER

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

## 7 Water/Well Issues

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

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

(Arizona Corporation Commission - Utilities-Water)

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

(Assured and Adequate Water Supply)

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

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

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

Additionally, the Verde Valley Water Users assists members in matters pertaining to the Gila River System Adjudication.

[About VVWU, Inc. | Verde Valley Water Users, Inc.](#) (Verde Valley Water User's Association)

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

[www.cagrd.com](http://www.cagrd.com)

(Central Arizona Ground Water Replenishment District)

## 8 Soil Problems

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

Other areas are subject to fissure, subsidence and other soil conditions. Properties built on such

soils may experience significant movement causing a major problem.

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

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

(ADRE – Overview of Arizona Soils)

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

(Problem Soils AZGS)

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

(Shrink/Swell Potential & FAQs)

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

(Information on Land Subsidence & Earth Fissures)

[www.btr.state.az.us](http://www.btr.state.az.us)

(State Certified Engineers & Firms)

## 9 Previous Fire/Flood

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

## 10 Pests

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

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

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

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

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

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

<http://bit.ly/32y89l6> (Information on Scorpions)

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

**Bedbugs:** Get them Out and Keep them Out

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

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

<https://agriculture.az.gov/pests-pest-control/agriculture-> (Bark Beetle Information)

## 11 Endangered & Threatened Species

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

<https://www.fws.gov/southwest/es/Arizona/> (Arizona Ecological Services) (Arizona Endangered Species) [Endangered Species | Map | State Story \(fws.gov\)](#) (U.S. Fish & Wildlife Service – Endangered Species Arizona)

## 12 Death and Felonies on the Properties

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

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

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

## 13 Indoor Environmental Concerns

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

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

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

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

<https://www.epa.gov/indoor-air-quality-iaq> (EPA-Indoor Air Quality)

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

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

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

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

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

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

[bit.ly/2kRk7jm](http://bit.ly/2kRk7jm) (Drywall Information Center)

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

<http://bit.ly/2t1CAPq> (Carbon Monoxide Infographic)

<http://www2.epa.gov/asbestos> (Asbestos Information)

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

Methamphetamine & Fentanyl Laboratory Cleanup)

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

## 14 Property Boundaries

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

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

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

## 15 Flood Insurance/Flood Plain Status

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

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

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

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

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

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

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

**Other Arizona Counties:** Consult County Websites.

## 16 Insurance (Claims History)

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

<https://content.naic.org/consumer.htm> (Helping You Navigate Insurance and Make Better Informed Decisions)

## 17 Other Property Conditions

**Plumbing:** Check functionality.

**Cooling/Heating:** Make sure the cooling and heating systems are adequate. If it is important to you, hire a qualified heating/cooling inspector. <https://www.epa.gov/ods-phaseout> (Phaseout of Ozone-Depleting Substances -ODS)

**Electrical Systems:** Check for functionality and safety.

## Section 3

# CONDITIONS AFFECTING THE AREA SURROUNDING THE PROPERTY THE BUYER SHOULD INVESTIGATE

*Every property is unique; therefore, important conditions vary.*

## Environmental Concerns

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

information, as well as air and water quality information (and more).

<http://www.azdeq.gov/> (ADEQ)

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

<https://azdeq.gov/WildfireSupport> (Wildfire Information)

## 1 Environmentally Sensitive Land Ordinance

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

<http://www.scottsdaleaz.gov/codes/eslo>

(Environmentally Sensitive Lands Overlay –ESL)

<http://www.scottsdaleaz.gov/codes/eslo> (Natural Area OpenSpace)

## 2 Electromagnetic Fields

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

<https://www.niehs.nih.gov/health/topics/agents/emf/index.cfm>

(National Institute of Environmental Health Sciences)

## 3 Superfund Sites

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

[www.azdeq.gov/emaps](http://www.azdeq.gov/emaps) (ADEQ-Maps)

[www.epa.gov/superfund](http://www.epa.gov/superfund) (EPA)

## 4 Freeway Construction and Traffic Conditions

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

<https://azdot.gov/> (ADOT)

<https://azdot.gov/projects> (ADOT State Wide Projects)

<https://az511.com> (ADOT Road Conditions)

## 5 Crime Statistics

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

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

## 6 Sex Offenders

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

<https://www.azdps.gov/services/public/offender>

(Registered Sex Offender and Community Notification)

<https://www.nsopw.gov/>

(National Sex Offender Public Site)

## 7 Forested Areas

Life in a forested area has unique benefits and concerns. Contact county/city fire authority for more information on issues particular to a community.

<https://dffm.az.gov/fire/prevention/firewise>

(Arizona Fire Wise Communities)

<https://www.nfpa.org/Public-Education/By-topic/Wildfire/Firewise-USA>

(Public Education/Fire Wise USA)

## 8 Military and Public Airports

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

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

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

(ADRE - Maps of Military Airports & Boundaries)

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

(ADRE - Maps of Public Airports & Boundaries)

<https://www.skyharbor.com/FlightPaths> (Phoenix Skyharbor Airport - General Information)

## 9 Zoning/Planning/Neighborhood Services

Information may be found on community websites.

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

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

## 10 Schools

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

Visit the Arizona Department of Education website for more information.

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

### ADRE ADVISES:

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

[www.azre.gov/PublicInfo/PropertyBuyerChecklist.aspx](http://www.azre.gov/PublicInfo/PropertyBuyerChecklist.aspx) (ADRE)

## 11 City Profile Report

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

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

## Section 4

# OTHER METHODS OF GETTING INFORMATION ABOUT A PROPERTY

### Drive Around the Neighborhood

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

### Talk to the Neighbors

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

### Investigate Your Surroundings

Google Earth is an additional method to investigate the surrounding area: <https://www.google.com/earth/>

## Section 5

# RESOURCES

### Market Conditions Advisory

The real estate market is cyclical and real estate values go up and down. The financial market also changes, affecting the terms on which a lender will agree to loan money on real property. It is impossible to accurately predict what the real estate or financial market conditions will be at any given time. The ultimate decision on the price a buyer is willing to pay and the price a seller is willing to accept for a specific property rest solely with the individual buyer or seller. The parties to a real estate transaction must decide on what price and terms they are willing to buy or sell considering market conditions, their own financial resources and their own unique circumstances.

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

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

[Market Conditions Advisory \(AAR - Sample Forms\)](#)

### Fair Housing and Disability Laws

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

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

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

### Wire Fraud

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

<http://bit.ly/2gQNWms> (FTC & NAR - Protect your mortgage closing from scammers)

<http://bit.ly/2vDDvFk> (CFPB- Buying a home? Watch out for mortgage closing scams)

### Additional Information

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

Ten Step Guide to Buying a Home (Realtor.com)  
<http://bit.ly/3pQqXX7>

Home Closing 101  
[www.homeclosing101.org](http://www.homeclosing101.org)

### Information about Arizona Government, State Agencies and Arizona REALTORS®

Arizona Department of Real Estate  
Consumer Information  
[www.azre.gov/InfoFor/Consumers.aspx](http://www.azre.gov/InfoFor/Consumers.aspx)

Arizona Association of REALTORS®  
[www.aaronline.com](http://www.aaronline.com)

## BUYER ACKNOWLEDGMENT

### Buyer acknowledges receipt of all 13 pages of this Advisory.

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

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

\_\_\_\_\_  
^BUYERSIGNATURE DATE

\_\_\_\_\_  
^BUYERSIGNATURE DATE





SAMPLE REAL ESTATE FORMS

# **PURCHASE** CONTRACT



*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/](http://www.aaronline.com/manage-risk/buyer-advisory-3/).

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

## WARNING: \*WIRE TRANSFER FRAUD\*

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



# RESIDENTIAL RESALE REAL ESTATE PURCHASE CONTRACT

Document updated:  
August 2024



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 Compensation  
38.  Seller Financing  Short Sale  Solar Addendum  Other: \_\_\_\_\_

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\_\_\_\_\_  
SELLER SELLER

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\_\_\_\_\_  
BUYER BUYER

- 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 •media antennas/satellite dishes (affixed) • storage sheds  
 43. •central vacuum, hose, and attachments •outdoor fountains and lighting • storm windows and doors  
 44. •draperies and other window coverings •outdoor landscaping (i.e., shrubbery, • stoves: gas-log, pellet, wood-burning  
 45. •fireplace equipment (affixed) trees and unpotted plants) • timers (affixed)  
 46. •floor coverings (affixed) •shutters and awnings • towel, curtain and drapery rods  
 47. •free-standing range/oven •smart home devices, access to which • wall mounted TV brackets and hardware  
 48. •garage door openers and remotes shall be transferred (i.e., video doorbell, (excluding TVs)  
 49. •light fixtures automated thermostat) • water-misting systems  
 50. •mailbox •speakers (flush-mounted) • 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 •in-ground pool and spa/hot tub equipment • security and/or fire systems and/or alarms  
 53. the Premises (i.e., solar) and covers (including any mechanical or •water purification systems  
 54. other cleaning systems) • water softeners
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 the  
 67. 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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SELLER	SELLER

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BUYER	BUYER

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- 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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- 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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_____ <b>SELLER SELLER</b>	<Initials	Initials> _____ <b>BUYER BUYER</b>

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

## 5. WARRANTIES

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

## 6. DUE DILIGENCE

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

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SELLER	SELLER	BUYER	BUYER	

6e. 237. Insurance: IF HOMEOWNER'S INSURANCE IS A MATERIAL MATTER TO BUYER, BUYER SHALL APPLY FOR AND OBTAIN WRITTEN CONFIRMATION OF THE AVAILABILITY AND COST OF HOMEOWNER'S INSURANCE FOR THE PREMISES FROM BUYER'S INSURANCE COMPANY DURING THE INSPECTION PERIOD. Buyer understands that any 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 PERIOD. If the Premises are served by a conventional septic or alternative system, the AAR On-site Wastewater Treatment Facility 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 municipal Swimming Pool barrier regulations and agrees to comply with and pay all costs of compliance with said regulations prior to occupying the Premises, unless otherwise agreed in writing. If the Premises contains a Swimming Pool, Buyer acknowledges receipt 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 QUALIFIED, NOR LICENSED, TO CONDUCT DUE DILIGENCE WITH RESPECT TO THE PREMISES OR THE SURROUNDING AREA. BUYER IS INSTRUCTED TO CONSULT WITH QUALIFIED LICENSED PROFESSIONALS TO ASSIST IN BUYER'S DUE DILIGENCE EFFORTS. BECAUSE CONDUCTING DUE DILIGENCE WITH RESPECT TO THE PREMISES AND THE SURROUNDING AREA IS BEYOND THE SCOPE OF BROKER'S EXPERTISE AND LICENSING, BUYER EXPRESSLY RELEASES AND HOLDS HARMLESS BROKER(S) FROM LIABILITY FOR ANY DEFECTS OR CONDITIONS THAT COULD 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 disapproved. AAR's Buyer's Inspection Notice and Seller's Response form is available for this purpose. Buyer shall conduct all desired inspections and investigations prior to delivering such notice to Seller and all Inspection Period items disapproved shall be 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 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 failed to comply with a provision of this Contract and Seller may deliver to Buyer a cure notice as required by Section 7a. If Buyer fails to cure their non-compliance within three (3) days after delivery of such notice, Buyer shall be in breach and Seller shall be entitled to the Earnest Money. If, prior to expiration of the Cure Period, Buyer delivers notice specifying items disapproved as allowed herein, Buyer shall be entitled to a return of the Earnest Money.

273. OR

274. (2) Provide Seller an opportunity to correct or address the items disapproved, in which case:

275. (a) Seller shall respond in writing within five (5) days or \_\_\_\_\_ days after delivery to Seller of Buyer's notice of items disapproved. Seller's failure to respond to Buyer in writing within the specified time period shall conclusively be deemed Seller's refusal to correct or address any of the items disapproved.

278. (b) If Seller agrees in writing to correct items disapproved, Seller shall correct the items, complete any repairs in a workmanlike manner and deliver any paid receipts evidencing the corrections and repairs to Buyer three (3) days or \_\_\_\_\_ days prior to the COE Date.

281. (c) If Seller is unwilling or unable to correct or address any of the items disapproved, Buyer may cancel this Contract within five (5) days after delivery of Seller's response or after expiration of the time for Seller's response, whichever occurs first, and the Earnest Money shall be released to Buyer. If Buyer does not cancel this Contract within the five (5) days as provided, Buyer shall close escrow without those items that Seller has not agreed in writing to correct or address.

285. VERBAL DISCUSSIONS WILL NOT EXTEND THESE TIME PERIODS. Only a written agreement signed by both parties will extend response times or cancellation rights.

287. BUYER'S FAILURE TO GIVE NOTICE OF DISAPPROVAL OF ITEMS OR CANCELLATION OF THIS CONTRACT WITHIN THE SPECIFIED TIME PERIOD SHALL CONCLUSIVELY BE DEEMED BUYER'S ELECTION TO PROCEED WITH THE TRANSACTION WITHOUT CORRECTION OF ANY DISAPPROVED ITEMS.

>>

SELLER SELLER

<Initials

Initials>

BUYER BUYER



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.

3m. 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.

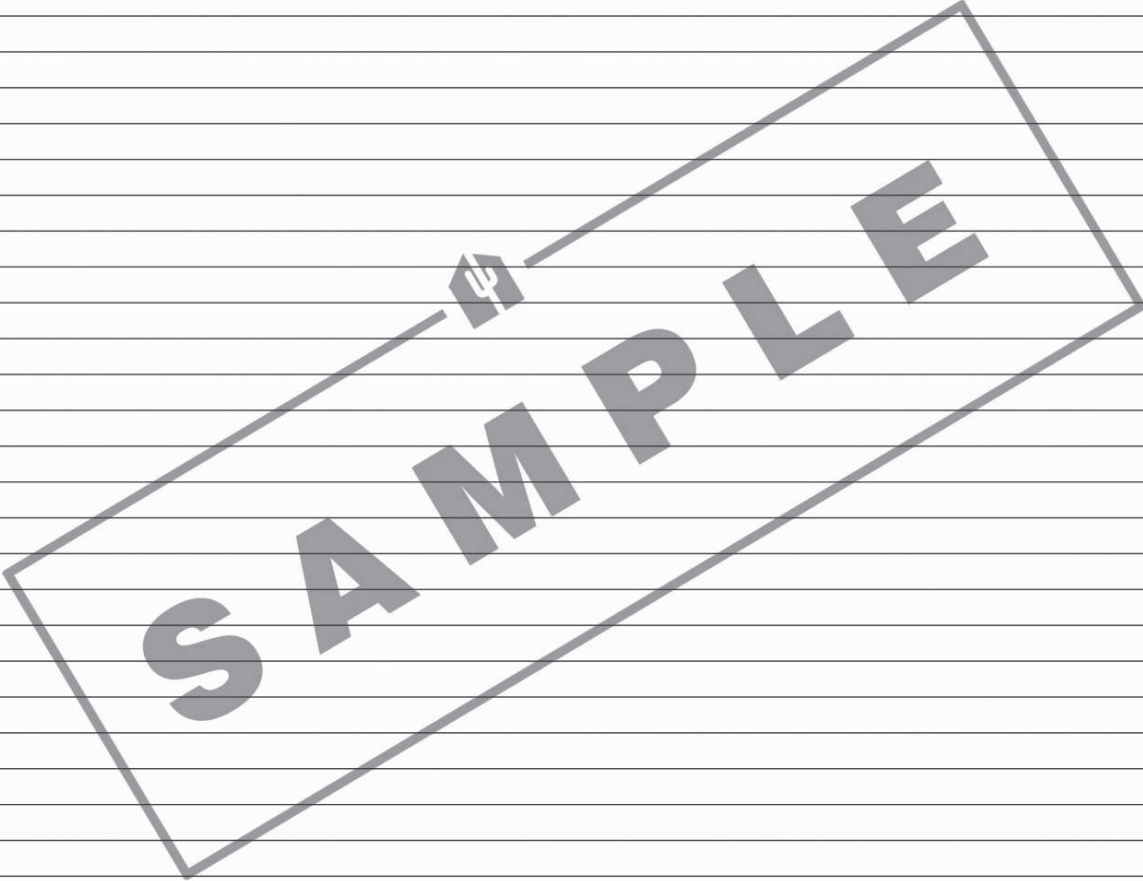
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<Initials		Initials>
SELLER SELLER		BUYER BUYER

### 8. ADDITIONAL TERMS AND CONDITIONS

8a. 344. \_\_\_\_\_  
345. \_\_\_\_\_  
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389. \_\_\_\_\_



>>

_____	_____
SELLER	SELLER

<Initials

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Initials>

_____	_____
BUYER	BUYER



**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  
468. 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

SAMPLE REAL ESTATE FORMS

# PRE-QUALIFICATION FORM

# PRE-QUALIFICATION FORM

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.



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

## PRE-QUALIFICATION INFORMATION

1. **Purpose:** This Pre-Qualification Form is to be used in conjunction with an AAR Residential Resale Real Estate Purchase Contract or
2. Vacant Land/Lot Purchase Contract ("Contract").
3.  Buyer **HAS NOT** consulted with a lender. (If Buyer marks the box on line 3, Buyer is to complete only lines 4 and 5.)
4. \_\_\_\_\_
5. PRINT BUYER'S NAME \_\_\_\_\_ PRINT BUYER'S NAME \_\_\_\_\_  
 ^ BUYER'S SIGNATURE \_\_\_\_\_ MO/DA/YR \_\_\_\_\_ ^ BUYER'S SIGNATURE \_\_\_\_\_ MO/DA/YR \_\_\_\_\_
6.  Lender indicated on lines 36 and 37 has consulted with \_\_\_\_\_ ("Buyer") and submits the following:
7. **Buyer is:**  Married  Unmarried  Legally Separated
8. **Buyer:**  is  is not relying on the sale or lease of a property to qualify for this loan.
9. **Buyer:**  is  is not relying on Seller Concessions for Buyer's loan costs, impounds, Title/Escrow Company costs, recording fees, and, if applicable, VA loan costs not permitted to be paid by Buyer. (Note: The amount Seller agrees to contribute, if any, shall be established in the Contract.)
10. \_\_\_\_\_
11. \_\_\_\_\_
12. **Buyer:**  is  is not relying on down payment assistance to qualify for this loan.
13. **Type of Loan:**  Conventional  FHA  VA  USDA  Other: \_\_\_\_\_
14. **Occupancy Type:**  Primary  Secondary  Non-Owner Occupied
15. **Property Type:**  Single Family Residence  Condominium  Planned Unit Development  Manufactured Home
16.  Mobile Home  Vacant Land/Lot  Other: \_\_\_\_\_
17. YES NO N/A  
   Lender provided Buyer with the HUD form "For Your Protection: Get a Home Inspection" (FHA loans only).
18.    Lender completed a verbal discussion with Buyer including a discussion of income, assets and debts.
19.    Lender obtained a Tri-Merged Residential Credit Report.
20. **Based on the information provided, Buyer can pre-qualify for a loan amount of:** \$ \_\_\_\_\_, assuming a monthly principal
21. and interest loan payment of \$ \_\_\_\_\_, **provided that the total monthly payment** (which includes principal, interest, mortgage
22. insurance, property taxes, insurance, HOA fees, and flood insurance, if applicable) **does not exceed:** \$ \_\_\_\_\_
23. **Interest rate not to exceed:** \_\_\_\_\_%,  Fixed Interest Rate  Adjustable Interest Rate  Pre-Payment Penalty
24. **Initial Documentation Received:** Lender received the following information from Buyer (additional documentation may be requested):
25. YES NO N/A YES NO N/A  
   Paystubs    Down Payment/Reserves Documentation
26.    W-2s    Gift Documentation
27.    Personal Tax Returns    Credit/Liability Documentation
28.    Corporate Tax Returns    Other: \_\_\_\_\_
29. Additional comments: \_\_\_\_\_
30. Buyer has instructed, and Lender agrees to provide loan status updates on the AAR Loan Status Update form to Seller and Broker(s)
31. within ten (10) days of Contract acceptance pursuant to Section 2e of the Contract and upon request thereafter.
- LENDER INFORMATION**
32. The Lender identified below has prepared the information listed above with Buyer(s) and has completed the above action points noted.
33. This information does not constitute loan approval. All information provided must be approved by an underwriter, and any material change
34. in Buyer's credit or financial profile will render this pre-qualification null and void.
35. The above pre-qualification expires on: \_\_\_\_\_  
DATE
36. **Lender:** \_\_\_\_\_  
COMPANY ARIZONA LICENSE # NMLS #
37. \_\_\_\_\_  
LOAN OFFICER ARIZONA LICENSE # NMLS #
38. \_\_\_\_\_  
ADDRESS CITY STATE ZIP
39. \_\_\_\_\_  
EMAIL PHONE FAX
40. ^ LOAN OFFICER'S SIGNATURE \_\_\_\_\_ MO/DA/YR \_\_\_\_\_
41. **Buyer acknowledges receipt of a copy hereof and grants permission to Broker to submit this Pre-Qualification Form with Contract.**
42. ^ BUYER'S SIGNATURE \_\_\_\_\_ MO/DA/YR \_\_\_\_\_ ^ BUYER'S SIGNATURE \_\_\_\_\_ MO/DA/YR \_\_\_\_\_

SAMPLE REAL ESTATE FORMS

**LSU**

# LOAN STATUS UPDATE (LSU)

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.



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

4. **Lender:** \_\_\_\_\_  
COMPANY ARIZONA LICENSE # \_\_\_\_\_ NMLS # \_\_\_\_\_

5. \_\_\_\_\_  
LOAN OFFICER ARIZONA LICENSE # \_\_\_\_\_ NMLS # \_\_\_\_\_

6. ADDRESS \_\_\_\_\_ CITY \_\_\_\_\_ STATE \_\_\_\_\_ ZIP \_\_\_\_\_

7. EMAIL \_\_\_\_\_ PHONE \_\_\_\_\_ FAX \_\_\_\_\_

8. **Close of Escrow Date:** \_\_\_\_\_

9. **Buyer(s):** \_\_\_\_\_

10. **Seller(s):** \_\_\_\_\_

11. **Premises/Property Address or Assessor's #(s):** \_\_\_\_\_

12. **City:** \_\_\_\_\_, AZ ZIP Code: \_\_\_\_\_

## PRE-QUALIFICATION INFORMATION

13. **Buyer is:**  Married  Unmarried  Legally Separated

14. **Buyer:**  is  is not relying on the sale or lease of a property to qualify for this loan.

15. **Buyer:**  is  is not relying on Seller Concessions for Buyer's loan costs, impounds, Title/Escrow Company

16. costs, recording fees, and, if applicable, VA loan costs not permitted to be paid by Buyer. (Note: The amount that Seller agrees to

17. contribute, if any, shall be established in the Contract.)

18. **Buyer:**  is  is not relying on down payment assistance to qualify for this loan.

19. **Type of Loan:**  Conventional  FHA  VA  USDA  Other: \_\_\_\_\_

20. **Occupancy Type:**  Primary  Secondary  Non-Owner Occupied

21. **Property Type:**  Single Family Residence  Condominium  Planned Unit Development  Manufactured Home

22.  Mobile Home  Vacant Land/Lot  Other: \_\_\_\_\_

23.  YES  NO  N/A Lender has provided Buyer with the HUD form "For Your Protection: Get a Home Inspection" (FHA loans only).

24.  YES  NO  N/A Lender has completed a verbal discussion with Buyer including a discussion of income, assets and debts.

25.  YES  NO  N/A Lender has obtained a Tri-Merged Residential Credit Report.

26. **Based on the information provided, Buyer can pre-qualify for a loan amount of: \$** \_\_\_\_\_,

27. assuming a monthly principal and interest loan payment of \$ \_\_\_\_\_, **provided that the total monthly**

28. **payment** (which includes principal, interest, mortgage insurance, property taxes, insurance, HOA fees, and flood insurance,

29. if applicable) **does not exceed: \$** \_\_\_\_\_

30. **Interest rate not to exceed:** \_\_\_\_\_%,  Fixed Interest Rate  Adjustable Interest Rate  Pre-Payment Penalty

31. **Initial Documentation Received:** Lender received the following information from Buyer (Additional documentation may be requested.):

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Paystubs	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Down Payment/Reserves Documentation
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	W-2s	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Gift Documentation
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Personal Tax Returns	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Credit/Liability Documentation
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Corporate Tax Returns	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Other: _____

36. Additional comments: \_\_\_\_\_

37. Buyer has instructed, and Lender agrees to provide loan status updates on this AAR Loan Status Update form to Seller and Broker(s)

38. within ten (10) days of Contract acceptance pursuant to Section 2e of the Contract and upon request thereafter.

39. Buyer commits to work with the above referenced Lender on the terms described herein. Buyer acknowledges receipt of a copy hereof.

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



**Loan Status Update (LSU) >>**

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

**DOCUMENTATION**

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

**UNDERWRITING AND APPROVAL**

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

**CLOSING**

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

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

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

SAMPLE REAL ESTATE FORMS

# **HOA** ADDENDUM

# H.O.A. CONDOMINIUM / PLANNED COMMUNITY ADDENDUM



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## SELLER'S NOTICE OF H.O.A. INFORMATION

1. Seller: \_\_\_\_\_
2. Premises Address: \_\_\_\_\_
3. Date: \_\_\_\_\_
4. **INSTRUCTIONS:** (1) Homeowner's association ("H.O.A.") information on page 1 to be completed by Seller at the time of listing the
5. Premises for sale. (2) Upon completion, this Addendum shall be uploaded to the multiple listing service, if available, or delivered to
6. prospective buyers upon request prior to prospective buyer's submission of a Residential Resale Real Estate Purchase Contract to Seller.

### ASSOCIATION(S) GOVERNING THE PREMISES

7.	<b>H.O.A.:</b> _____	Contact Info: _____
8.	Management Company (if any): _____	Contact Info: _____
9.	Amount of Dues: \$ _____ How often? _____	
10.	Amount of special assessments (if any): \$ _____ How often? _____	Start Date: _____ End Date: _____ <small>MO/DAYR MO/DAYR</small>

11.	<b>Master Association</b> (if any): _____	Contact Info: _____
12.	Management Company (if any): _____	Contact Info: _____
13.	Amount of Dues: \$ _____ How often? _____	
14.	Amount of special assessments (if any): \$ _____ How often? _____	Start Date: _____ End Date: _____ <small>MO/DAYR MO/DAYR</small>

15.	<b>Other:</b> _____	Contact Info: _____
16.	Amount of Dues: \$ _____ How often? _____	

### FEES PAYABLE UPON CLOSE OF ESCROW

17. **Transfer Fees:** Association(s) fees related to the transfer of title: H.O.A.: \$ \_\_\_\_\_ Master Association: \$ \_\_\_\_\_.
18. **Capital Improvement Fees,** including but not limited to those fees labeled as community reserve, asset preservation, capital reserve,
19. working capital, community enhancement, future improvement fees, or payments: H.O.A.: \$ \_\_\_\_\_ Master Association: \$ \_\_\_\_\_.
20. **Prepaid Association(s) Fees:** Dues, assessments, and any other association(s) fees paid in advance of their due date:
21. H.O.A.: \$ \_\_\_\_\_ Master Association: \$ \_\_\_\_\_.
22. **Disclosure Fees:** Association(s)/Management Company(ies) costs incurred in the preparation of a statement or other documents
23. furnished by the association(s) pursuant to the resale of the Premises for purposes of resale disclosure, lien estoppels and any other
24. services related to the transfer or use of the property. Pursuant to Arizona law, Disclosure Fees cannot be more than an aggregate
25. of \$400.00 per association. As part of the Disclosure Fees, each association may charge a statement or other documents update fee of
26. no more than \$50.00 if thirty (30) days or more have passed since the date of the original disclosure statement or the date the documents
27. were delivered. Additionally, each association may charge a rush fee of no more than \$100.00 if rush services are required to be
28. performed within seventy-two (72) hours after the request. H.O.A.: \$ \_\_\_\_\_ Master Association: \$ \_\_\_\_\_.
29. **Other Fees:** \$ \_\_\_\_\_ Explain: \_\_\_\_\_.
30. **SELLER CERTIFICATION:** By signing below, Seller certifies that the information contained above is true and complete to the best of
31. Seller's actual knowledge as of the date signed. Broker(s) did not verify any of the information contained herein.
32. \_\_\_\_\_
33. ^ SELLER'S SIGNATURE MO/DAYR ^ SELLER'S SIGNATURE MO/DAYR

>>

## ADDITIONAL OBLIGATIONS

34. **If the homeowner's association has less than 50 units**, no later than ten (10) days after Contract acceptance, the Seller shall provide  
35. in writing to Buyer the information described below as required by Arizona law.
36. **If the homeowners association has 50 or more units**, Seller shall furnish notice of pending sale that contains the name and address  
37. of the Buyer to the homeowner's association within five (5) days after Contract acceptance and pursuant to Section 3d of the Contract.  
38. Escrow Company is instructed to provide such notice on Seller's behalf. The association is obligated by Arizona law to provide information  
39. described below to Buyer within ten (10) days after receipt of Seller's notice.
40. **BUYER IS ALLOWED FIVE (5) DAYS AFTER RECEIPT OF THE INFORMATION FROM THE SELLER(S) OR HOMEOWNER'S**  
41. **ASSOCIATION TO PROVIDE WRITTEN NOTICE TO SELLER OF ANY ITEMS DISAPPROVED.**

### INFORMATION REQUIRED BY LAW TO BE PROVIDED TO BUYER:

42. **INFORMATION REQUIRED BY LAW TO BE PROVIDED TO BUYER:**
43. 1. A copy of the bylaws and the rules of the association.
44. 2. A copy of the declaration of Covenants, Conditions and Restrictions ("CC&Rs").
45. 3. A dated statement containing:
46. (a) The telephone number and address of a principal contact for the association, which may be an association manager, an  
47. association management company, an officer of the association or any other person designated by the board of directors.
48. (b) The amount of the common expense assessment and the unpaid common expense assessment, special assessment or  
49. other assessment, fee or charge currently due and payable from the Seller.
50. (c) A statement as to whether a portion of the unit is covered by insurance maintained by the association.
51. (d) The total amount of money held by the association as reserves.
52. (e) If the statement is being furnished by the association, a statement as to whether the records of the association reflect any  
53. alterations or improvements to the unit that violate the declaration. The association is not obligated to provide information  
54. regarding alterations or improvements that occurred more than six years before the proposed sale. Seller remains obligated  
55. to disclose alterations or improvements to the Premises that violate the declaration. The association may take action  
56. against the Buyer for violations apparent at the time of purchase that are not reflected in the association's records.
57. (f) If the statement is being furnished by the Seller, a statement as to whether the Seller has any knowledge of any alterations  
58. or improvements to the unit that violate the declaration.
59. (g) A statement of case names and case numbers for pending litigation with respect to the Premises or the association,  
60. including the amount of any money claimed.
61. 4. A copy of the current operating budget of the association.
62. 5. A copy of the most recent annual financial report of the association. If the report is more than ten pages, the association may  
63. provide a summary of the report in lieu of the entire report.
64. 6. A copy of the most recent reserve study of the association, if any.
65. 7. Any other information required by law.
66. 8. A statement for Buyer acknowledgment and signature are required by Arizona law.

>>

## BUYER'S ACKNOWLEDGMENT AND TERMS

67. Buyer: \_\_\_\_\_

68. Seller: \_\_\_\_\_

69. Premises Address: \_\_\_\_\_

70. **NOTE: LINES 71-76 TO ONLY BE COMPLETED BY BUYER, AND NOT SELLER!**

71. **The following additional terms and conditions are hereby included as a part of the Contract between Seller and Buyer for the above referenced Premises.**

73. **Transfer Fees** shall be paid by:  Buyer  Seller  Other \_\_\_\_\_

74. **Capital Improvement Fees** shall be paid by:  Buyer  Seller  Other \_\_\_\_\_

75. Any additional fees not disclosed on page 1 and payable upon close of escrow shall be paid by:  Buyer  Seller  Other \_\_\_\_\_

76. \_\_\_\_\_

77. Buyer shall pay all **Prepaid Association Fees**.

78. Seller shall pay all **Disclosure Fees** as required by Arizona law.

79. In a financed purchase, Buyer shall be responsible for all lender fees charged to obtain Association(s)/Management Company(ies) documents.

80. **BUYER VERIFICATION:** Buyer may contact the Association(s)/Management Company(ies) for verbal verification of association  
81. **FEES PAYABLE UPON CLOSE OF ESCROW.**

82. **ASSESSMENTS:** Any current homeowner's association assessment which is a lien as of Close of Escrow shall be paid in full by Seller.

83. Any assessment that becomes a lien after Close of Escrow is Buyer's responsibility.

## ADDITIONAL TERMS AND CONDITIONS

84. \_\_\_\_\_

85. \_\_\_\_\_

86. \_\_\_\_\_

87. \_\_\_\_\_

88. **BUYER ACKNOWLEDGEMENT:** By signing below, Buyer acknowledges receipt of all three (3) pages of this addendum and acknowledges that, although Seller has used best efforts to identify the amount of the fees stated herein, the precise amount of the fees may not be known until written disclosure documents are furnished by the Association(s)/Management Company(ies) per Arizona law (A.R.S. § 33-1260 and §33-1806). Buyer further acknowledges that Broker(s) did not verify any of the information contained herein. Buyer therefore agrees to hold Seller and Broker(s) harmless should the **FEES PAYABLE UPON CLOSE OF ESCROW** prove incorrect or incomplete.

93. The undersigned agrees to the additional terms and conditions set forth above and acknowledges receipt of a copy hereof.

94. \_\_\_\_\_

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

96. **SELLER'S ACCEPTANCE:**

97. \_\_\_\_\_

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

**For Broker Use Only:**

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

SAMPLE REAL ESTATE FORMS

# **SOLAR** ADDENDUM

# SOLAR ADDENDUM

Document updated:  
February 2022



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1. Seller: \_\_\_\_\_
2. Buyer: \_\_\_\_\_
3. Premises Address: \_\_\_\_\_
4. Date: \_\_\_\_\_

5. A solar photovoltaic ("PV") panel system ("Solar System") has been installed on the Premises. The Solar System shall convey with the
6. Premises pursuant to the terms set forth below and the following additional terms and conditions are hereby included as a part of the
7. Contract between Seller and Buyer for the above referenced Premises if marked by an "X" and initialed by Seller and Buyer. The terms
8. and conditions of the Contract are included herein by reference.

## 9. INSTRUCTIONS:

10. If the Solar System installed on the Premises is owned outright by Seller or utility owned and is not subject to a lease or unpaid loan,
11. mark the appropriate box on line 14 and complete only Sections 1 and 3.
12. If the Solar System installed on the Premises is subject to a lease or unpaid loan and Buyer's purchase of the Premises is contingent
13. on Buyer's assumption of the Solar System lease/loan, mark the box on line 23 and complete only Sections 2 and 3.

## 14. 1. Seller Owned or Utility Owned Solar System

15. **Seller Disclosure:** Within three (3) days after Contract acceptance, Seller shall deliver to Buyer all documents in Seller's possession
16. pertaining to the Solar System installed on the Premises. The Solar System documents in Seller's possession are collectively hereinafter
17. referred to as the "Solar System Documents."

18. **Buyer Disapproval:** Buyer shall provide notice of any Solar System related items disapproved within the Inspection Period or five
19. (5) days after receipt from Seller of the Solar System Documents, whichever is later. Buyer's failure to deliver a signed notice of
20. cancellation within the specified time period shall conclusively be deemed Buyer's election to proceed with the transaction, subject to
21. the contingencies set forth in the Contract.

22. If lines 14 - 21 apply: BUYER'S AND SELLER'S INITIALS REQUIRED \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_  
BUYER BUYER SELLER SELLER

## 23. 2. Solar System Lease/Loan

24. **Lessor/Lien Holder:** The term "Lessor," as used herein, shall refer to the company that leases the Solar System to Seller, or the
25. servicer on the unpaid loan used by Seller to purchase the Solar System.

26. **Seller Disclosure:** Within three (3) days after Contract acceptance, Seller shall: (i) deliver to Buyer the most recent version of the
27. Solar System lease/loan; (ii) deliver to Buyer all other Solar System documents in Seller's possession; (iii) provide to Buyer the name
28. and phone number of Lessor; and (iv) notify Lessor of the sale, the name of Buyer, and the name of the Escrow Company as set forth
29. in Section 3a of the Contract. The Solar System lease/loan and other documents in Seller's possession are collectively hereinafter
30. referred to as the "Solar System Documents."

31. **Lease/Loan Assumption Contingency:** Buyer's obligation to complete this sale is contingent upon Buyer obtaining from Lessor
32. approval to assume the Solar System lease/loan under the existing terms and conditions no later than three (3) days prior to the
33. Close of Escrow date ("Assumption Approval").

34. **Buyer Disapproval:** Buyer shall provide notice of any Solar System related items disapproved within the Inspection Period or five (5) days
35. after receipt from Seller of the Solar System Documents, whichever is later. Buyer's failure to deliver a signed notice of cancellation

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**Solar Addendum**

81. **Acknowledgement:** Seller and Buyer recognize, acknowledge, and agree that Brokers are not qualified to advise on Solar Systems, including, but not limited to, cost, insurability, operation, value, or transferability. Seller and Buyer are instructed to consult with independent legal counsel and other qualified licensed professionals to assist in their due diligence efforts. **Because conducting due diligence with respect to the Solar System is beyond the scope of Broker's expertise, Seller and Buyer expressly release and hold harmless Broker(s) from liability for any defects, conditions or transferability problems pertaining to the Solar System.**

86. **BUYER'S INITIALS REQUIRED** \_\_\_\_\_ / \_\_\_\_\_ **SELLER'S INITIALS REQUIRED** \_\_\_\_\_ / \_\_\_\_\_  
BUYER BUYER SELLER SELLER

87. **Additional Terms:** \_\_\_\_\_  
88. \_\_\_\_\_  
89. \_\_\_\_\_  
90. \_\_\_\_\_  
91. \_\_\_\_\_

92. **The undersigned agrees to the modified or additional terms and conditions set forth above and acknowledges receipt of a copy hereof.**

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

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



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

SAMPLE REAL ESTATE FORMS

**ADDITIONAL**  
**CLAUSE ADDENDUM**

# ADDITIONAL CLAUSE ADDENDUM

Document updated:  
July 2023



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1. Buyer: \_\_\_\_\_
2. Seller: \_\_\_\_\_
3. Premises Address: \_\_\_\_\_
4. Date: \_\_\_\_\_

5. **The following additional terms and conditions are hereby included as a part of the Contract between Seller and Buyer for the above referenced Premises if marked by an "X" and initialed by Buyer and Seller.** All terms and conditions of the Contract are hereby included herein and delivery of all notices and documentation shall be deemed delivered and received when sent as required by Section 8m of the Contract. In the event of a conflict between the terms and conditions of the Contract and this Additional Clause Addendum, the terms and conditions of this Additional Clause Addendum shall prevail.

11.  **BACK-UP CONTRACT — CONTINGENT UPON CANCELLATION OF PRIOR CONTRACT:** Buyer acknowledges that Seller is currently obligated by a prior contract to sell the Premises to another buyer. This is a backup Contract contingent upon cancellation of the prior contract. Seller retains the right to amend, extend, or modify the prior contract. Upon cancellation of the prior contract, Seller shall promptly deliver written notice to Buyer. Upon Buyer's receipt of written notice of cancellation of the prior contract, Buyer shall open escrow and Buyer shall deposit any required earnest money. The date of Seller's written notice to Buyer shall be deemed the date of Contract acceptance for purposes of all applicable Contract time periods. Buyer may cancel this backup Contract any time prior to receipt of Seller's notice of cancellation of prior contract.

19. **(BUYER'S AND SELLER'S INITIALS REQUIRED)** \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_  
BUYER BUYER SELLER SELLER

20.  **SIGNATURE OF ABSENT BUYER SPOUSE OR CO-BUYER:** Signing Buyer shall within five (5) days or \_\_\_\_\_ days of acceptance of this Contract obtain the signature of the absent buyer spouse or co-buyer on this Contract or deliver a disclaimer deed to Escrow Company that eliminates the need for the absent signature.

23. **(BUYER'S AND SELLER'S INITIALS REQUIRED)** \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_  
BUYER BUYER SELLER SELLER

24.  **CORPORATE RELOCATION APPROVAL:** Seller is in the process of a corporate relocation and this Contract is contingent upon corporate approval. Buyer agrees to cooperate with Seller in providing additional disclosures or executing additional addenda required by corporation, provided that Buyer incurs no additional costs or liability.

27. **(BUYER'S AND SELLER'S INITIALS REQUIRED)** \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_  
BUYER BUYER SELLER SELLER

28.  **NON-REFUNDABLE EARNEST MONEY:** Buyer's earnest money shall be non-refundable unless Buyer elects to cancel pursuant to Section 6 of the Contract, the Contract is cancelled pursuant to the Risk of Loss provision or escrow fails to close due to Seller's breach of contract. Buyer acknowledges that Buyer's earnest money shall be non-refundable even if the Premises fail to appraise for the sales price or the loan contingency is unfulfilled, unless otherwise prohibited by federal law.

33. **(BUYER'S AND SELLER'S INITIALS REQUIRED)** \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_  
BUYER BUYER SELLER SELLER

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34.  **APPRAISAL CONTINGENCY WAIVER:** Buyer agrees to waive the appraisal contingency pursuant to Section 2 of  
35. the Contract. In the event that the Premises fail to appraise for at least the sales price, Buyer agrees that Buyer's down  
36. payment shall be increased in an amount equal to the difference between the appraised value and the purchase price,  
37. unless otherwise prohibited by federal law.

38. (BUYER'S AND SELLER'S INITIALS REQUIRED) \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_  
BUYER BUYER SELLER SELLER

39.  **APPRAISAL SHORTFALL:** In the event the Premises fail to appraise for at least the purchase price in any  
40. appraisal required by lender, Buyer agrees that Buyer shall submit additional funds via U.S. currency or financing in an  
41. amount equal to the difference between the appraised value and the purchase price, provided that the difference does not  
42. exceed \$ \_\_\_\_\_. Buyer and Seller agree that if the difference between the appraised value and the purchase price  
43. exceeds the amount of money set forth on line 42, Seller is not obligated to lower the purchase price and Buyer has five (5)  
44. days after notice of the appraised value to cancel this Contract and receive a return of the Earnest Money or the appraisal  
45. contingency shall be waived, unless otherwise prohibited by federal law.

46. (BUYER'S AND SELLER'S INITIALS REQUIRED) \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_  
BUYER BUYER SELLER SELLER

47.  **ALL CASH SALE APPRAISAL CONTINGENCY:** Buyer's obligation to complete this all cash sale is contingent  
48. upon an appraisal of the Premises for at least the purchase price. If the Premises fail to appraise for the purchase price,  
49. Buyer has five (5) days after notice of the appraised value, or twenty (20) days after Contract acceptance, whichever  
50. occurs first, to cancel this Contract and receive a return of the Earnest Money or the appraisal contingency shall  
51. be waived. In all cases, this appraisal contingency shall expire twenty (20) days after Contract acceptance,  
52. regardless of whether an appraisal has been ordered or received. Appraisal fee shall be  
53. paid by  Buyer  Seller  Other: \_\_\_\_\_

54. (BUYER'S AND SELLER'S INITIALS REQUIRED) \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_  
BUYER BUYER SELLER SELLER

55.  **WHOLESALE STATUS DISCLOSURE:** Arizona law requires that wholesalers disclose in writing their  
56. wholesale status prior to entering into a binding agreement. Wholesaler is disclosing their status  
57. as follows:

58.  Wholesale Buyer: Seller is aware that Buyer is a wholesale buyer who may assign the contract to another person  
59. or entity.  
60.  Wholesale Seller: Buyer is aware that Seller is a wholesale seller who holds an equitable interest in the property  
61. and may not be able to convey title to the property.

62. (BUYER'S AND SELLER'S INITIALS REQUIRED) \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_  
BUYER BUYER SELLER SELLER

63.  **TAX-DEFERRED EXCHANGE:**  Seller  Buyer intend to enter into a tax-deferred exchange pursuant to  
64. I.R.C. §1031 or otherwise. All additional costs in connection with any such tax-deferred exchange shall be borne by the  
65. party requesting the exchange. The non-requesting party agrees to cooperate in the tax-deferred exchange provided  
66. that the non-requesting party incurs no additional costs and COE is not delayed. The parties are advised to consult a  
67. professional tax advisor regarding the advisability of any such exchange. The non-requesting party and Broker(s) shall be  
68. indemnified and held harmless from any liability that may arise from participation in the tax-deferred exchange.

69. (BUYER'S AND SELLER'S INITIALS REQUIRED) \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_  
BUYER BUYER SELLER SELLER

**Additional Clause Addendum >>**

70.  **SURVEY:** A survey shall be performed by a licensed surveyor within \_\_\_\_\_ days after Contract acceptance.
71. Cost of the survey shall be paid by  Buyer  Seller  Other: \_\_\_\_\_.
72. The survey shall be performed in accordance with the Arizona State Board of Technical Registration’s “Arizona Land
73. Boundary Survey Minimum Standards.”
74. Survey instructions are:  A boundary survey and survey plat showing the corners either verified or monumentation.
75.  A survey certified by a licensed surveyor, acceptable to Buyer and the Title
76. Company, in sufficient detail for an American Land Title Association (“ALTA”) Owner’s Policy of Title Insurance with boundary, encroachment or survey exceptions
77. and showing all improvements, utility lines and easements on the Property or within
78. five (5) feet thereof.
79.  Other survey terms: \_\_\_\_\_
80. \_\_\_\_\_
81. \_\_\_\_\_

82. Buyer shall have five (5) days after receipt of results of survey or map to provide notice of disapproval to Seller.

83. **(BUYER’S AND SELLER’S INITIALS REQUIRED)** \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_  
BUYER BUYER SELLER SELLER

84.  **WATER:** Arizona is undertaking General Stream Adjudications of both the Gila River and Little Colorado River
85. systems, which are court proceedings to determine water rights. If the Premises/Property is affected by an
86. Adjudication, the parties shall execute and file an Assignment of Statement of Claimant form and Buyer shall
87. pay any associated filing fees. The Arizona Department of Water Resources and the *Arizona Department of Real*
88. *Estate Buyer Advisory* provide sources of information on the court proceedings and other water availability or
89. water quality issues. If water rights, availability or quality are a material matter to Buyer, these issues must be
90. investigated during the Inspection Period.

91. **(BUYER’S AND SELLER’S INITIALS REQUIRED)** \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_  
BUYER BUYER SELLER SELLER

92. The undersigned agrees to the modified or additional terms and conditions contained herein and acknowledges a copy

93. hereof.

94. \_\_\_\_\_ MO/DA/YR      ^ BUYER’S SIGNATURE      \_\_\_\_\_ MO/DA/YR

95. \_\_\_\_\_ MO/DA/YR      ^ SELLER’S SIGNATURE      \_\_\_\_\_ MO/DA/YR

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 Brokerage File/Log No. \_\_\_\_\_ Manager’s Initials \_\_\_\_\_ Broker’s Initials \_\_\_\_\_ Date \_\_\_\_\_  
MO/DA/YR

SAMPLE REAL ESTATE FORMS

**BINSR**

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

Page 1 of 3  
 Document updated:  
 October 2022



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

## BUYER INSPECTIONS AND INVESTIGATIONS COMPLETED

(See Section 6j)

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

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

**Buyer has verified all information deemed important including:**

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

**Buyer acknowledges that:**

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

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

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

**Buyer elects as follows:**

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

**Items disapproved:** \_\_\_\_\_  
 \_\_\_\_\_  
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SAMPLE REAL ESTATE FORMS

**BUYER BROKER**  
**AGREEMENT**



37. The Broker Compensation shall be in U.S. currency and paid at the time of and as a condition of closing for purchase or  
38. exchange or as otherwise agreed upon in writing.

39. a. **Compensation from seller or seller's broker:** A seller or seller's broker may offer compensation to Broker. Buyer  
40. authorizes Broker to accept compensation from seller or seller's broker, which shall be credited against Broker Compensation.

41. If seller or seller's broker's offer of compensation is greater than the Broker Compensation, Broker shall be paid the Broker  
42. Compensation and the balance shall be credited to Buyer (to the extent allowed by Buyer's lender). Broker will not receive  
43. any amount greater than Broker Compensation from any source for services provided in this Agreement.

44. If seller or seller's broker's offer of compensation is less than the Broker Compensation, Buyer may request seller to pay the  
45. Broker Compensation as part of an offer to purchase the Property. Any Broker Compensation not paid by seller or seller's  
46. broker shall be paid by Buyer.

47. **Notice:** Unless modified by VA regulations, VA financed transactions shall be conditioned upon the Broker  
48. Compensation being paid by the seller or seller's broker.

49. b. **Failure to Complete:** Once an acceptable Property is located, Buyer agrees to act in good faith to acquire the Property  
50. and conduct any inspections/investigations of the Property that Buyer deems material and/or important. If completion of any  
51. transaction is prevented by Buyer's breach or with the consent of Buyer other than as provided in the purchase contract, the  
52. Broker Compensation shall be due and payable by Buyer.

53. c. **Compensation After Expiration Date:** After the Expiration Date of this Agreement, Buyer agrees to pay Broker  
54. Compensation if: (i) within \_\_\_\_\_ calendar days after the Expiration Date, Buyer enters into an agreement to purchase,  
55. exchange, or option any Property shown or negotiated by Broker on behalf of Buyer during the Term of this Agreement; or (ii)  
56. Buyer closes escrow on a Property pursuant to a purchase contract that was executed during the Term of this Agreement; or  
57. (iii) Buyer closes escrow on a Property for which escrow was opened during the Term of this Agreement.

58. **Listings:** Broker shall show property listings that fit Buyer's criteria regardless of the compensation offered to Broker by seller  
59. or seller's broker unless instructed otherwise by Buyer in writing. If necessary, Buyer instructs Broker to negotiate Broker  
60. Compensation be paid by seller or seller's broker. These negotiations shall not jeopardize, delay, or interfere with the initiation,  
61. processing or finalizing of a transaction.

62. **Notice:** If Buyer decides they do not wish to view property listings unless the seller or seller's broker has  
63. offered adequate compensation to Broker, the Buyer must make that instruction to Broker in writing.

64. **Equal Housing Opportunity:** Broker's policy is to abide by all local, state, and federal laws prohibiting discrimination against any  
65. individual or group of individuals. Broker may not disclose the racial, ethnic, or religious composition of any neighborhood,  
66. community, or building, nor whether persons with disabilities are housed in any home or facility, except that Broker may identify  
67. housing facilities meeting the needs of a disabled buyer. For more information, consult Fair Housing Advisory.

68. **Other Potential Buyers:** Buyer consents and acknowledges that other potential buyers represented by Broker may consider,  
69. make offers on, or acquire an interest in the same or similar properties as Buyer is seeking.

70. **Release of Broker:** Buyer recognizes, acknowledges, and agrees that Broker is not qualified, nor licensed to offer advice on financial,  
71. legal or tax matters regarding real estate transactions ("Related Services"). Broker, if requested, may provide Buyer the names of third-  
72. party professionals who claim to perform Related Services. Buyer is instructed to independently investigate all potential third-party  
73. professionals and use their sole discretion in selecting which third-party professionals to hire, if any. **Buyer expressly releases, holds  
74. harmless, and indemnifies Broker from any and all liability and responsibility regarding Buyer's selection and use of third-  
75. party professionals to perform Related Services or Buyer's election not to use the services of such third-party professionals.**

76. (BUYER'S INITIALS) \_\_\_\_\_ / \_\_\_\_\_

77. **Additional Terms and Conditions:**

78. \_\_\_\_\_  
79. \_\_\_\_\_  
80. \_\_\_\_\_

81. **Alternative Dispute Resolution ("ADR"):** Buyer and Broker (the "Parties") agree to mediate any dispute or claim arising out of  
82. or relating to this Agreement in accordance with the mediation procedures of the applicable state or local REALTOR® association

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83. or as otherwise agreed. All mediation costs shall be paid equally by the Parties. In the event that mediation does not resolve  
84. all disputes or claims, the unresolved disputes or claims shall be submitted for binding arbitration. In such event, the Parties  
85. shall agree upon an arbitrator and cooperate in the scheduling of an arbitration hearing. If the Parties are unable to agree on an  
86. arbitrator, the dispute shall be submitted to the American Arbitration Association ("AAA") in accordance with the AAA Arbitration  
87. Rules for the Real Estate Industry. The decision of the arbitrator shall be final and non-appealable. Judgment on the award  
88. rendered by the arbitrator may be entered in any court of competent jurisdiction. Notwithstanding the foregoing, either Party may  
89. opt out of binding arbitration within thirty (30) days after the conclusion of the mediation conference by notice to the other and in  
90. such event either Party shall have the right to resort to court action.

91. The Parties agree that any and all disputes or claims will be brought in the Parties' individual capacity, and not as a plaintiff or class  
92. member in any purported class, collective, representative, or other consolidated proceeding. The Parties hereby waive their right to  
93. commence, become a party to or remain a participant in any group, representative, class collective or hybrid class/collective action  
94. in any proceeding and the arbitrator shall not preside over any form of a group, representative or class collective proceeding.

95. (BUYER'S INITIALS) \_\_\_\_\_ / \_\_\_\_\_

96. **Attorney Fees and Costs:** In any non-REALTOR® association proceeding to enforce the compensation due to Broker pursuant  
97. to this Agreement, the prevailing party shall be awarded their reasonable attorney fees and arbitration costs.

98. **Arizona Law:** This Agreement shall be governed by Arizona law and jurisdiction is exclusively conferred on the State of Arizona.

99. **Copies and Counterparts:** This Agreement may be executed by facsimile or other electronic means and in any number of  
100. counterparts. A fully executed facsimile or electronic copy of the Agreement shall be treated as an original Agreement.

101. **Entire Agreement:** This Agreement, and any addenda and attachments, shall constitute the entire agreement between Buyer  
102. and Broker, and shall supersede any other written or oral agreements between Buyer and Broker and can be modified only by a  
103. writing signed by Buyer and Broker. Invalidity or unenforceability of one or more provisions of this Agreement shall not affect any  
104. other provisions of this Agreement.

105. **Capacity:** Buyer warrants that Buyer has the legal capacity, full power and authority to enter into this Agreement and consummate  
106. the transaction contemplated hereby on Buyer's own behalf or on behalf of the party Buyer represents, as appropriate.

107. **Acceptance:** Buyer hereby agrees to all of the terms and conditions herein and acknowledges receipt of a copy of this Agreement.

108. ^ BUYER'S SIGNATURE \_\_\_\_\_ MO/DA/YR ^ BUYER'S SIGNATURE \_\_\_\_\_ MO/DA/YR

109. ^ BUYER'S NAME PRINTED \_\_\_\_\_ ^ BUYER'S NAME PRINTED \_\_\_\_\_

110. ADDRESS \_\_\_\_\_ CITY \_\_\_\_\_ STATE \_\_\_\_\_ ZIP CODE \_\_\_\_\_

111. TELEPHONE \_\_\_\_\_ EMAIL ADDRESS \_\_\_\_\_

112. FIRM NAME \_\_\_\_\_

113. ADDRESS \_\_\_\_\_ CITY \_\_\_\_\_ STATE \_\_\_\_\_ ZIP CODE \_\_\_\_\_

114. ^ AGENT'S SIGNATURE \_\_\_\_\_ MO/DA/YR ^ AGENT'S SIGNATURE \_\_\_\_\_ MO/DA/YR

**For Broker Use Only:**

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

SAMPLE REAL ESTATE FORMS

**BUYER BROKER AGREEMENT**  
**TO SHOW PROPERTY**



SAMPLE REAL ESTATE FORMS

**REAL ESTATE AGENCY**  
**DISCLOSURE AND ELECTION**





**ELECTION**

**40. AGENCY ELECTION DOES NOT ESTABLISH BROKER COMPENSATION.**

- 41. Compensation paid by a Buyer or Seller to their Broker is always fully negotiable and the amount chosen shall be
- 42. documented in a separate written employment agreement after discussion with their Broker. Should a Seller also
- 43. choose to offer compensation to a Buyer's Broker, the offered amount is fully negotiable and agreed upon after
- 44. discussion with Seller's Broker.

45. **(BUYER OR SELLER INITIALS REQUIRED)** \_\_\_\_\_ / \_\_\_\_\_

46. **Buyer or Tenant Election** (Complete this section only if you are the Buyer.) The undersigned elects to have the Broker  
47. (check any that apply):

- 48.  represent the Buyer as Buyer's Broker.
- 49.  represent the Seller as Seller's Broker.
- 50.  show Buyer properties listed with Broker's firm and Buyer agrees that Broker shall act as agent for both Buyer and
- 51. Seller provided that the Seller consents to limited representation. In the event of a purchase, Buyer's and Seller's
- 52. informed consent should be acknowledged in a separate writing other than the purchase contract.

53. **Seller or Landlord Election** (Complete this section only if you are the Seller.) The undersigned elects to have the Broker  
54. (check any that apply):

- 55.  represent the Buyer as Buyer's Broker.
- 56.  represent the Seller as Seller's Broker.
- 57.  show Seller's property to Buyers represented by Broker's firm and Seller agrees that Broker shall act as agent for both
- 58. Seller and Buyer provided that Buyer consents to the limited representation. In the event of a purchase, Buyer's and
- 59. Seller's informed consent should be acknowledged in a separate writing other than the purchase contract.

60. The undersigned  Buyer(s) or  Seller(s) acknowledge that this document is a disclosure of duties.

**61. I/WE ACKNOWLEDGE RECEIPT OF A COPY OF THIS DISCLOSURE.**

^ PRINT NAME \_\_\_\_\_ ^ PRINT NAME \_\_\_\_\_

^ SIGNATURE \_\_\_\_\_ MO/DA/YR ^ SIGNATURE \_\_\_\_\_ MO/DA/YR \_\_\_\_\_

SAMPLE REAL ESTATE FORMS

**UNREPRESENTED**  
**BUYER DISCLOSURE**

# UNREPRESENTED BUYER DISCLOSURE

Document:  
August 2024



*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. **Buyer(s):** \_\_\_\_\_ (“Unrepresented Buyer”)

2. **Seller(s):** \_\_\_\_\_ (“Seller”)

3. **Seller Broker:** \_\_\_\_\_ (“Seller Broker”)  
FIRM NAME

4. acting through \_\_\_\_\_, \_\_\_\_\_  
AGENT NAME AGENT NAME

5. **Address:** \_\_\_\_\_ (“Premises”)

6. **SELLER BROKER INFORMED UNREPRESENTED BUYER OF THEIR RIGHT TO HIRE A BUYER BROKER WHO WOULD REPRESENT ONLY THEM. HOWEVER, UNREPRESENTED BUYER HAS ELECTED NOT TO BE REPRESENTED BY A BUYER BROKER IN THE PURCHASE OF THE PREMISES AND ACKNOWLEDGES THE FOLLOWING:**

9. (a) **Representation.** Seller Broker only represents Seller in the sale of the Premises and does not represent Unrepresented Buyer. Seller Broker will communicate with Unrepresented Buyer, may provide Unrepresented Buyer with transaction documents, and may conduct other activities to accomplish the sale of the Premises. However, all such activities are performed solely on behalf of Seller to facilitate a successful sale of their Premises, and not for the benefit of Unrepresented Buyer and does not create an agency relationship.

14. (b) **Real Estate Agency Disclosure and Election Form (READE).** Unrepresented Buyer should review and sign the READE Form acknowledging that Seller Broker only represents Seller and not Unrepresented Buyer.

16. (c) **Fiduciary Duties to Seller.** Seller Broker owes fiduciary duties to Seller of loyalty, obedience, disclosure, confidentiality, and accounting. Because Seller Broker has a duty to disclose information to Seller, Unrepresented Buyer **should not** disclose any confidential information to Seller Broker who is obligated to convey the information to Seller.

19. (d) **Fair Dealings.** Seller Broker shall be honest and truthful to Unrepresented Buyer and deal fairly with them. However, the duty to deal fairly **does not** include giving advice to Unrepresented Buyer on the steps they should take to protect their own interests, provide interpretation of contract terms or notify them of deadlines. Unrepresented Buyer acknowledges that statements made by Seller have not been independently verified by Seller Broker and Seller Broker is not responsible for Seller’s representations.

23. (e) **Due Diligence.** Unrepresented Buyer acknowledges it is their responsibility to protect their own interests and are encouraged to hire their own professionals to advise them in matters of real estate, inspection, contract timelines, financing, zoning, law, tax, insurance, or any other area they deem appropriate to assist them in purchasing the Premises. Unrepresented Buyer assumes all risk should they choose not to hire professionals to assist them in purchasing the Premises.

27. **I/WE ACKNOWLEDGE RECEIPT OF A COPY OF THIS DISCLOSURE AND UNDERSTAND ITS CONTENT**

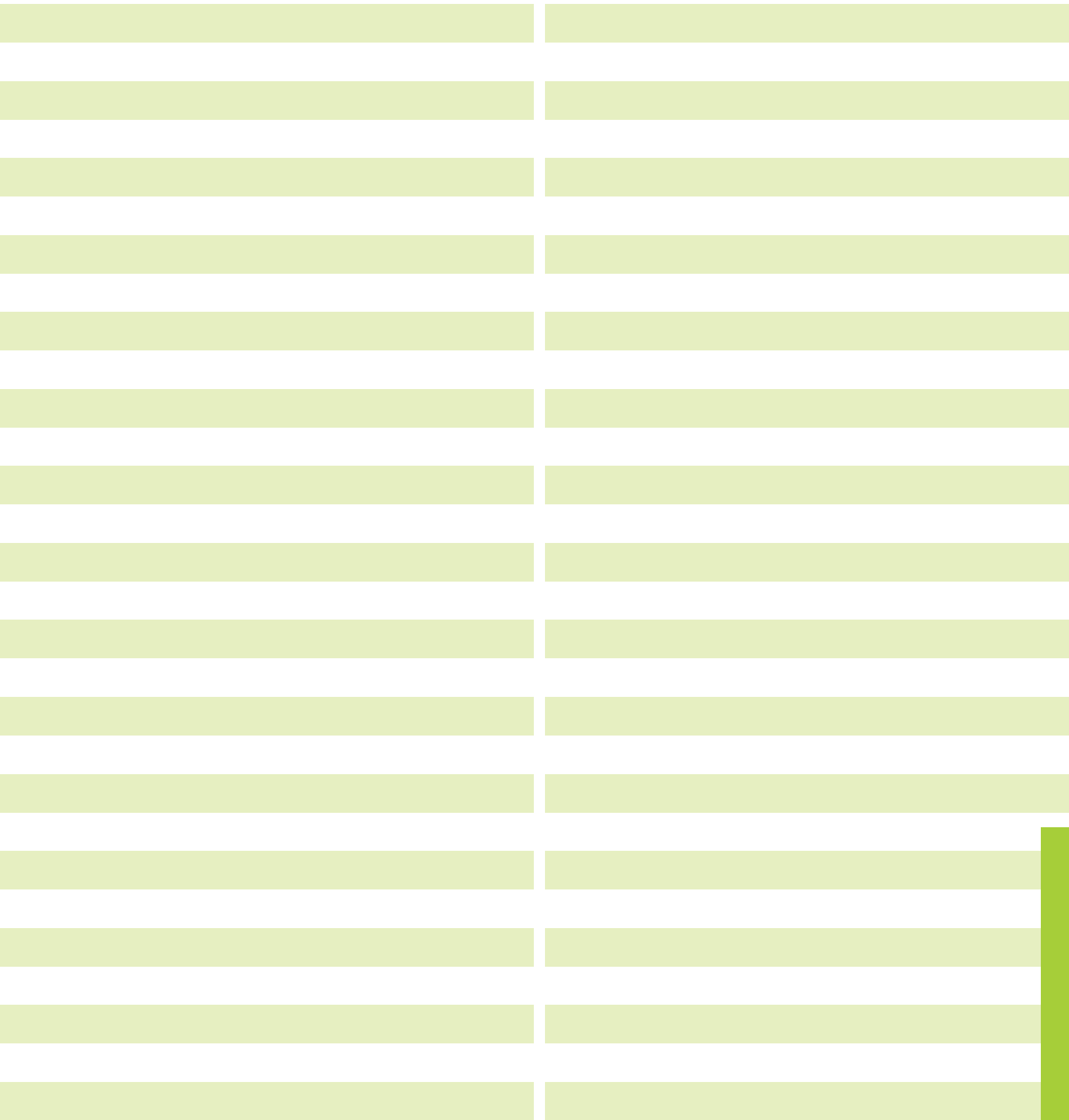
^ UNREPRESENTED BUYER'S SIGNATURE DATE ^ UNREPRESENTED BUYER'S SIGNATURE DATE

^ PRINTED NAME ^ PRINTED NAME





# Notes



A notebook page with horizontal light green lines and a vertical red margin line on the right side. The word 'Notes' is written in a cursive font at the top center.

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