

Reading and  
Understanding Your

# Arizona Residential Purchase Contract

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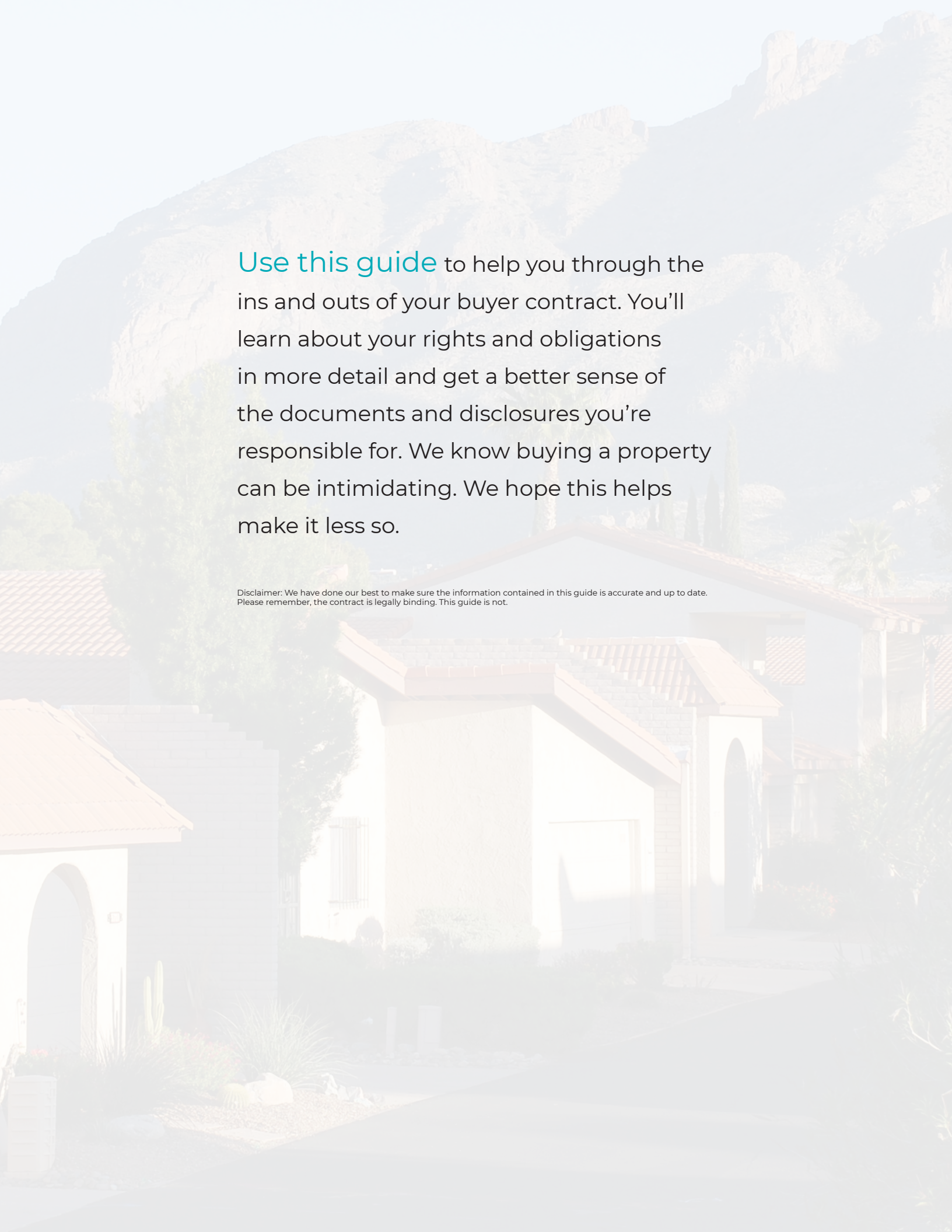


REAL ESTATE SERVICES

1949 E. BROADWAY ROAD  
TEMPE, AZ 85282







Use [this guide](#) to help you through the ins and outs of your buyer contract. You'll learn about your rights and obligations in more detail and get a better sense of the documents and disclosures you're responsible for. We know buying a property can be intimidating. We hope this helps make it less so.

Disclaimer: We have done our best to make sure the information contained in this guide is accurate and up to date. Please remember, the contract is legally binding. This guide is not.

## BUYER ATTACHMENT

Document updated:  
October 2022



*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.

☒ **Buyer's Check List**

# Section 1 – PROPERTY

**1a** **Lines 1-2** The names of the buyer and seller go here. Check the box labeled identified in Section 9c if you don't know the seller's name when the contract is written.

**1c** **Lines 17-18** Indicate how your earnest money will be delivered to escrow when the seller accepts your offer.

**Lines 19-20** Indicate whether this is a cash sale. If so, you need a letter of credit or a source of funds from a financial institution showing that funds to close escrow are available. Include that with the offer.

**1d** **Lines 21-25** Close of escrow (COE) refers to when the deed is recorded. If the escrow company or the recorder's office is closed on the date COE is scheduled to happen, the recording automatically extends to the next day that both are open for business. This doesn't require a contract extension.

**Lines 26-28** As the buyer, you're responsible for making funds available to the escrow company, as defined by Arizona Good Funds Statute, so the COE can take place on the date specified. Here, you define what form of funds you'll provide. You also need to make sure the lender deposits immediately available funds as well. Immediately available funds refers to the money in the escrow company's bank that are available for immediate withdrawal.

**Lines 29-31** If the required closing funds aren't paid by the time the COE is scheduled, this is a breach of contract that puts your earnest deposit at risk. The same is true if a cure notice (Section 7) is delivered and the required closing funds aren't paid during the cure notice period. It's also your responsibility as the buyer to make sure the lender acts in a timely manner. If that doesn't happen, again, you could be in breach of contract and run the risk of losing your earnest deposit. All funds must be in U.S. currency.

**1e** **Lines 32-35** These lines cover when possession will occur. There are risks involved with taking possession of premises before or after a sale. Be sure to seek counsel from insurance, legal, tax, and accounting professionals before agreeing to either situation.

**1f** **Lines 36-38** If there are any addenda attached to the contract, the agents need to make sure they indicate them here for them to be automatically incorporated into the contract.

# RESIDENTIAL RESALE REAL ESTATE PURCHASE CONTRACT

Page 1 of 10

Document updated:  
October 2022



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



## 1. PROPERTY

1a

1. **BUYER:** \_\_\_\_\_  
BUYER'S NAME(S)

2. **SELLER:** \_\_\_\_\_ or ☐ as identified in section 9c.  
SELLER'S NAME(S)

3. Buyer agrees to buy and Seller agrees to sell the real property with all improvements, fixtures, and appurtenances thereon 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. \_\_\_\_\_

1c

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 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 documents, and perform all other acts necessary in sufficient time to allow COE to occur on

24. \_\_\_\_\_, 20\_\_\_\_ ("COE Date"). If Escrow Company or recorder's office is closed on the COE Date,  
MONTH DAY YEAR

25. COE shall occur on the next day that both are open for business.

26. Buyer shall deliver to Escrow Company a cashier's check, wired funds or other immediately available funds to pay any down

27. payment, additional deposits or Buyer's closing costs, and instruct the lender, if applicable, to deliver immediately available funds to

28. Escrow Company, in a sufficient amount and in sufficient time to allow COE to occur on the COE Date.

29. Buyer acknowledges that failure to pay the required closing funds by the scheduled COE, if not cured after a cure notice is delivered

30. pursuant to Section 7a, shall be construed as a material breach of this Contract and the Earnest Money shall be subject to forfeiture.

31. All funds are to be in U.S. currency.

1e

32. **Possession:** Seller shall deliver possession, occupancy, existing keys and/or means to operate all locks, mailbox, security

33. system/alarms, and all common area facilities to Buyer at COE or ☐ \_\_\_\_\_.

34. Broker(s) recommend that the parties seek independent counsel from insurance, legal, tax, and accounting professionals regarding

35. the risks of pre-possession or post-possession of the Premises.

1f

36. **Addenda Incorporated:** ☐ Additional Clause ☐ Buyer Contingency ☐ Domestic Water Well ☐ H.O.A.

37. ☐ Lead-Based Paint Disclosure ☐ Loan Assumption ☐ On-site Wastewater Treatment Facility ☐ Seller Financing ☐ Short Sale

38. ☐ Solar Addendum ☐ Other: \_\_\_\_\_

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SELLER SELLER

<Initials

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Initials>

BUYER BUYER



1g

**Lines 39-54** *Fixtures* refers to any property that's attached or affixed to the premises. These items are included in the sale if they exist in or on the property when the contract is signed unless they are specifically excluded in writing.

**Lines 55-62** This section allows for detailed information about any additional items to be included in the sale, including makes, models and serial numbers of items. This means the existing personal property that will be transferred free and clear of liens and with no monetary value.

**Lines 65-67** Since leased items aren't included in the sale, the seller needs to provide notice of those items within three days of your acceptance of the contract. As the buyer, you must provide notice of the leased items you're not interested in keeping within the inspection period or five days after you receive the seller's notice, whichever date is later.

## Section 2 – FINANCING

2a

**Line 69** This simply states that the Arizona Association of Realtors (AAR) Prequalification form is included as part of the contract.

2b

**Lines 70-75** This holds that the sale is contingent upon your obtaining loan approval for the loan described in the AAR Loan Status Update (LSU) or in the AAR Prequalification form, whichever is delivered later, without Prior to Document (PTD) conditions. This means that you need to either (1) sign all loan documents, (2) deliver notice of loan approval with all documents to the seller or escrow company, or, (3) if you're unable to obtain loan approval without PTD conditions, provide notice to the seller or escrow company. This approval needs to be delivered no later than three days before your COE date.

2c

**Lines 76-82** If you're unable to obtain loan approval without PTD conditions and deliver it at least three days before COE, you're entitled to a refund of your earnest deposit. If you don't deliver a notice as spelled out in option (2) above, the seller may issue a cure notice to you. This gives you an additional three days to provide any of three options above. If you're still unable to deliver the necessary approval at that point, you'll be in breach of contract and may have to forfeit your earnest deposit.

2e

**Lines 87-89** You're responsible for providing a Loan Status Update to brokers and the seller within 10 days of accepting the contract. If the seller requires an updated document, you're also responsible for that.

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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, trees and unpotted plants)                                      | • stoves: gas-log, pellet, wood-burning                 |
| 45. • fireplace equipment (affixed)                 | • shutters and awnings  | • timers (affixed)                                      |
| 46. • floor coverings (affixed)                     | • smart home devices, access to which shall be transferred (i.e., video doorbell, automated thermostat) | • towel, curtain and drapery rods                       |
| 47. • free-standing range/oven                      | • speakers (flush-mounted)  | • wall mounted TV brackets and hardware (excluding TVs) |
| 48. • garage door openers and remotes               |   | • water-misting systems                                 |
| 49. • light fixtures                                |   | • window and door screens, sun shades                   |
| 50. • mailbox                                       |   |   |
51. If owned by Seller, the following items also are included in this sale:
- |  |  |  |
|--|--|--|
| 52. • affixed alternate power systems serving the Premises (i.e., solar) | • in-ground pool and spa/hot tub equipment and covers (including any mechanical or other cleaning systems) | • security and/or fire systems and/or alarms |
| 53.  |  | • water purification systems                 |
| 54.  |  | • 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 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 acceptance. Buyer shall provide notice of any leased items disapproved within the Inspection Period or five (5) days after receipt of the notice, whichever is later.
66. acceptance. Buyer shall provide notice of any leased items disapproved within the Inspection Period or five (5) days after receipt of the notice, whichever is later.
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 Document ("PTD") conditions no later than three (3) days prior to the COE Date for the loan described in the AAR Loan Status Update ("LSU") form or the AAR Pre-Qualification Form, whichever is delivered later. **No later than three (3) days prior to the COE Date, Buyer shall either: (i) sign all loan documents; or (ii) deliver to Seller or Escrow Company notice of loan approval without PTD conditions AND date(s) of receipt of Closing Disclosure(s) from Lender; or (iii) deliver to Seller or Escrow Company notice of inability to obtain loan approval without PTD conditions.**

**2c**

76. **Unfulfilled Loan Contingency:** This Contract shall be cancelled and Buyer shall be entitled to a return of the Earnest Money if after diligent and good faith effort, Buyer is unable to obtain loan approval without PTD conditions and delivers notice of inability to obtain loan approval no later than three (3) days prior to the COE Date. If Buyer fails to deliver such notice, Seller may issue a cure notice to Buyer as required by Section 7a and, in the event of Buyer's breach, Seller shall be entitled to the Earnest Money pursuant to Section 7b. If, prior to expiration of any Cure Period, Buyer delivers notice of inability to obtain loan approval, Buyer shall be entitled to a return of the Earnest Money. Buyer acknowledges that prepaid items paid separately from the Earnest Money are not refundable.

**2d.**

83. **Interest Rate / Necessary Funds:** Buyer agrees that (i) the inability to obtain loan approval due to the failure to lock the interest rate and "points" by separate written agreement with the lender; or (ii) the failure to have the down payment or other funds due from Buyer necessary to obtain the loan approval without conditions and close this transaction is not an unfulfilled loan contingency.

**2e**

87. **Loan Status Update:** Buyer shall deliver to Seller the LSU, with at a minimum lines 1-40 completed, describing the current status of the Buyer's proposed loan within ten (10) days after Contract acceptance and instruct lender to provide an updated LSU to Broker(s) and Seller upon request.

&gt;&gt;

<div style="border: 1px solid black; width: 100px; height: 20px; margin: 0 auto;"></div> <div style="display: flex; justify-content: space-between; font-size: 8px;"> <span>SELLER</span> <span>SELLER</span> </div>	<Initials	Residential Resale Real Estate Purchase Contract • Updated: October 2022 Copyright © 2022 Arizona Association of REALTORS®. All rights reserved.	Initials>	<div style="border: 1px solid black; width: 100px; height: 20px; margin: 0 auto;"></div> <div style="display: flex; justify-content: space-between; font-size: 8px;"> <span>BUYER</span> <span>BUYER</span> </div>
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- 2f** **Lines 90-92** You must complete and provide the loan application to the lender and grant the lender permission to access your Trimerged Residential Credit Report within three days of your accepting the contract. If not, the seller has the right to serve you with a cure notice.
- 2g** **Lines 93-96** This states that you have 10 days after receiving your loan estimate to provide the lender with your notice of intent to move forward with the transaction. You also need to sign and provide all requested disclosures and documents during this time.
- 2j** **Lines 100-102** If the seller has agreed to pay any amount toward financing or other costs, including any applicable VA loan costs you're not permitted to pay, they indicate that here.
- 2k** **Lines 103-106** You're required to let the seller know about any changes to the loan in the LSU. If you don't, you may lose your contingency protection.
- 2l** **Lines 107-110** You have five days after being notified of the appraised value to cancel this contract and receive a refund of your earnest deposit if the property fails to appraise for the sales price. If you don't cancel the contract in writing within that time, you waive the appraised contingency and, if you can't close escrow because of the appraisal, you forfeit your earnest deposit.
- 2m** **Lines 111-114** You or the seller can pay the fee for the initial appraisal, or you can split the cost. It's a non-refundable payment that the lender will request. The seller can apply what they pay toward their Seller's Concessions at COE, if that applies. Also, costs for any updated appraisals or required inspection are your responsibility.

## Section 3 – TITLE AND ESCROW

- 3b** **Lines 120-122** Your escrow company will need to know your marital status. If you're married and intend to take title as your sole and separate property, you may need to provide a disclaimer deed stating that. Your agent can help with that, but keep in mind, agents and escrow companies can't legally advise you on how to take title. You should seek independent counsel.



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- 2f** 90. **Loan Application:** Unless previously completed, within three (3) days after Contract acceptance Buyer shall (i) provide lender with Buyer's name, income, social security number, Premises address, estimate of value of the Premises, and mortgage loan 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 notice of intent to proceed with the loan transaction in a manner satisfactory to lender; and (ii) provide to lender all requested signed disclosures and the documentation listed in the LSU at lines 32-35. Buyer agrees to diligently work to obtain the loan and 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 \_\_\_\_\_% of the Purchase Price OR \$ \_\_\_\_\_ (Seller Concessions). The Seller Concessions may be used for any Buyer fee, cost, 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 Pre-Qualification Form attached hereto or LSU provided within ten (10) days after Contract acceptance and shall only make any such changes without the prior written consent of Seller if such changes do not adversely affect Buyer's ability to obtain loan 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 lender for at least the purchase price. If the Premises fail to appraise for the purchase price in any appraisal required by lender, Buyer has five (5) days after notice of the appraised value to cancel this Contract and receive a return of the Earnest Money or 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 be applied against Seller's Concessions at COE, if applicable. If Buyer's lender requires an updated appraisal prior to COE, it will be 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 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 and separate property, a disclaimer deed may be required. Taking title may have significant legal, estate planning and tax 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, addressed pursuant to 8s and 9c or as otherwise provided, a Commitment for Title Insurance together with complete and legible copies of all documents that will remain as exceptions to Buyer's policy of Title Insurance ("Title Commitment"), including but not limited to Conditions, Covenants and Restrictions ("CC&Rs"); deed restrictions; and easements. Buyer shall have five (5) days after receipt of the Title Commitment and after receipt of notice of any subsequent exceptions to provide notice to Seller of any items disapproved. Seller shall convey title by warranty deed, subject to existing taxes, assessments, covenants, conditions, restrictions, rights of way, easements and all other matters of record. Buyer shall be provided at Seller's expense an American Land Title Association ("ALTA") Homeowner's Title Insurance Policy or, if not available, a Standard Owner's Title Insurance Policy, showing title vested in Buyer. Buyer may acquire extended coverage at Buyer's own additional expense. If applicable, Buyer shall pay the cost of obtaining the ALTA Lender Title Insurance Policy.

&gt;&gt;

- 3d** **Lines 133-142** The escrow company is responsible for providing notice of the pending sale to the Homeowners Association (HOA). So is the seller. If the seller provides an Affidavit of Disclosure, the escrow company will record that at COE.
- 3e** **Line 143** Real property taxes are prorated based on the latest available figures. Just know that taxes change from year to year. Current figures may not be available at COE.
- 3f** **Lines 144-148** All parties to the contract make the escrow agent responsible for releasing earnest money and hold escrow agent harmless for doing so.
- 3h** **Lines 152-153** If there are assessments that are liens at COE, including Community Facility liens and impacts, these will be prorated as of the date of the COE.

## Section 4 – DISCLOSURE

- 4a** **Lines 154-156** The seller has three days after you accept the contract to provide a Seller Property Disclosure Statement (SPDS) to you. You have the inspection period or five days after you receive the SPDS, whichever is later, to provide any written disapproval.
- 4b** **Lines 157-161** The seller has five days after you accept the contract to provide you with a written insurance claims history of the property that covers five years or the amount of time the seller has owned the property, if that's less than five years. You have the inspection period or five days after you receive the SPDS, whichever is later, to provide any written disapproval.
- 4c** **Lines 162-166** If the seller is a foreign person, they must deliver a completed and signed Foreign Investment in Real Property Tax Act (FIRPTA) form to the escrow company. If the seller is foreign or a nonresident alien of the U.S., they may be required to pay a withholding of 15% of the sale price, unless an exception applies.
- 4d** **Lines 167-172** Property built before 1978 requires a lead-based paint disclosure. The lead-based paint disclosure has different time requirements than most other disclosures. They vary based on the information from lines 173 and 175. Pay attention to the deliver and response times. Your initials are required on either line 181 or 182, depending on the year the property was built.

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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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- 4e** **Lines 183-186** You have the inspection period or five days after you receive the Seller Property Disclosure Statement (SPDS), whichever is later, to provide any written disapproval. If the seller provides an Affidavit of Disclosure to escrow, the escrow company will record it, as a courtesy.

## Section 5 – WARRANTIES

- 5a** **Lines 191-199** You and the seller agree that the premises are being sold in its present physical condition as of the contract acceptance date. The seller agrees to maintain and repair the premises during escrow so that the property remains substantially in the same condition as when the contract was accepted. You and the seller can negotiate repairs and improvements, but you're not obligated to. Section 6j of the contract deals with repairs and improvement in more detail.
- 5b** **Lines 200-206** The seller warrants disclosure of all known material defects known to seller and ensures payments for all the work performed on the property prior to close of escrow, which, if not paid, could result in a lien being placed on the property.

## Section 6 – DUE DILIGENCE

- 6a** **Lines 213-224** This defines the time period of the inspection period. You have the right to perform any inspections to determine the property's condition and value, within the inspection period timeframe, at your expense. You need to provide the seller and brokers copies of all inspection reports as you receive them.
- 6c** **Lines 228-232** You are responsible for ordering and paying for termite or insect inspection. Any inspection issues must be addressed within the inspection period defined in Section 6a. The lender may require further inspection based on the report. This, too, is your expense.
- 6d** **Lines 233-236** You are responsible for determining any flood hazard designation or flood hazard insurance costs during the inspection period, if the lender requires either.

**Residential Resale Real Estate Purchase Contract >>**

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

**5. WARRANTIES**

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

**6. DUE DILIGENCE**

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

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- 6e** **Lines 237-240** During the inspection period, you are responsible for determining whether you can obtain suitable insurance for the property.
- 6f** **Lines 241-246** This identifies the type of wastewater system that's on the property. You are responsible for investigating this during the inspection period. Initials acknowledging this are required here.
- 6g** **Lines 247-250** You are responsible for investigating all swimming pool barrier regulations during the inspection period. You also agree to comply with these regulations and pay all costs of compliance prior to occupying the premises, unless otherwise agreed to in writing. Initial are required here even *if there is no pool on the premises*.
- 6h** **Lines 252-259** Retain qualified professionals, since neither agents nor brokers are qualified to perform due diligence. Your initials acknowledging this are required here.
- 6i** **Lines 260-263** You are responsible for the completion of all desired inspections and investigations before you deliver the Buyer Inspection Notice and Seller Response (BINSR) to the seller prior to the expiration of the inspection period. Provide any disapproved items in a single notice.
- 6j** **Lines 264-265** If you disapprove of any item, you need to provide the seller with notice and with how you'd like things to be resolved during the inspection timeframe. You have three options: (1) accept premises, (2) reject premises, or (3) provide seller an opportunity to correct disapproved items. If you don't provide any notice, you're agreeing to proceed.

**Lines 267-272** If you reject the premises, option (2) above, specify the items you disapproved of in your notice. If you don't, the cancellation will remain, but the seller may deliver a cure notice to you to provide your disapprovals. If you don't comply with the cure notice within three days of receiving it, you'll be in breach of contract and the seller will be entitled to your earnest deposit.

**Lines 275-277** The seller has five days to respond to your notice in writing, unless your notice specifies a different timeframe. If the seller fails to respond within the specified period, that indicates their refusal to correct any of the disapproved items.

**Lines 278-280** The seller agrees in writing to correct any disapproved items agreed to, complete any repairs efficiently and deliver to you any paid receipts as proof of the corrections three days prior to COE, or as specified. If the seller fails to do that, you have the right to deliver a cure notice to them. This may affect the COE date.

**Lines 281-284** The seller only has five days to respond after you've presented the BINSR (Item 6i) to them. If the seller doesn't respond or responds but doesn't agree to correct the disapproved items, you then have five days to cancel or proceed.

**Lines 285-286** Only written agreements, signed by all parties, can extend response times or cancellation rights.



**Residential Resale Real Estate Purchase Contract >>**

- 6e** 237. **Insurance: IF HOMEOWNER'S INSURANCE IS A MATERIAL MATTER TO BUYER, BUYER SHALL APPLY FOR AND 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  
 238. homeowner's, fire, casualty, flood or other insurance desired by Buyer or required by lender should be in place at COE.  
 239. **240.**
- 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  
 244. Addendum is incorporated herein by reference.  
 245. **246.** (BUYER'S INITIALS REQUIRED) \_\_\_\_\_ BUYER \_\_\_\_\_ BUYER
- 6g** 247. **Swimming Pool Barrier Regulations:** During the Inspection Period, Buyer agrees to investigate all applicable state, county, and  
 248. municipal Swimming Pool barrier regulations and agrees to comply with and pay all costs of compliance with said regulations prior to  
 249. occupying the Premises, unless otherwise agreed in writing. If the Premises contains a Swimming Pool, Buyer acknowledges receipt  
 250. of the Arizona Department of Health Services approved private pool safety notice.  
 251. (BUYER'S INITIALS REQUIRED) \_\_\_\_\_ BUYER \_\_\_\_\_ BUYER
- 6h** 252. **BUYER ACKNOWLEDGMENT: BUYER RECOGNIZES, ACKNOWLEDGES, AND AGREES THAT BROKER(S) ARE NOT 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.**  
 253. **254.** (BUYER'S INITIALS REQUIRED) \_\_\_\_\_ BUYER \_\_\_\_\_ BUYER  
 255. **256.**  
 257. **258.**
- 6i** 259. **Inspection Period Notice:** Prior to expiration of the Inspection Period, Buyer shall deliver to Seller a signed notice of any items  
 260. disapproved. AAR's Buyer's Inspection Notice and Seller's Response form is available for this purpose. Buyer shall conduct all  
 261. desired inspections and investigations prior to delivering such notice to Seller and all Inspection Period items disapproved shall be  
 262. provided in a single notice.  
 263. **264.**
- 6j** 264. **Buyer Disapproval:** If Buyer, in Buyer's sole discretion, disapproves of items as allowed herein, Buyer shall deliver to Seller a  
 265. signed notice of the items disapproved and state in the notice that Buyer elects to either:  
 266. (1) Immediately cancel this Contract, in which case:  
 267. (a) If Buyer's notice specifies disapproval of items as allowed herein, the Earnest Money shall be released to Buyer.  
 268. (b) If Buyer's notice fails to specify items disapproved as allowed herein, the cancellation will remain in effect but Buyer has  
 269. failed to comply with a provision of this Contract and Seller may deliver to Buyer a cure notice as required by Section 7a.  
 270. If Buyer fails to cure their non-compliance within three (3) days after delivery of such notice, Buyer shall be in breach and  
 271. Seller shall be entitled to the Earnest Money. If, prior to expiration of the Cure Period, Buyer delivers notice specifying  
 272. items disapproved as allowed herein, Buyer shall be entitled to a return of the Earnest Money.  
 273. **OR**  
 274. (2) Provide Seller an opportunity to correct or address the items disapproved, in which case:  
 275. (a) Seller shall respond in writing within five (5) days or \_\_\_\_\_ days after delivery to Seller of Buyer's notice of items  
 276. disapproved. Seller's failure to respond to Buyer in writing within the specified time period shall conclusively be deemed  
 277. Seller's refusal to correct or address any of the items disapproved.  
 278. (b) **If Seller agrees in writing to correct items disapproved, Seller shall correct the items, complete any repairs in a workmanlike manner and deliver any paid receipts evidencing the corrections and repairs to Buyer three (3) days or \_\_\_\_\_ days prior to the COE Date.**  
 279. (c) If Seller is unwilling or unable to correct or address any of the items disapproved, Buyer may cancel this Contract within  
 280. five (5) days after delivery of Seller's response or after expiration of the time for Seller's response, whichever occurs  
 281. first, and the Earnest Money shall be released to Buyer. If Buyer does not cancel this Contract within the five (5) days as  
 282. provided, Buyer shall close escrow without those items that Seller has not agreed in writing to correct or address.  
 283. **284.**  
 285. **VERBAL DISCUSSIONS WILL NOT EXTEND THESE TIME PERIODS.** Only a written agreement signed by both parties will extend  
 286. response times or cancellation rights.  
 287. **BUYER'S FAILURE TO GIVE NOTICE OF DISAPPROVAL OF ITEMS OR CANCELLATION OF THIS CONTRACT WITHIN**  
 288. **THE SPECIFIED TIME PERIOD SHALL CONCLUSIVELY BE DEEMED BUYER'S ELECTION TO PROCEED WITH THE**  
 289. **TRANSACTION WITHOUT CORRECTION OF ANY DISAPPROVED ITEMS.**

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- 6k** **Lines 290-297** Both you and the seller should investigate home warranty plans to determine whether either of you needs to obtain a home warranty, who should order it and from which company, and who pays for it. Initials acknowledging this are required here.
- 6l** **Lines 298-301** The seller is responsible for making the premises available. This includes having all the utilities on, including propane, until the COE date so you can conduct inspections and walkthroughs.
- 6n** **Lines 305-309** For IRS and FIRPTA reporting, you must ensure that 15% of the purchase price is withheld for federal income taxes, *if the seller is a foreign person as defined by the IRS*. You may be held liable for that money if you fail to withhold it. Again, seek independent legal and tax advice.

## Section 7 – REMEDIES

- 7a** **Lines 310-314** As you've already seen, if either you or the seller fails to comply with the provisions of the contract, the complying party can deliver a written notice specifying the non-compliance. This is called the cure notice. The non-compliance must be corrected, or cured, within three calendar days after delivery of the notice. Failing to comply becomes a breach of contract, but it doesn't automatically cancel the contract. See Item 8i for next steps.  
If the escrow company or recorder's office is closed on the last day of the cure period, COE takes place on the next day both are open for business, even if COE must occur to correct, or cure, a potential breach. The non-complying party may cure the breach or cancel the contract according to other terms of the agreement at any time prior to cancellation of the contract under a cure notice and demand to cancel.
- 7b** **Lines 315-324** A non-breaching party has the right to cancel the contract (See lines 421-423 for details). Item 7c explains legal recourse, which includes the Alternative Dispute Resolution (ADRE) obligation. The seller may have the right to the buyer's earnest deposit as their sole recourse. Keep in mind that an unfulfilled contingency does not constitute a breach of contract.  
It's important to note that you and the seller may not agree on what is and isn't a breach. A breach must be verifiable, and the cure period must expire without a cure or a cancellation for another reason.
- 7c** **Lines 325-333** If there's a dispute between you and the seller, you can both agree to an Alternative Dispute Resolution. If mediation doesn't resolve the issue, you and the seller agree to binding arbitration or opt out and go to court. Keep in mind the decision of the arbitrator is final. Neither you nor the seller can appeal.
- 7e** **Lines 341-343** If any dispute or claim arises from or relates to this contract, only the prevailing party will receive their reasonable attorney fees and costs.

**Residential Resale Real Estate Purchase Contract >>**

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

**7. REMEDIES**

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

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<div style="border: 1px solid black; width: 100px; height: 20px; margin: 0 auto;"></div>	<Initials	Residential Resale Real Estate Purchase Contract • Updated: October 2022 Copyright © 2022 Arizona Association of REALTORS®. All rights reserved.	Initials>	<div style="border: 1px solid black; width: 100px; height: 20px; margin: 0 auto;"></div>
SELLER SELLER		Page 7 of 10		BUYER BUYER



## Section 8 – ADDITIONAL TERMS AND CONDITIONS

- 8a** **Lines 344-389** This section provides blank numbered lines for entering additional terms and conditions as needed, based on the details of the transaction.
- 8b** **Lines 390-393** Seller is responsible for any loss or damage to the property between contract acceptance and close of escrow. If loss or damage exceeds 10% of the sale price, either party may cancel the contract.
- 8f** **Lines 398-403** Compensation. This covers the assignment of the seller's proceeds at COE, if they're obligated to pay the commission. If you're obligated to pay the broker, your payment will be collected as a condition of COE.
- 8h** **Lines 409-410** The term days in this contract refers to calendar days, which begin at midnight and end at 11:59 p.m.
- 8i** **Lines 411-415** *Time periods* includes the last day stated, but not the day the action or event takes place or is scheduled to.  
*Contract acceptance* occurs when the fully executed contract is delivered to and received by the appropriate broker. Ask questions if you're not sure about dates; compliance items can start on different dates. Don't rely on the day the contract is signed as the date of acceptance.
- 8m** **Lines 424-427** Hand delivering, sending a fax or email, or sending by overnight courier service are all options for delivering notices and documentation. Delivery to either party's agent or broker counts as delivery to the principal.
- 8n** **Lines 428-434** This is specific release of your broker. Your initials are required here.
- 8o** **Lines 435-439** The seller must respond by this date and time, or your offer will be withdrawn.

## Residential Resale Real Estate Purchase Contract &gt;&gt;

**8. ADDITIONAL TERMS AND CONDITIONS****8a**

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SELLER	SELLER

&lt;Initials

Residential Resale Real Estate Purchase Contract • Updated: October 2022  
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Initials&gt;

BUYER	BUYER





## Section 9 – ACCEPTANCE

- 8q** **Lines 443-448** This section is for the buyer's agent and broker information.
- 9a** **Lines 457-462** This section is for the seller's agent and broker.
- 9c** **Lines 467-468** This is where a counteroffer is attached, if there is one.  
**Line 473** This is where the seller indicates that they've rejected your offer.

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

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

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

446. PRINT FIRM NAME FIRM MLS CODE

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

448. PREFERRED TELEPHONE FAX EMAIL

**8r. 449. Agency Confirmation:** Broker named in Section 8q above is the agent of (check one):450. ☐ Buyer; ☐ Seller; or ☐ both Buyer and Seller**8s. 451. The undersigned agree to purchase the Premises on the terms and conditions herein stated and acknowledge receipt of a copy hereof including the Buyer Attachment.**

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

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

455. ADDRESS ADDRESS

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

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

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

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

460. PRINT FIRM NAME FIRM MLS CODE

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

462. PREFERRED TELEPHONE FAX EMAIL

**9b. 463. Agency Confirmation:** Broker named in Section 9a above is the agent of (check one):464. ☐ Seller; or ☐ both Buyer and Seller**9c. 465. The undersigned agree to sell the Premises on the terms and conditions herein stated, acknowledge receipt of a copy hereof and grant permission to Broker named in Section 9a to deliver a copy to Buyer.****9c**467. ☐ Counter Offer is attached, and is incorporated herein by reference. Seller must sign and deliver both this offer and the Counter Offer. If there is a conflict between this offer and the Counter Offer, the provisions of the Counter Offer shall be controlling.

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

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

471. ADDRESS ADDRESS

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

473. ☐ OFFER REJECTED BY SELLER: MONTH DAY, 20 YEAR (SELLER'S INITIALS)**For Broker Use Only:**

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

# Contract Compliance Time Frames

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

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

# ARIZONA STEWART LOCATIONS

## Central

### **Stewart Title & Trust of Phoenix, Inc. - Biltmore**

3131 E Camelback Rd, Ste 200  
Phoenix, AZ 85016  
(602) 462-8000

### **Stewart Title & Trust of Phoenix, Inc. - Arrowhead Northwest**

7055 W Bell Rd, Ste B2  
Glendale, AZ 85308  
(623) 233-8877

### **Stewart Title & Trust of Phoenix, Inc. - Grayhawk**

21050 N Pima Rd, Ste 105  
Scottsdale, AZ 85255  
(480) 557-4620

### **Stewart Title Guaranty Company - Commercial Services Scottsdale**

4800 N Scottsdale Rd, Ste 4300  
Scottsdale, AZ 85251  
(866) 222-95800

## West

### **Stewart Title & Trust of Phoenix, Inc. - Yuma**

1540 S 2nd Ave  
Yuma, AZ 85364  
(928) 783-1261

## North

### **Stewart Title & Trust of Phoenix, Inc. - Sedona**

1725 W State Rte 89A, Ste 1  
Sedona, AZ 86336  
(928) 399-7591

## South

### **Stewart Title & Trust of Phoenix, Inc. - Safford**

811 W Court St S  
Safford, AZ 85546  
(928) 428-0542

### **Stewart Title & Trust of Phoenix, Inc. - Rio Rico**

14 Esplendor Dr  
Rio Rico, AZ 85648  
(520) 415-3400

### **Stewart Title & Trust of Tucson - River Road**

1050 E River Rd, Ste 200  
Tucson, AZ 85718  
(520) 887-2797

### **Stewart Title & Trust of Tucson, Inc. - East**

3939 E Broadway Blvd  
Tucson, AZ 85711  
(520) 327-7373

### **Stewart Title & Trust of Tucson - Campana**

6831 N Oracle Rd, Ste 101  
Tucson, AZ 85704  
(520) 797-3212

### **Stewart Title & Trust of Tucson - Swan Road**

2955 N Swan Rd  
Tucson, AZ 85712  
(520) 258-4020

### **Stewart Title & Trust of Tucson - Gallery Row**

2955 N Swan Rd  
Tucson, AZ 85712  
(520) 258-4020



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