

A BUYER'S GUIDE

# to purchasing a home in Arizona



GREYSTONE  
TITLE AGENCY

*Polished, Experienced, Professional*

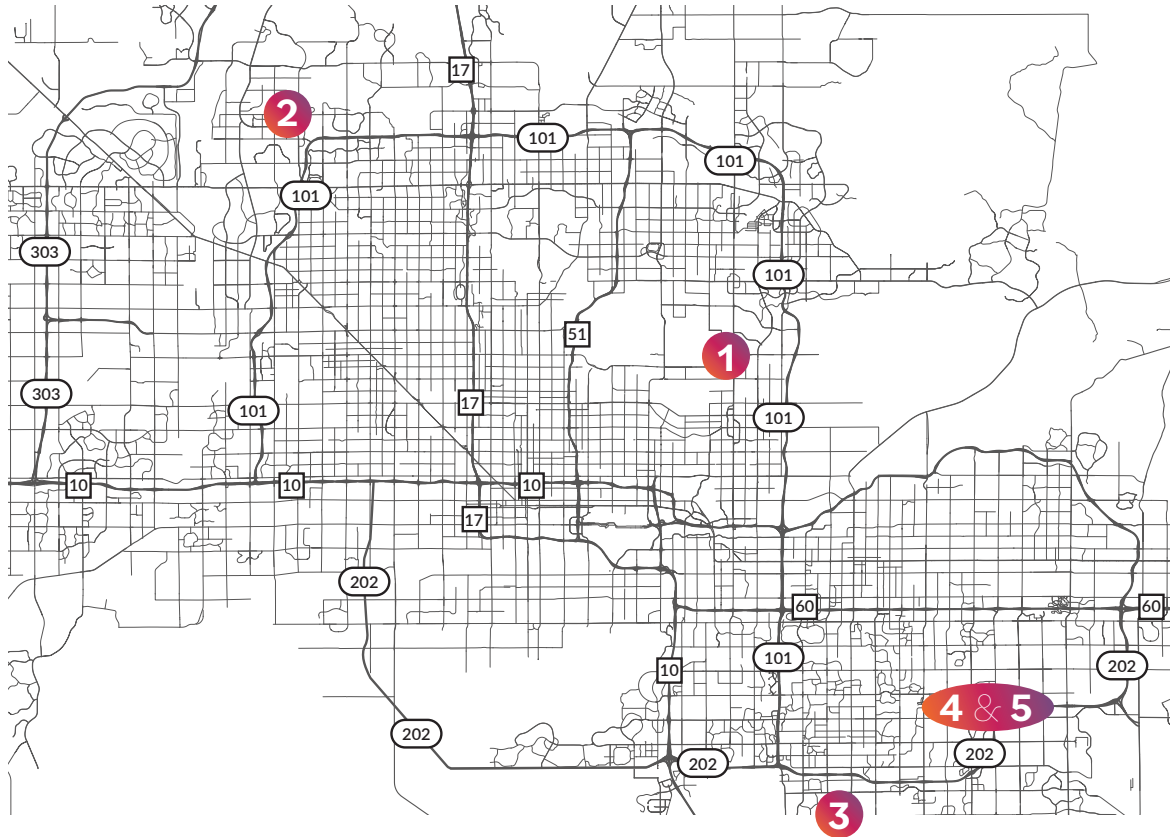
# TABLE OF contents

Greystone Title Agency Office Location Map .....	2
Our Promise .....	3
The Home-Buying Process.....	4
Selecting a REALTOR® .....	5
Our Escrow Process.....	6
The Loan Process .....	7
Loan Options .....	8
Mortgage Payment Guide .....	9
How Much Can You Qualify For? .....	10
Guide for Selecting a Home .....	11
Reference Guide .....	12
Title Commitment.....	13
Title Insurance.....	14
Ways to Take Title in Arizona .....	15
Title Closing Appointment .....	16
Estimated Cost Sheet.....	17
Yavapai/Coconino County General Directory.....	18
Maricopa/Pinal County General Directory .....	19
Glossary of Real Estate Terms.....	20
Relocation Information.....	21
Things to Do in Arizona .....	22
Purchase Contract.....	23
Notes.....	24



# GREYSTONE TITLE AGENCY

## office locations



### **1. Scottsdale Spectrum Branch & Corporate Office**

6710 N Scottsdale Rd  
Suite 180  
Scottsdale, AZ 85253  
480-624-4370 Phone  
480-624-3336 E-Fax  
\*Spanish-Speaking Location

### **2. Arrowhead - West Valley Branch**

17505 N 79th Dr  
Suite 114  
Glendale, AZ 85308  
480-624-4376 Phone  
480-624-4377 Phone  
623-574-3905 E-Fax  
\*Spanish-Speaking Location

### **3. Chandler- Southeast Valley Branch**

1035 W. Queen Creek Rd  
Suite 101  
Chandler, AZ 85248  
480-624-8610 Phone  
480-624-3327 E-Fax  
\*Spanish-Speaking Location

### **4. Gilbert - Mesa Branch**

1734 E Boston St.  
Suite 103  
Gilbert, AZ 85295  
480-624-4379 Phone  
480-624-3348 E-Fax

### **5. Corporate Counsel Mike Abel**

1734 E Boston St.  
Suite 103  
Gilbert, AZ 85295  
480-624-4369 Phone





# AT GREYSTONE TITLE AGENCY

## we promise

### TO ACHIEVE EXCELLENCE IN EVERY TRANSACTION.

At Greystone Title Agency, we are committed to quick turn times on title commitments, pre-audits, and marketing requests. Our highly experienced staff is here to professionally service your Commercial, Construction, Purchase, and Refinance needs.

Locally owned and operated, we understand the changing needs of Arizona's real estate market and strive to earn you and your REALTOR®'s highest recommendations.

### TO BUILD AND MAINTAIN LASTING RELATIONSHIPS.

With seasoned title experts to service your needs, Greystone Title Agency has a strong presence in the Valley. Affiliated in the real estate, mortgage and insurance businesses, we have the stability and staying power to build relationships with our customers for years to come.

### TO OFFER SERVICES FOR ALL YOUR REAL ESTATE NEEDS.

Greystone Title Agency specializes in title and escrow services, but offers much more. From builder services and property research, there are many ways we can expertly serve your real estate needs.

### TO HAVE MORE CONVENIENT OFFICE LOCATIONS ACROSS THE VALLEY.

Locally owned and operated, Greystone Title Agency offers four offices across the Valley. To find the branch nearest you, see our office map on the opposite page or visit our Web site at [www.grystn.com](http://www.grystn.com).

# STEPS TO buying a home

- 1 Select a REALTOR®
- 2 Obtain Pre-Approval by Lender
- 3 Begin Home Search with REALTOR
- 4 Select a Home
- 5 Complete Contract
- 6 Complete the Loan process and Loan Status Report (LSR)
- 7 Appraisal Ordered
- 8 Negotiate Any Counter Offers
- 9 Earnest Money Deposited
- 10 Escrow Opens at Greystone Title Agency and Title Report Orders
- 11 Home Inspection Ordered
- 12 Closing Documents Compiled
- 13 Loan Package Submitted to Underwriting
- 14 Documents Drawn by Lender
- 15 Inspection Submitted to Escrow Officer
- 16 Documents Signed at Greystone Title Agency
- 17 Funding by Lender
- 18 Final Closing Deposits Made
- 19 Documents Recorded and Escrow Closed
- 20 Greystone Title Agency Disburses Funds
- 21 Buyer Receives Keys from REALTOR®



# SELECTING A REALTOR®

## REALTORS®

A REALTOR® is defined as a service mark used for a licensed real estate agent affiliated with the National Association of REALTORS® as well as members of their state and local Boards of REALTORS®. A REALTOR® is a professional who abides by a strict code of ethics in rendering the highest level of real estate services to home buyers and sellers. Real estate agents are thoroughly educated in the principles, practices and legal aspects of real estate services and experienced in negotiating the purchase or sale of real estate, market research, ever changing legislation and the previewing of homes. Not every real estate agent is a REALTOR®.

## LISTING AGENT

A homeowner hires a listing agent to sell their property and a legal relationship is formed. The listing agent is also responsible for putting the property into the Multiple Listing Service (MLS), a database of properties for sale by licensed REALTORS®.

## BUYER'S AGENT

A homebuyer hires a buyer's agent to assist in the search and transaction of buying a new home. The agent's commission is paid in a fee agreed to by the seller.

## HOW A REALTOR® IS COMPENSATED

After you your home has sold, your REALTOR® will get compensated for his/her services from the proceeds of the sale. Your REALTOR® should commit to the substantial time necessary for the sale of your home and his/her efforts should be of the highest quality and rendered with integrity.

## WHAT A REALTOR® PROVIDES

A REALTOR® will represent you throughout the entire process of selling your home, from researching the market in order to properly price your home to negotiating on your behalf with qualified prospective buyers. You can expect your REALTOR® to assess your home's marketability, create demand by actively marketing your house and to protect your rights and money when dealing with the escrow and title companies.

## YOUR COMMITMENT TO YOUR REALTOR®

Your REALTOR® will expect your loyalty and commitment to work exclusively with them in selling your home. The advantages of working with one agent include increased rapport, better communication and a more thorough understanding of your individual wants and needs.

---

## ADVANTAGES OF

## using a REALTOR®



knowledge



protection



successful  
closing



choices



it's free!





# GREYSTONE TITLE AGENCY

## escrow process

### WHAT IS AN ESCROW?

An escrow is created after you sign the contract to purchase your newhome. It is a process wherein the buyer and the seller deposit funds and documents with an escrow agent who acts as a neutral third party. The escrow agent is a common depository. The buyer and seller can proceed simultaneously by depositing funds, deeds, inspection reports, insurance information and other required documents. Both parties give written instructions with requirements which must be met before the transaction is complete.

### HOW IS AN ESCROW OPENED?

Once the Seller has accepted your offer and a contract has been completed, your REALTOR® will open the escrow. At this time any earnest money and the contract are placed in escrow. Greystone Title Agency, as a neutral party, can only respond to written instructions mutually agreed on by both interested parties and cannot alter the contract or create instructions.

### WHAT HAPPENS DURING THE ESCROW PROCESS?

Greystone Title Agency will begin by researching records on the property. A commitment for title insurance is issued indicating clear title or the description of items that need to be cleared prior to closing. Your escrow officer will then follow the instructions on your contract to coordinate deadlines and gather necessary paperwork.

### CLOSING THE ESCROW

Once all terms and conditions are met the escrow holder causes the necessary documents to be recorded and disburses funds according to the real estate purchase contract or instructions. Escrow fees are included in these costs and are based on the sale price of the property, the loan amount and services required.

---

### SECURITY IN THE

## escrow process

The State of Arizona licenses and regulates all escrow companies. The stability, reliability and performance of your title and escrow company are vital to protect the interests of all parties involved in the transaction.

The authority given to an escrow agent is strictly limited by terms and conditions agreed to on the real estate purchase contract or instructions to allocate funds during the escrow period such as real estate commissions, title insurance, liens, recording fees and other closing costs. The real estate purchase contracts also specify the method of collecting funds, proration of insurance and taxes and time limitations on settling the transaction.

Confidentiality is another important aspect of escrow. The agent will discuss escrow matters only with the parties directly involved in the transaction, specifically the buyer, seller, lender and real estate agent. No one else has access to this information except through the proper legal procedures. The escrow officer retains impartiality and confidentiality concerning the real estate process.

# THE loan process

## HAVING THE FOLLOWING ITEMS HANDY WILL EXPEDITE YOUR APPLICATION PROCESS:

- Driver's License or other valid ID
- Social Security Number
- Addresses of residences for last two years
- Names and addresses of employers for last two years
- W2's for last years
- Federal tax returns for last two years
- Two current paycheck stubs
- Names, addresses, account numbers and balances on all checking and savings accounts
- Bank statements for last two months
- Names, addresses, account numbers, balances and monthly payments on all open loans
- Names, addresses, account numbers, balances and monthly payments on all credit cards
- Addresses and values of other real estate owned
- Loan information on other real estate owned
- Estimated value of personal property (autos, furniture, jewelry, electronics etc.)
- Full divorce decree if applicable
- Certificate of Eligibility and DD214's (VA Loans Only)
- Payment for credit report and appraisal

## PREQUALIFICATION'S/INTERVIEW

The borrower meets with a lender who, though the course of the interview, gathers pertinent information and identifies any additional documentation that will be needed by the lender to obtain loan approval.

## VERIFICATIONS

The lender will mail out verification requests for documents required such as credit reports, appraisal on property, verifications of employment, mortgage or rent obligations, funds to close, landlord ratings and a preliminary title report.

## LOAN SUBMISSION

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

## DOCUMENTATION

Supporting documentation is obtained as required. Lender follows up on any issues or problems that need resolution and requests any additional information or documentation required.

## LOAN APPROVAL

Official notification of loan approval is made.

## DOCUMENTS ARE DRAWN

Loan Documents are completed and sent to Greystone Title Agency. The borrowers come in for final signatures.

## FUNDING

Lender reviews the loan package for completeness and accuracy. Funds are then transferred.

## RECORDING OF DOCUMENTS

Greystone Title Agency records the Deed and Deed of Trust at the County Recorder's Office and the escrow process is officially closed.



# VARIOUS loan options

## FIXED RATE LOAN

This is a standard loan with a constant interest rate throughout the term of the loan.

## ADJUSTABLE RATE LOAN (ARM)

Adjustable or variable rate mortgage are loans that have a fluctuating interest rate that is adjusted periodically to coincide with changes to the index that the rate is based on. The loan terms will specify the amounts that the rate can change as well as how often. Buyers who use this option may be able to qualify for a higher loan amount.

## BALLOON PAYMENT LOAN

A balloon payment loan is typically amortized over a long period of time but the balance is due much sooner. This type of loan can be extended or used when the buyer expects to refinance or sell the home before the balance is due.

## NO-QUALIFYING LOAN

For those who can afford a 25-30 percent higher down payment, the lender may not need normal requirements such as proof of income since their risk is low.

## GRADUATED PAYMENTS

This mortgage has lower payments in the beginning that increase to a predetermined amount during the loan, typically on an annual basis.

## LOAN

## FAQs

---

### **Q: Can I make a large purchase during the loan process?**

**A:** Try to avoid withdrawing funds or increasing debt, which can impact your loan approval.

### **Q: What is Hazard (or Fire) Insurance?**

**A:** The lender requires you to have Hazard Insurance, which covers your home, before they will release the loan funds to Greystone Title Agency. This coverage protects their risk in your home.

### **Q: I am thinking of changing jobs. Will this affect my loan approval?**

**A:** It is best to avoid job changes, especially when it involves a lower income or different field. The lender may call employers just prior to funding the loan to re-verify employment.

### **Q: Do experts recommend I pay off existing accounts in order to improve credit scores?**

**A:** If needed, your Loan Officer will advise you as to which bills should be lowered based on qualifying for a particular loan. Otherwise, accounts should remain the same until the escrow closes.

## CONVENTIONAL LOAN

A conventional loan is one that is not obtained through a government-insured program; it can be any type (i.e. fixed, adjustable or balloon).

## FHA LOAN

Insured by the Federal Housing Administration under Housing and Urban Development (HUD), this loan is easier to qualify for with less cash up front. The condition of the property is strictly regulated and buyers will pay a larger portion of the closing costs. As of August 2008, the FHA is loaning higher amounts than before. Contact your REALTOR® for details.

## DOWN LOAN

This loan is used when you pay a portion of your interest upfront in order to reduce monthly payments.

## VA LOAN

A VA loan is for those that have served in the U.S. armed forces and covers up to 100 percent of the loan amount with little to no down payment necessary. Although the seller pays the bulk of the closing costs, those fees are added to the price of the home.

## ASSUMABLE LOAN

This loan allows the buyer to pay the seller for their equity in the home and assume, or take over, the payments without any predetermined requirements. Assumable loans require standard income, good credit and verified funds.

# MORTGAGAE payment guide

The following is information to help you determine the price range of a home you can afford. It is only a guide and should not be used as actual lending figures. Contact your loan officer for personalized calculations.

Loan Amount	INTEREST RATE								
	3.00%	3.25%	3.50%	3.75%	4.00%	4.25%	4.50%	4.75%	5.00%
<b>\$80,000</b>	\$337	\$348	\$359	\$370	\$382	\$394	\$405	\$417	\$429
<b>\$90,000</b>	\$379	\$392	\$404	\$417	\$430	\$443	\$456	\$469	\$483
<b>\$100,000</b>	\$422	\$435	\$449	\$463	\$477	\$492	\$507	\$522	\$536
<b>\$120,000</b>	\$506	\$522	\$539	\$556	\$573	\$590	\$608	\$626	\$644
<b>\$140,000</b>	\$590	\$609	\$629	\$648	\$668	\$689	\$709	\$730	\$752
<b>\$160,000</b>	\$675	\$696	\$718	\$741	\$764	\$787	\$811	\$835	\$859
<b>\$180,000</b>	\$759	\$783	\$808	\$834	\$859	\$885	\$912	\$939	\$966
<b>\$200,000</b>	\$843	\$870	\$898	\$926	\$955	\$984	\$1,013	\$1,043	\$1,074
<b>\$220,000</b>	\$928	\$957	\$988	\$1,019	\$1,050	\$1,082	\$1,115	\$1,148	\$1,181
<b>\$240,000</b>	\$1,012	\$1,044	\$1,078	\$1,111	\$1,146	\$1,181	\$1,216	\$1,252	\$1,288
<b>\$260,000</b>	\$1,096	\$1,132	\$1,168	\$1,204	\$1,241	\$1,279	\$1,317	\$1,356	\$1,396
<b>\$280,000</b>	\$1,180	\$1,219	\$1,257	\$1,297	\$1,337	\$1,377	\$1,419	\$1,461	\$1,503
<b>\$300,000</b>	\$1,265	\$1,306	\$1,347	\$1,389	\$1,432	\$1,476	\$1,520	\$1,565	\$1,610
<b>\$400,000</b>	\$1,686	\$1,741	\$1,796	\$1,852	\$1,910	\$1,968	\$2,027	\$2,087	\$2,147
<b>\$500,000</b>	\$2,108	\$2,176	\$2,245	\$2,316	\$2,387	\$2,460	\$2,533	\$2,608	\$2,684
<b>\$600,000</b>	\$2,530	\$2,611	\$2,694	\$2,779	\$2,864	\$2,952	\$3,040	\$3,130	\$3,221
<b>\$700,000</b>	\$2,951	\$3,046	\$3,143	\$3,242	\$3,342	\$3,444	\$3,547	\$3,652	\$3,758



# HOW MUCH CAN YOU qualify for?

Lenders use certain ratios when calculating the loan amount you may qualify for. A commonly used ratio to determine your maximum mortgage payment is 28% of your gross monthly income and 36% of your total monthly debt. Use the following guide to determine an estimate of the maximum mortgage payment you could qualify for.

## Monthly Payments on Accounts, Auto Loans, Credit Cards & Other Loans

+  +  +  +

=

Total Monthly Debt (A)

Gross Monthly Income Before Taxes (B)  x .36 =

Allowable Total Monthly Debt (C)

Allowable Total  
Monthly Debt (C)      Monthly Debt (A)

-

=

Allowable Monthly  
Mortgage Payment (D)

x .80 =

(D)

(E)

**Allowable Monthly  
Principal/Interest Only Payment (E)**

Gross Monthly  
Income (B)

x .28 =

Allowable Monthly Mortgage  
Payment (F)

x .80 =

(F)

(G)

**Allowable Monthly  
Principal/Interest Only Payment (G)**

Enter The Lesser of (E) or (G)  = Monthly Payment (H)

Using the chart on page 10, find the current interest rate and the payment that is closest to your payment amount (H). That should be an estimate of your allowable loan amount.

### 20% Down Payment

/ .80 =

Loan Amount

Home Price

### 10% Down Payment

/ .90 =

Loan Amount

Home Price





# A GUIDE TO selecting a home

During your home search, you will encounter many different homes, features and neighborhoods that you like/dislike. Use this guide to keep track of your ratings; it will make it easier to recall the property later. We wish you the best of luck on the journey to finding your dream home!

Address	Home #1	Home #2
Asking Price		
Bedrooms		
Bathrooms		
Square Footage		
Appearance		
Curb Appeal		
Location		
Neighborhood		
Living Room		
Dining Room		
Family Room		
Kitchen		
Master Bedroom		
Master Bath		
Additional Rooms		
Garage		
Floor Plan		
Patio Pool		
Lot/Landscaping		
Memorable Features		
Does Home Meet Needs?		

# WHY PAY rent when...

- Buying builds equity in your home.
- Buying reduces the Federal and State income taxes you pay.
- Buying delivers a return on your investment.
- Buying can be affordable with low interest rates.

[illegible]

# REFERENCE guide

## REALTOR

Name \_\_\_\_\_

Phone \_\_\_\_\_

Email \_\_\_\_\_

## ESCROW OFFICER

Name \_\_\_\_\_

Phone \_\_\_\_\_

Email \_\_\_\_\_

## LOAN OFFICER

Name \_\_\_\_\_

Phone \_\_\_\_\_

Email \_\_\_\_\_

## NEW INSURANCE COMPANY

Name \_\_\_\_\_

Phone \_\_\_\_\_

Website \_\_\_\_\_

## NEW GAS COMPANY

Name \_\_\_\_\_

Phone \_\_\_\_\_

Website \_\_\_\_\_

## NEW CABLE COMPANY

Name \_\_\_\_\_

Phone \_\_\_\_\_

Website \_\_\_\_\_

## NEW ELECTRIC COMPANY

Name \_\_\_\_\_

Phone \_\_\_\_\_

Website \_\_\_\_\_

## NEW WATER COMPANY

Name \_\_\_\_\_

Phone \_\_\_\_\_

Website \_\_\_\_\_







# TITLE commitment

## SCHEDULE A

Your escrow officer submits this information to our Title Department. It contains information given to us by the buyer or the REALTOR® such as the legal description and sale price of the property, loan amount, lender and the name of the buyer and seller.

## SCHEDULE B

Schedule B contains “exceptions,” which are items attached to the property such as Covenants, Conditions and Restrictions (CC&Rs), easements, homeowners association regulations, leases and other items on record that transfer with the home. The buyer will receive a clear title, but their rights will be subject to conditions in the listed “exceptions.”

## REQUIREMENTS

In order to provide a clear title to the property, these items need to be deleted or recorded by Greystone Title Agency:

- Any lien(s) on the property
- Assessment(s) owed
- Current property tax status

An identity statement may clear up items that show up against a property when the transaction involves parties who have similar name(s).

---

## ESCROW PROCESS buyer duties

- Greystone Title Agency will ask the buyer for an identity statement to distinguish them from others with similar names that appear in County Records. The information provided is also utilized by your escrow officer.
- Buyers are responsible for obtaining a home loan. Your REALTOR® may be able to guide you to a lender and assist in the process.
- Certain documents may require a response from the buyers such as information pertaining to the Homeowners Association, Flood Hazard Disclosure, independent inspections and the Seller's Property Disclosure Statement which lists any problems with the property that the seller is aware of.
- Greystone Title Agency will give a copy of the title commitment to the buyers, realtors, sellers, and lender for review. Questions should be directed to your escrow officer or REALTOR®.



# TITLE insurance

## WHAT IS TITLE INSURANCE?

Title insurance is issued to a buyer and/or a lender to guarantee “Free and Clear” title to the property being insured. It is designed to eliminate risk caused by defects in the title such as prior fraud or forgery that might go undetected until after closing and possibly jeopardize your ownership and investment. Title insurance protects the interest of the mortgage lender as well as the equity of the buyer for as long as they or their heirs own the property. Title companies post financial guarantees to ensure your home ownership.

## WHY YOU NEED TITLE INSURANCE?

There are many title issues that can arise to cause the loss of your property or your mortgage investment. Title defects such as loans, liens, encumbrances, back taxes, easements or covenants, conditions or restrictions against the property, may not be discovered when you buy real estate, but may resurface months or years later. Without title insurance, your title could be useless but with proper insurance, your rights will be defended legally.

## WHAT ARE SOME POSSIBLE TITLE DEFECTS?

- Deeds by minors, foreign parties, defunct corporations, or persons of unsound mind
- Defective acknowledgements (notary)
- Discovery or will of apparent interstate
- Erroneous reports furnished by tax officials
- Mistakes in recording legal documents
- Surviving children omitted from will, or birth or adoption of children after the creation of a will
- Claims of creditors against property sold by heirs or devisees
- Deed of community property recited to be separate property
- Deeds by persons supposedly single, but secretly married
- Deeds delivered after death of grantor/grantee, without consent of grantor
- False impersonation of the true owner
- Forged deeds, releases, etc.
- Deeds in lieu of foreclosure given under duress
- Marital rights of spouse purportedly, but not legally, divorced

## WHEN IS THE FEE DUE?

The policy is issued for a one-time fee and will remain in effect as long as the buyer retains interest in the property. The fee is paid at the close of escrow. Customarily, the seller pays for the Owner’s Policy and if there is a new loan, the buyer pays for the Lender’s Policy.

# WAYS TO TAKE title in Arizona

The below summarized information is being provided as a courtesy by Greystone Title Agency. The Escrow Agent is not in a position to give legal advice. If you have questions or would like opinions on which way of holding title would best benefit you, then you should obtain the assistance of an Attorney or other qualified person.

## COMMUNITY PROPERTY

Arizona is a community property State. There is a statutory presumption that all property acquired by husband and wife is community property, entitling each spouse to half-interest in the estate. Upon the death of one of the spouses, the deceased spouse's interest will pass by either a will or intestate succession.

## JOINT TENANTS WITH RIGHT OF SURVIVORSHIP

This is a method of co-ownership that gives title to the real property to the last survivor. Title to real property can be acquired by two or more individuals either married or unmarried. If a married couple acquires title as joint tenants with the right of survivorship, they must specifically accept the joint tenancy to avoid the presumption of community property.

## COMMUNITY PROPERTY WITH RIGHT OF SURVIVORSHIP

A method of holding title between married persons that vests the title to real property in the surviving spouse when same is expressly declared in the deed. This vesting has some tax benefits along with probate avoidance features of "survivorship rights."

## TENANTS IN COMMON

A method of co-ownership where parties do not have survivorship rights and each owns a specific undivided interest in the entire estate.

## SOLE AND SEPARATE

Real property owned by a spouse before marriage or any acquired after marriage by gift, descent or specific intent. If a married person acquires title as sole and separate property, his/her spouse must execute a Disclaimer Deed.

## CORPORATION

Title may be taken in the name of a corporation provided the corporation is duly formed and in good standing in the State of its incorporation.

## GENERAL PARTNERSHIP

Title may be taken in the name of a general partnership duly formed under the laws of the State of the formation of the partnership. A partnership is defined as the voluntary association of two or more persons as co-owners in a business for profit.

## LIMITED PARTNERSHIP

A partnership formed by two or more persons under the laws of Arizona or another State and having one or more general partners and one or more limited partners. A certificate of limited partnership must be filed in the Office of the Secretary of State and a certified copy of which must be recorded with the County Recorder's





# PREPARING FOR closing

## CLOSING FUNDS

You will need to wire your closing costs in the amount indicated to you by your escrow officer to Greystone Title Agency to ensure an immediate close of escrow. Greystone Title Agency will provide wiring instructions. You may also obtain a cashier's or certified check made payable to Greystone Title Agency. However, a 24-hour hold may be placed on cashier's checks since Greystone Title Agency is required to have "good funds" (meaning the check has been deposited) before disbursing funds from escrow. Submitting a personal check will delay the closing. Similarly, an out-of-state check will cause a postponement in closing due to delays in clearing the check.

## LENDER REQUIREMENTS

Make sure you are aware of your lender's requirements and that you have satisfied those requirements before you come to Greystone Title Agency to sign the closing documents. Your loan officer can assist you with these requirements.

## IDENTIFICATION

You will need to bring a valid, government-issued form of photo identification such as your driver's license. This is necessary so that your identity can be verified by a notary public. It's a routine step but it's important for your protection.

## HAZARD/FIRE INSURANCE

Be sure to order your hazard/fire insurance once your loan has been approved. Then call your escrow officer with the insurance agent's name and phone number so the escrow officer can make sure the policy complies with your lender's requirements. You must have your insurance in place before the lender will send funds to Greystone Title Agency.

## THE NEXT STEPS

You will sign documents and have them notarized during your closing appointment at Greystone Title Agency. You will also review the settlement statement and give the escrow officer your closing funds. Once the signed loan documents are returned to the lender for review, Greystone Title Agency will ask the lender to fund the loan. If the loan documents are satisfactory, the lender will send the check directly to Greystone Title Agency, usually within 24 hours. We will then verify that all necessary funds have been received, record the deed at the County Recorder's Office, and disburse escrow funds to the seller and other appropriate parties. This signals that your escrow is closed.

## THE ESCROW IS CLOSED

Greystone Title Agency will notify your REALTOR® that your escrow is closed. Your REALTOR® will then arrange for you to receive the keys to your new home. Congratulations!



# ESTIMATED cost sheet

		Cash	CTM	FHA/VA	Conv.	Seller	Buyer
1	Down Payment	X	X	X	X		\$
2	Escrow Fee (chare seller on VA)	X	X	X	X	\$ 1/2	\$ 1/2
3	Owners Title Policy	X	X	X	X	\$	
4	ALTA Loan Policy (combo rate based on loan amount)			X	X		\$
4a	Standard Loan Policy		X				\$ 1/2
5	Recording/Affidavit Filing Fees	X	X	X	X	\$ 1/2	\$ 1/2
6	Home Protection Plan					\$ (N)	\$(N)
7	Real Estate Commission	X	X	X	X	\$	
8	Termite Inspection	X	X	X	X		\$
9	HOA Transfer Fees					\$ 1/2	\$ 1/2
10	Tax Pro-Rations	X	X	X	X	\$	
11	Home Owner's Insurance	X	X	X	X		\$
12	Assessments - Sewer, etc.					\$	
13	Discount Points (N)			X	X	\$ (N)	\$(N)
14	Origination Fee (N)			X	X	\$ (N)	\$(N)
15	Appraisal Fee	X	X			\$	\$
16	Lender's Document Preparation Fee			X	X	\$ FHA/VA	\$ CONV
17	Credit Report Fee			X	X		\$
18	Tax Service Contract			X	X	\$ FHA/VA	\$ CONV
19	Bring Down Endorsement/Underwriting					\$ FHA/VA	\$ CONV
20	VA Funding Fee			X		\$	\$
21	FHA MIP or PMI Premium			X	X		\$
22	Existing Loan Payoff (including unpaid interest)	X	X	X	X	\$	
23	Payoff Demand Fee	X	X	X	X	\$	
24	Reconveyance Fee	X		X	X	\$	
25	Impound/Reserve Account		X				\$
26	Insurance Impound			X	X		\$
27	Tax Impounds			X	X		\$
28	MIP/PMI Impounds			X	X		\$
29	Prepaid Interest			X	X		\$
30	Loan Transfer Fee		X			\$ (N)	\$(N)
31	Pre-Payment Penalty	X		X	X	\$	
32	Pro-Rated Interest (existing loans)		X			\$	
33	Account Servicing Set-Up Fee					\$ (N)	\$(N)
34	Repairs					\$	
35	Home Inspection Fee						\$

(N) = Negotiable



# YAVAPAI COUNTY

## directory

### Police & Fire Services

Yavapai County Sheriff	928-771-3260
Sedona Fire District	928-282-6800
Prescott Fire Department	928-777-1700

### Services & Utilities

US Post Office	800-275-8777
Sedona Chamber of Commerce	928-204-1123
Prescott Chamber of Commerce	928-445-2000
APS (Electric)	928-556-1234
Citizens Utilities	800-352-3010
Citizens Arizona Gas	928-729-5721
CenturyLink	800-244-1111
Table Top Telephone	800-560-8101

### School Districts

Clarkdale-Jerome Elementary District	928-634-5035
Cottonwood-Oak Creek Elementary District	928-634-2288
Prescott Unified District	928-445-5400
Sedona-Oak Creek JUSD. #9	928-204-6800

# COCONINO COUNTY

## directory

### Police & Fire Services

Coconino County Sheriff	928-226-5012
Flagstaff Fire Department	928-779-7688

### Services & Utilities

US Post Office	800-275-8777
Flagstaff Chamber of Commerce	928-774-4505
Flagstaff-Pulliam Airport	928-556-1234
APS (Electric)	800-253-9405
Navajo Tribal Utility Authority	928-729-5721
Citizens Arizona Gas	928-774-4591
Graves Propane Co.	928-526-3147
Southern Union Gas Co.	928-445-2210
City of Flagstaff Water	928-779-7637
Navajo Communication Co.	928-871-5581
CenturyLink	800-244-1111
Flagstaff Medical Center	928-779-3366

### School Districts

Chevelton Butte School District	928-535-4729
Flagstaff Unified District	928-527-6000
Fredonia-Moccasin Unified District	928-643-7333
Grand Canyon Unified District	928-638-2461
Maine Consolidated Unified District	928-635-2115
Page Unified District	928-608-4157
Tuba City Unified District	928-283-1001
Williams Unified District	928-635-4473
Coconino County Superintendent of Schools	928-774-5011



# MARICOPA COUNTY

## directory

### School Districts

Agua Fria Union District	623-932-7000
Alhambra Elementary District	602-336-2920
Avondale Elementary District	623-772-5000
Balsz Elementary District	602-629-6400
Buckeye Elementary District	623-386-4487
Buckeye Union District	623-386-9701
Cartwright Elementary District	623-691-4000
Cave Creek Unified District	480-575-2000
Chandler Unified District	480-812-7000
Creighton Elementary District	602-381-6000
Deer Valley Unified District	623-445-5000
Dysart Unified District	623-876-7000
East Valley Institute of Technology	480-461-4101
Fountain Hills Unified District	480-664-5000
Fowler Elementary District	623-707-4500
Gilbert Unified District	480-497-3300
Glendale Elementary District	623-842-8100
Glendale Union District	623-435-6000
Higley Unified District	480-279-7000
Isaac Elementary District	602-455-6700
Kyrene Elementary District	480-783-4000
Laveen Elementary District	602-237-9100
Liberty Elementary District	623-474-6600
Litchfield Elementary District	623-535-6000
Littleton Elementary District	623-478-5600
Madison Elementary District	602-664-7900
Maricopa Regional	602-452-4700
Mesa Unified District	480-472-0000
Mobile Elementary District	520-568-2280
Murphy Elementary District	602-353-5000
Osborn Elementary District	602-707-2000
Paradise Valley Unified District	602-867-5100
Pendergast Elementary District	623-772-2200
Peoria Unified District	623-486-6000
Phoenix Elementary District	602-257-3755
Phoenix Union District	602-764-1100
Queen Creek Unified District	480-987-5935
Riverside Elementary District	602-477-8900
Roosevelt Elementary District	602-243-4800
Scottsdale Unified School District	480-484-6100
Tempe Elementary District	480-730-7100
Tempe Union District	480-839-0292
Tolleson Elementary District	623-936-9740
Tolleson Union District	623-478-4000
Union Elementary District	623-478-5005
Washington Elementary District	602-347-2802
West-MEC	623-873-1860
Wilson Elementary District	602-681-2200

### Services & Utilities

Maricopa County General Information	602-506-3011
Maricopa County Library District	602-652-3000
Housing Authority of Maricopa County	602-257-1113
Maricopa County Community Development	602-240-2210
Maricopa County Public Fiduciary	602-506-5801

# PINAL COUNTY

## directory

### Police & Fire Services

Pinal County Sheriff	480-987-3492
Rural Fire Department	480-945-6311

### Services & Utilities

US Post Office	800-275-8777
Salt River Project	602-236-8888
City of Mesa Utilities	480-644-2221
H2O INC.	480-491-6971
Cable America	602-463-1818
Johnson Utilities (water)	480-987-9870
Apache Junction (waste)	480-982-1961

### Public Schools Districts

Apache Junction Unified	480-982-1110
Casa Grande Elementary	520-836-2111
Casa Grande Union High School	520-836-8500
Coolidge Unified	520-723-2040
Eloy Elementary	520-466-2100
Florence Unified	520-866-3500
JO Combs Elementary	480-987-5300
Mammoth/San Manuel Unified	520-385-2337
Maricopa Unified	520-568-5100
Mary C O'Brien Accommodation District	520-723-9700

### Private Schools

East Valley Community Christian	480-983-1724
St Anthony of Padua Catholic School	520-836-7247

### Charter Schools

Academy of Excellence-Central AZ	520-723-4773
Apex Academy Middle School	480-288-0337
Apache Trail High School	480-288-0337
Akimel O'Otham Pee Posh Charter	520-215-5859
Casa Verde High School	520-316-3372
Coolidge High School	520-876-4462
Success Center	
Excalibur Charter School	480-373-9575
Avalon Academy for Performing Arts at San Marcos	480-671-4584
Morningstar Academy	480-671-5673
Pinnacle Education-Casa Grande	520-423-2380
PPEP TEC-Alice S Paul Learning Center	520-836-6549

# RELOCATING TO arizona

## VEHICLE REGISTRATION

As soon as you move to Arizona, you will need to register your vehicle. You will need your out-of-state title, previous license plates, proof of a passed vehicle emissions test and verification of your vehicle identification number (VIN) through an inspection report.

## DRIVERS LICENSE

To obtain an Arizona driver's license, you must bring your previous license and one other form of identification to the Motor Vehicle Division. A written test is not required but you will need to take a vision test and pay the fee.

## TRAFFIC LAWS

Be sure to research Arizona's traffic laws as they may differ from other states. For example, Arizona has strict laws on drunk driving and also utilizes photo radar systems to catch speeders in certain cities. Also worth noting, it is a law that passengers in the front seat must wear their seat belt and children 5 or younger must be in a child-restraint seat in the back of the vehicle.

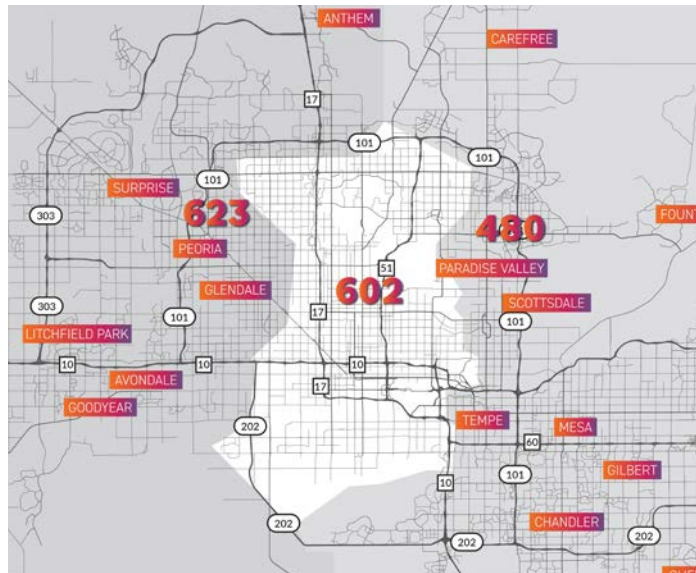
For vehicle registration or driver's license information visit [www.az.gov](http://www.az.gov)

## area codes

The Phoenix Metropolitan area is divided into large geographic areas by three area codes. The 602 code is generally associated with Phoenix, 480 represents the East Valley including most parts of Scottsdale and 623 applies to the West Valley.

## TIPS

You do not need to dial "1" for any of these area codes because they are considered local calls, not long distance. If you are within an area code, you do not need to dial it, only the 7-digit number. If you call outside of your area code, you will need to dial the entire 10-digit number. In general, cities North and West of the Phoenix Metropolitan area have the code 928. Cities to the Southeast of the Valley are typically represented by the area code 520.







# THINGS TO DO in arizona

The State of Arizona is rich in culture and natural beauty. From some of the countries most fantastic golf courses to one of the seven natural wonders of the world, there is a little something for everyone in Arizona.

## natural wonders

Canyon de Chelly National Monument	520-674-5500
Chiricahua National Monument	520-824-3560
Grand Canyon National Park	520-638-7888
Kartchner Caverns State Park	520-586-2283
Mogollon Rim Drive	520-474-7900
Monument Valley	435-727-3353
Organ Pipe Cactus National Monument	520-282-6907
Tonto Natural Bridge State Park	520-476-4202

## historic sites

Arizona State Capitol Museum	602-542-4581
Casa Grande Ruins National Monument	520-723-3172
Cochise Stronghold	602-364-3468
Town of Florence	800-437-9433
Fort Apache	520-338-4625
Fort Huachuca Military Museum	520-533-5736
Fort Verde State Historic Park	520-567-3275
Heritage Square	602-262-5029
Jerome State Historic Park	520-634-5381
San Xavier Del Bac Mission	520-294-2624
Tombstone Courthouse Historic State Park	520-457-3311
Tombstone Epitaph	520-457-2211
Tombstone O.K. Corral	520-457-3456
Tubac Presidio State Historic Park	520-398-2252
Yuma Territorial Prison Historic State Park	520-783-4771

## wildlife attractions

Bill Williams National Wildlife Refuge	520-667-4144
Out of Africa Wildlife Park	928-567-2840
Phoenix Zoo	602-273-1341
Ramsey Canyon Preserve	520-378-2785
Reid Park Zoo	520-791-4022
Wildlife World Zoo	623-935-9453





# PURCHASE contract

## PURCHASE CONTRACT AND ADDENDUM

The Purchase Contract and Addendum(s) is a lengthy but important contract. It is the legal written document that details the specific agreement by which this transaction will take place. It is the only written record of your agreement and will serve as the sole resource document for all parties involved. It is a crucial document, for which you should have an understanding. Let your REALTOR® guide you through the Purchase Contract. Knowing the specifics of your situation, your REALTOR® can show you what portions of the contract will be of primary importance to you in achieving a successful transaction.

## DISCLOSURES

The Purchase Contract now requires you to complete a Seller's Property Disclosure Statement. This is a document that informs the Buyer of any significant facts about the condition of the property, based on your best knowledge.

## CONTINGENCIES

There will be various contingency dates in your Purchase Contract. Be aware of these and make certain that actions required are performed within the time agreed. Stay closely in touch with your real estate agent regarding these important dates.

## sample contracts

Following this page are two documents:

- The Buyer Advisory
- A sample of the Residential Resale Real Estate Purchase Contract



# Buyer Advisory



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



## A Resource for Real Estate Consumers

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

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

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

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

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

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

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

### Reminder:

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

### Please Note:

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

## Table of Contents

### SECTION 1

#### COMMON DOCUMENTS A BUYER SHOULD REVIEW

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

### SECTION 2

#### COMMON PHYSICAL CONDITIONS IN THE PROPERTY A BUYER SHOULD INVESTIGATE

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

### SECTION 3

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

- |   |  |  |
|---|--|--|
| 9 Environmental Concerns (Environmentally Sensitive Land Ordinance) | 10 Freeway Construction & Traffic Conditions | 10 Military and Public Airports          |
| 10 Electromagnetic Fields   | 10 Crime Statistics                          | 11 Zoning/Planning/Neighborhood Services |
| 10 Superfund Sites  | 10 Sex Offenders                             | 11 Schools                               |
|   | 10 Forested Areas                            | 11 City Profile Report                   |

### SECTION 4

#### OTHER METHODS TO GETTING INFORMATION ABOUT A PROPERTY

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

### SECTION 5

#### RESOURCES

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

## BUYER

### ACKNOWLEDGMENT 13



## Section 1

# COMMON DOCUMENTS A BUYER SHOULD REVIEW

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

## 1 Purchase Contract

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

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

(AAR Sample Residential Resale Purchase Contract)

### Contingency Waivers

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

## 2 MLS Printout

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

## 3 The Subdivision Disclosure Report (Public Report)

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

become outdated, subsequent buyers can also benefit from reviewing the Public Report. Public Reports dating from January 1, 1997, are available on the 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)

### 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. 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://insurance.az.gov/consumers/help-hometitleflood-insurance> (Arizona Department of 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.

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

(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> (EPA)

<http://bit.ly/2O69Lik> (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.

<https://azashi.org/faq/> (FAQ's – Home Inspections)

## 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:  
<http://bit.ly/1FKUhk8>

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

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

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

Mohave:  
<http://bit.ly/Yq6nAj>

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

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

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:  
<http://bit.ly/1AsANj5>

## 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.

<https://agriculture.az.gov/pestspest-control/termites> (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://bit.ly/2RC2UQw> (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.

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

(Before you Hire a Contractor – Tips)

[www.greaterphoenixnari.org](http://www.greaterphoenixnari.org) (National Association of Remodeling Industry – Greater Phoenix Chapter)

<https://www.nariofsouthernarizona.com/page-319328> (National Association of Remodeling Industry – Southern Arizona)

<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 in 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 from the general inspection so an inspection by a pool or spa company may be necessary.

The Arizona REALTORS® Residential Purchase Contract provides guidance for the buyer to investigate all applicable state, county, and municipal Swimming Pool Barrier regulations and acknowledge receipt of the Arizona Department of Health Services approved private pool safety notice. The state requirements contained in the notice may be superseded by local swimming pool barrier ordinances that are equal to or more restrictive than the state requirements.

<https://www.aaronline.com/2010/10/pool-barrier-law-contact-information/> (AAR-Pool Barrier Laws & Information-Updated August 2020)

<https://www.azleg.gov/ars/36/01681.htm> (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).

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

(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.

<https://new.azwater.gov/adjudications> (Department of Water Resources – Adjudications)

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

<https://www.verdevalleywaterusers.org/> (Verde Valley Water Users 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 mayor 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)

<http://azgs.arizona.edu/center-natural-hazards/problem-soils> (Problem Soils)

<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/32y89I6> (Information on Scorpions)

<http://bit.ly/1PFP9Y2> (Information on Bed Bugs)

<https://www.epa.gov/bedbugs> (Bed Bugs: 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)

<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/2kRk7im](http://bit.ly/2kRk7im) (Drywall Information Center)

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

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

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

[bit.ly/2gUZcSt](http://bit.ly/2gUZcSt) (Voluntary Guidelines for Methamphetamine)

<https://www.epa.gov/formaldehyde> (EPA Formaldehyde)

## 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)

<https://www.fws.gov/endangered/map/state/AZ.html>

(Arizona Endangered Species)

## 12 Death and Felonies on the Properties

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

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

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

## 13 Indoor Environmental Concerns

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

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

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

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

## 14 Property Boundaries

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

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

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



## 15 Flood Insurance/Flood Plain Status

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

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

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

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

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

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

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

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

## 16 Insurance (Claims History)

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

<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)

<http://legacy.azdeq.gov/environ/waste/solid/plan.html> (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 Open Space)

## 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/>

(Crime Statistics - All Arizona Cities)

## 6 Sex Offenders

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

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

(Registered Sex Offender and Community Notification)

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

(National Sex Offender Public Site)

## 7 Forested Areas

Life in a forested area has unique benefits and concerns. 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.

<http://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.

## Investigate Your Surroundings

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

## Talk to the Neighbors

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



## Section 5

# RESOURCES

### Market Conditions Advisory

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

The ultimate decision on the price a buyer is willing to pay and the price a seller is willing to accept for a specific property rests 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.

\_\_\_\_\_  
^BUYER SIGNATURE

\_\_\_\_\_  
DATE

\_\_\_\_\_  
^BUYER SIGNATURE

\_\_\_\_\_  
DATE





*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**



# RESIDENTIAL RESALE REAL ESTATE PURCHASE CONTRACT

Document updated:  
February 2020



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



## 1. PROPERTY

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

&gt;&gt;

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

&lt;Initials

Residential Resale Real Estate Purchase Contract • Updated: February 2020  
Copyright © 2020 Arizona Association of REALTORS®. All rights reserved.

Initials&gt;

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

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

- 1g. Fixtures and Personal Property:** For purposes of this Contract, fixtures shall mean property attached/affixed to the Premises.
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
67. the notice, whichever is later.
68. **IF THIS IS AN ALL CASH SALE:** Section 2 does not apply - go to Section 3.

**2. FINANCING**

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

&gt;&gt;

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

&lt;Initials

Initials&gt;

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

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

- 2f. 90. **Loan Application:** Unless previously completed, within three (3) days after Contract acceptance Buyer shall (i) provide lender 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;

&lt;Initials

Initials&gt;

SELLER SELLER

BUYER BUYER



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

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

**4. DISCLOSURE**

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

&gt;&gt;

SELLER	SELLER

&lt;Initials

Initials&gt;

BUYER	BUYER

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

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

**5. WARRANTIES**

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

**6. DUE DILIGENCE**

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

&gt;&gt;

&lt;Initials

Initials&gt;

SELLER SELLER

BUYER BUYER

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

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

&gt;&gt;



**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.

&gt;&gt;

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

&lt;Initials

Initials&gt;

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

**8. ADDITIONAL TERMS AND CONDITIONS**

8a. 344.

345.

346.

347.

348.

349.

350.

351.

352.

353.

354.

355.

356.

357.

358.

359.

360.

361.

362.

363.

364.

365.

366.

367.

368.

369.

370.

371.

372.

373.

374.

375.

376.

377.

378.

379.

380.

381.

382.

383.

384.

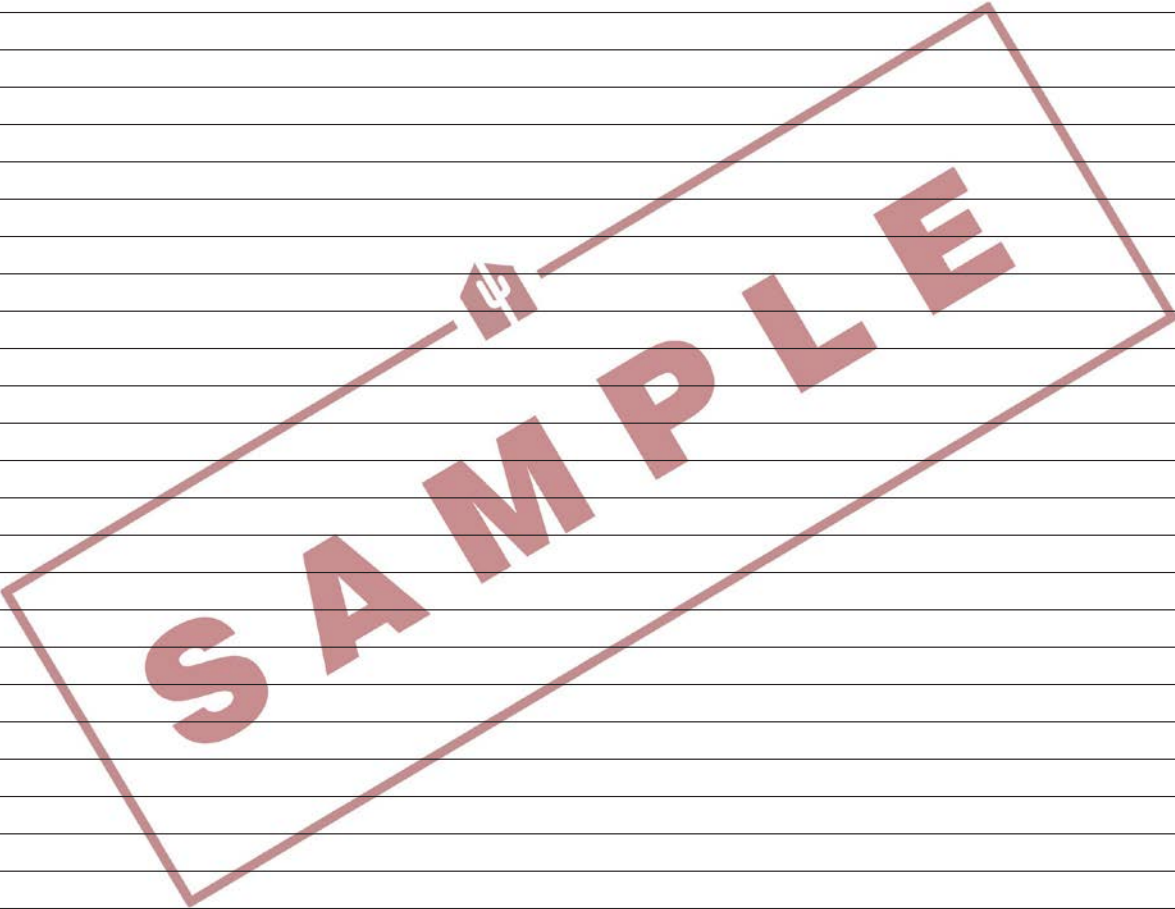
385.

386.

387.

388.

389.



&gt;&gt;

SELLER	SELLER

&lt;Initials

Initials&gt;

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 a copy hereof including the Buyer Attachment.**

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

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

455. ADDRESS ADDRESS

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

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

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

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

460. \_\_\_\_\_  
PRINT FIRM NAME FIRM MLS CODE

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

462. \_\_\_\_\_  
PREFERRED TELEPHONE FAX EMAIL

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

464. ☐ Seller; or ☐ both Buyer and Seller

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

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

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

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

471. ADDRESS ADDRESS

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

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

**For Broker Use Only:**

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



# BUYER GUIDE

## notes

[illegible]

# notes

[illegible]



# GREYSTONE TITLE AGENCY

*Polished, Experienced, Professional*

*Escrow Lic. #0922269*  
*[www.greystonetitle.com](http://www.greystonetitle.com)*

Chandler/ Ocotillo (480) 624 - 8610

Gilbert/Mesa (480) 624 - 4379

Glendale /Arrowhead (480) 624 - 8609

Scottsdale Spectrum (480) 624 - 8600