

# PURCHASE CONTRACT FOR NEW HOME (With Lot)



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## RECEIPT

1. **Received From:** Sample Form Only ("Buyer")

2. **Agency Confirmation:** Broker named on Line 19 is the agent of (check one):  
 3.  the Buyer exclusively; or  the Seller exclusively; or  both the Buyer and Seller

4. **Earnest Money:** Earnest money shall be held by Broker until offer is accepted. Upon acceptance, Broker shall promptly deposit the earnest money with any escrow company to which the check is payable. If the check is payable to Broker, Broker may deposit the check in Broker's trust account or endorse the check without recourse and deposit it with a duly licensed escrow company. Buyer agrees that, if Buyer breaches this Contract, any earnest money is subject to forfeiture. If any check for earnest money is dishonored for any reason, Seller may, at Seller's option, immediately cancel this Contract pursuant to Lines 273-276. Unless otherwise provided herein, all earnest money is considered to be part of the purchase price for the Premises described below.

10. a. Amount of \_\_\_\_\_ b. Form of  Personal Check c. Deposited  Seller  Broker's Trust Account  
 11. Earnest \$ \_\_\_\_\_ Earnest Money:  Other: \_\_\_\_\_ With:  Escrow Company: \_\_\_\_\_

12. **EARNEST MONEY AND DOWN PAYMENT DEPOSITS WITH SELLER:** THE BUYER IS ADVISED THAT EARNEST MONEY DEPOSITS, DOWN PAYMENTS AND OTHER ADVANCED MONIES DEPOSITED WITH SELLER WILL NOT BE PLACED IN A NEUTRAL ESCROW. SUCH MONIES WILL BE PAID DIRECTLY TO THE SELLER AND MAY BE USED BY THE SELLER. THIS MEANS THE BUYER ASSUMES A RISK OF LOSING SUCH MONIES IF THE SELLER IS UNABLE OR UNWILLING TO PERFORM UNDER THE TERMS OF THE CONTRACT.

17. (BUYER'S INITIALS REQUIRED) \_\_\_\_\_ BUYER \_\_\_\_\_ BUYER

18. **Received By:** \_\_\_\_\_ (PRINT SALESPERSON'S NAME AND AGENT CODE) \_\_\_\_\_ (SALESPERSON'S SIGNATURE) \_\_\_\_\_ (MO/DA/YR)

19. Tierra Antigua Realty 2866  
 (PRINT NAME OF FIRM) (OFFICE CODE) (TELEPHONE)

## OFFER

20. **Property Description and Offer:** Buyer agrees to purchase the real property and all fixtures and improvements thereon and 21. appurtenances incidental thereto, plus personal property described below (collectively the "Premises").

22. Premises Address: \_\_\_\_\_ Assessor's #: \_\_\_\_\_  
 23. City: \_\_\_\_\_ County: \_\_\_\_\_ AZ, Zip Code: \_\_\_\_\_  
 24. Legal Description: \_\_\_\_\_

25. **Additional Personal Property Included:** \_\_\_\_\_  
 26. Additional personal property included herein shall be transferred with no monetary value, in AS-IS CONDITION, FREE AND CLEAR  
 27. OF ANY LIENS OR ENCUMBRANCES, and CONTRACTOR MAKES NO WARRANTY of any kind, express or implied (including, with-  
 28. out limitation, ANY WARRANTY OF MERCHANTABILITY).

29. a. \$ \_\_\_\_\_ **Full Purchase Price**, paid as outlined below. Buyer acknowledges that failure to pay the required funds by the  
 30. scheduled Close of Escrow other than as described in any of the following sections, shall be construed as  
 31. a material breach, and all earnest money shall be subject to forfeiture.

32. b. \$ \_\_\_\_\_ Earnest money as indicated above

33. c. \_\_\_\_\_

34. d. \$ \_\_\_\_\_ Balance of down payment to be paid by  Buyer on or before start of construction; or  \_\_\_\_\_  
 35. to  Escrow Company  Seller; (BUYER'S INITIALS REQUIRED) \_\_\_\_\_ OWNER \_\_\_\_\_ OWNER

Initials: \_\_\_\_\_ / \_\_\_\_\_ SELLER SELLER Initials: \_\_\_\_\_ / \_\_\_\_\_ BUYER BUYER

- 36. e. \$ \_\_\_\_\_ Balance due on Purchase Price shall be paid by:
- 37.  Certified check at Closing Date
- 38.  Cash (with draws as indicated on Lines 52-61.)
- 39.  Net Proceeds of a new first loan which shall be:
- 40.  Conventional (refer to Lines 62-90)
- 41.  FHA [Note: Terms of FHA financing to be negotiated by separate agreement between Buyer, Seller and Lender].
- 42.  VA [Note: Terms of VA financing to be negotiated by separate agreement between Buyer, Seller and Lender].

43. **Closing Date:** Seller and Buyer will comply with all terms and conditions of this Contract and close escrow within five (5) days of completion of construction of the Premises, as provided for on Lines 334-345. Buyer and Seller hereby agree that the Close of Escrow shall be defined as recordation of the documents. Close of Escrow shall occur no earlier than \_\_\_\_\_.

46. **Ownership:** Buyer understands that Buyer is not the legal owner of the Premises until Close of Escrow. Buyer agrees that, should Buyer enter the Premises or allow any other person to enter the Premises during the course of construction or at any time prior to Close of Escrow, Buyer will indemnify and hold Seller harmless for any and all damages resulting from such entry.

49. **Possession and Keys:** Possession and occupancy shall be delivered to Buyer at Close of Escrow. Seller shall provide keys and/or means to operate all locks, mailbox, security systems/alarms, and access to all common area facilities.

51. **Occupancy:** Buyer intends to occupy the Premises as  primary residence;  secondary residence; or  Buyer does not intend to occupy the Premises.

**CASH**

- 52. If this is an all-cash sale with draws, the draw schedule shall be as follows:
- 53. **Draw Schedule:** The Balance due shall be paid by certified funds directly to the Seller, based upon the following schedule.
- 54. \$ \_\_\_\_\_ First Draw, to be delivered by Buyer to Seller upon completion of \_\_\_\_\_
- 55. \$ \_\_\_\_\_ Second Draw, to be delivered by Buyer to Seller upon completion of \_\_\_\_\_
- 56. \$ \_\_\_\_\_ Third Draw, to be delivered by Buyer to Seller upon completion of \_\_\_\_\_
- 57. \$ \_\_\_\_\_ Fourth Draw, to be delivered by Buyer to Seller upon completion of \_\_\_\_\_
- 58. \$ \_\_\_\_\_ Fifth Draw, to be delivered by Buyer to Seller upon completion of \_\_\_\_\_
- 59. \$ \_\_\_\_\_ Final Draw, to be delivered by Buyer to Seller upon completion of the Premises, per Lines 43-45 (Closing Date)
- 60. Contractor agrees to provide:  notarized lien waivers to the Owner for the completion of work performed for each successive draw; or
- 61.  \_\_\_\_\_

**FINANCING**

62. **This sale is contingent upon Buyer qualifying for a:**  permanent loan only  permanent loan and interim loan

63. **Conditional Loan Approval:** Conditional Loan Approval ("CLA") is attached, or  shall be delivered to Seller within \_\_\_\_\_ days after acceptance of the Contract. The written CLA from the Buyer's lender must be based on a loan application and Trimerged Residential Credit Report ("TMRCR") and for FHA or VA loans, show that the Seller's loan costs, pursuant to Line 88, are sufficient to obtain the loan. Buyer agrees to supply all documentation required by the lender. If such CLA is not received within the time specified, then Seller may give Buyer a five (5) day written notice to perform. If Buyer does not deliver to Escrow Company written CLA within said five (5) days, then this Contract shall be deemed cancelled and all earnest money shall be released to Buyer without further written consent of the parties and without regard to cancellation provisions provided for elsewhere in this Contract. Buyer instructs lender to send copies of such approval to Broker(s) and Seller. Buyer authorizes the lender to provide loan status updates to Broker(s).

71. **Permanent Loan Amount:** \$ \_\_\_\_\_ If applicable, upfront MIP or VA funding fee may be added to the loan.

72. **Term of Loan:** \_\_\_\_\_

73. **Type Of Loan:**  Fixed Rate  Adjustable Rate  Other \_\_\_\_\_

74. **Interim Loan:** If an interim loan is required, within twenty (20) days or  \_\_\_\_\_ days after acceptance of this contract, Seller and Buyer shall agree with the lender upon the terms, conditions and costs of the interim loan.

76. **Appraisal:** The Buyer's obligation to complete this sale is contingent upon an appraisal of the Premises by an appraiser acceptable to the lender for at least the sales price. The party responsible for paying for the appraisal shall do so within **five (5) days after Contract**

78. **acceptance or**  \_\_\_\_\_ . Failure to pay for appraisal within the time specified shall constitute a material breach of this Contract rendering the Contract subject to cancellation as provided in Lines 273-276 of this Contract.

Initials: \_\_\_\_\_ / \_\_\_\_\_ SELLER SELLER ©AAR Form NHPC 4/05 Initials: \_\_\_\_\_ / \_\_\_\_\_ BUYER BUYER

80. **Loan Costs:** Private Mortgage Insurance is required for certain types of loans and will be paid by Buyer at the Close of Escrow in a  
 81. manner acceptable to lender. The following may be paid by either party:

82. **Discount points paid by:**  Buyer  Seller  Other \_\_\_\_\_

83. **Discount points shall not exceed:** \_\_\_\_\_ total points. (does not include origination fee)

84. Buyer Seller Buyer Seller

85. A.L.T.A. Lender Title Insurance Policy . . . . .  . . . . .  Loan Origination Fee (Not to exceed \_\_\_\_\_ % of loan amount)  . . . . .

86. Appraisal Fee . . . . .  . . . . .  . . . . .  . . . . .  Paid by Buyer and . . . . .  . . . . .  Paid by Seller and  
 87. reimbursed by Seller at closing reimbursed by Buyer at closing

88. **Other Loan Costs:** In the event of FHA or VA loans, Seller agrees to pay up to \$ \_\_\_\_\_ of loan costs not permitted  
 89. to be paid by the Buyer. In addition, in VA loans, Seller agrees to pay the escrow fee. All other costs of obtaining the loan shall be  
 90. paid by the Buyer.

91. **Notice To FHA Buyer (Initials Required):** HUD does not warrant the condition of the property. By initialing below, Buyer  
 92. acknowledges receipt of Form HUD-92564-CN, "**For Your Protection: Get a Home Inspection**". Buyer further acknowledges that  
 93. such form was signed at or before the Contract date. Signed HUD-92564-CN is attached and made a part of this Purchase Contract.  
 94. \_\_\_\_\_  
 (FHA Buyer's Initials Required) BUYER BUYER

### GENERAL LOAN PROVISIONS

95. **Release Of Broker:** Any loan described in this Contract will be independently investigated and evaluated by Seller and/or Buyer, who  
 96. hereby acknowledge that any decision to enter into any loan arrangements with any person or entity will be based solely upon such inde-  
 97. pendent investigation and evaluation. Buyer and Seller further release, hold harmless and indemnify Broker(s) from any and all liability regard-  
 98. ing loan arrangements and acknowledge that no Broker is responsible for Buyer's or Seller's decisions concerning the desirability or accept-  
 99. ability of any loan or any terms thereof.

100. **Changes:** Buyer shall not make any changes in the loan program or financing terms described in this Contract without the prior  
 101. written consent of Seller unless such changes do not adversely affect Buyer's ability to qualify for the loan, increase Seller's closing  
 102. costs, or delay the closing date.

103. **Return Of Earnest Money:** Unless otherwise provided herein, Buyer is entitled to a return of the earnest money if, after a diligent and good  
 104. faith effort, Buyer does not qualify for a loan described in this Contract. Buyer is aware that failure to have the funds necessary to obtain  
 105. the loan and close this transaction shall be considered a material breach of contract and not a failure to qualify for the loan. Buyer  
 106. acknowledges that prepaid items paid separately from earnest money are not refundable.

107. **RESPA:** The Real Estate Settlement Procedures Act ("RESPA") requires that no Seller of property that will be purchased with the  
 108. assistance of a federally-related mortgage loan shall require, directly or indirectly, as a condition of selling the property, that title insur-  
 109. ance covering the property be purchased by the Buyer from any particular title company.

### TITLE AND ESCROW

110. **Escrow:** This Contract will be used as escrow instructions. The Escrow Company employed by the parties to carry out the terms of this  
 111. Contract shall be:  
 112. \_\_\_\_\_ / Catalina Title  
 ("ESCROW COMPANY") (CONTACT PERSON) (TELEPHONE)

113. **Title and Vesting:** Taking title may have significant legal, estate planning and tax consequences. **Buyer should obtain legal and tax advice.**

114. Buyer's marital status is: \_\_\_\_\_

115. Buyer will take title as:  
 determined before Close of Escrow  community property with right of survivorship  community property  
 116.  joint tenants with right of survivorship  sole and separate property  tenants in common  
 117.  Other: \_\_\_\_\_

118. Escrow Company is hereby instructed to obtain and distribute to Buyer a Commitment for Title Insurance together with complete and legible  
 119. copies of all documents that will remain as exceptions to Buyer's policy of Title Insurance ("Title Commitment"), including but not limited  
 120. to Conditions, Covenants and Restrictions; deed restrictions; and easements. Any portion of documents that contain provisions prohibi-  
 121. ted by state or federal fair housing laws are void and unenforceable. Buyer shall have five (5) days after receipt of the Title Commitment  
 122. and after receipt of notice of any subsequent exceptions to provide written notice to Seller of any of the exceptions reasonably disap-  
 123. proved. REFER TO LINES 206-222 FOR IMPORTANT TERMS. Seller shall convey title by general warranty deed. Buyer shall be pro-  
 124. vided at Seller's expense an American Land Title Association ("ALTA") Homeowner's Title Insurance Policy, or if not available, an ALTA  
 125. Residential Title Insurance Policy ("Plain Language"/"1-4 units") or, if not available, a Standard Owner's Title Insurance Policy, showing  
 126. the title vested in Buyer as provided in Lines 115-117. Buyer may acquire extended coverage at Buyer's own additional expense.

Initials: \_\_\_\_\_ / \_\_\_\_\_  
 SELLER SELLER

Initials: \_\_\_\_\_ / \_\_\_\_\_  
 BUYER BUYER



173. **Notice to Buyer of Swimming Pool Barrier Regulations (Initials Required):** Seller and Buyer acknowledge that the State of Arizona  
 174. has swimming pool barrier regulations which are outlined in the Arizona Department of Health Services Private Pool Safety Notice. A swim-  
 175. ming pool is defined as an above or below ground swimming pool or contained body of water intended for swimming, exclusive of public  
 176. or semi-public swimming pools ("Swimming Pool"). The parties further acknowledge that the county or municipality in which the Premises  
 177. are located may have different Swimming Pool barrier regulations than the state. Buyer agrees to investigate all applicable state, county,  
 178. and municipal Swimming Pool barrier regulations and agrees to comply with and pay all costs of compliance with said regulations prior to  
 179. possession of the Premises.  
 180. **BUYER'S INITIALS ACKNOWLEDGE 1) EXISTENCE OF SWIMMING POOL BARRIER REGULATIONS and 2) If these Premises contain a**  
 181. **Swimming Pool, RECEIPT OF THE ARIZONA DEPARTMENT OF HEALTH SERVICES APPROVED PRIVATE POOL SAFETY NOTICE AS**  
 182. **REQUIRED BY A.R.S. §36-1681 (E). (BUYER'S INITIALS ARE REQUIRED)** \_\_\_\_\_ BUYER \_\_\_\_\_ BUYER  
 183. Owner and Contractor expressly relieve and indemnify Broker(s) from any and all liability and responsibility for compliance with the  
 184. applicable swimming pool barrier regulations.

**INSPECTIONS AND WARRANTIES**

185. **INSPECTIONS (INITIALS REQUIRED)**  
 186. **SQUARE FOOTAGE: BUYER IS AWARE THAT ANY REFERENCE TO THE SQUARE FOOTAGE OF THE PREMISES, BOTH**  
 187. **THE REAL PROPERTY (LAND) AND IMPROVEMENTS THEREON, IS APPROXIMATE. IF SQUARE FOOTAGE IS A MATERIAL**  
 188. **MATTER TO THE BUYER, IT MUST BE VERIFIED PRIOR TO CLOSE OF ESCROW.**  
 189. **Flood Hazard:** If the Premises are situated in an area identified as having any special flood hazards by any governmental entity  
 190. including, but not limited to, being designated as a special flood hazard area by the Federal Emergency Management Agency ("FEMA"), the  
 191. Buyer's lender may require the purchase of flood hazard insurance at the Close of Escrow or some future date. Special flood hazards may  
 192. affect the ability to encumber or improve the Premises now or at some future date. **Flood hazard designation of the Premises or cost of**  
 193. **flood hazard insurance shall be determined by Buyer** within \_\_\_\_\_ days **from date of acceptance. Buyer shall provide written**  
 194. **notice to seller of any flood hazard items reasonably disapproved during this time period. REFER TO LINES 206-222 FOR**  
 195. **IMPORTANT TERMS.**  
 196. **Buyer Responsibility Regarding Inspections and Investigations:** Buyer is advised by Broker to obtain inspections and  
 197. investigations of the Premises. Buyer acknowledges that Buyer should make inquiries and consult government agencies, lenders,  
 198. insurance agents, architects, and other appropriate persons and entities concerning the use of the Premises and the surrounding  
 199. areas under applicable building, zoning, fire, health, and safety codes, and for evaluation of potential hazards. Buyer acknowledges  
 200. that more than one inspection may be required. Buyer shall keep the Premises free and clear of liens, shall indemnify and hold Seller  
 201. harmless from all liability, claims, demands, damages, and costs, and shall repair all damages arising from the inspections. Buyer  
 202. shall provide Seller and Broker(s) upon receipt, at no cost, copies of all reports concerning the Premises obtained by Buyer.  
 203. **BUYER SPECIFICALLY RELEASES, HOLDS HARMLESS AND INDEMNIFIES BROKER(S) FROM ANY LIABILITY FOR ANY**  
 204. **DEFECTS IN THE PREMISES WHICH COULD HAVE BEEN DISCOVERED BY SUCH INSPECTIONS AND INVESTIGATIONS.**  
 205. **(BUYER'S INITIALS ARE REQUIRED)** \_\_\_\_\_ BUYER \_\_\_\_\_ BUYER

206. **Buyer Reasonable Disapproval:** If Buyer reasonably disapproves of items as provided herein, Buyer shall deliver to Seller written notice  
 207. of the items reasonably disapproved [Notice shall be provided on AAR's Buyer's Inspection Notice and Seller's Response form or  
 208. equivalent.], and state in the written notice that Buyer elects to either:  
 209. (a) immediately cancel this Contract without further written consent of the parties, in which event all earnest money will be released to  
 210. Buyer, or  
 211. (b) provide the Seller an opportunity to correct the items reasonably disapproved. If Buyer elects option (b), Seller shall respond in writing  
 212. within **five (5) days or** \_\_\_\_\_ days **after delivery to Seller of Buyer's notice of items reasonably disapproved.**  
 213. If Seller is unwilling or unable to agree to correct any of the items reasonably disapproved by Buyer, including making any repairs in a  
 214. workmanlike manner, Buyer may either:  
 215. (a) cancel this Contract by written notice to Seller within five (5) days after receipt of Seller's response or after expiration of the time  
 216. period for Seller's response, whichever occurs first, in which case all earnest money shall be released to Buyer; or  
 217. (b) proceed with the transaction, in which case Seller is not obligated to correct those items Seller has not agreed to correct in writing.  
 218. Any extensions of these time periods must be agreed to in a writing signed by Seller and Buyer.  
 219. **BUYER'S FAILURE TO GIVE WRITTEN NOTICE OF REASONABLE DISAPPROVAL OF ITEMS OR CANCELLATION OF THIS**  
 220. **CONTRACT WITHIN THE SPECIFIED TIME PERIODS SHALL CONCLUSIVELY BE DEEMED BUYER'S ELECTION TO PROCEED**  
 221. **WITH THE TRANSACTION WITHOUT CORRECTION OF ANY REASONABLY DISAPPROVED ITEMS WHICH SELLER HAS NOT**  
 222. **AGREED TO CORRECT IN WRITING.**

Initials: \_\_\_\_\_ / \_\_\_\_\_  
 SELLER SELLER  
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 BUYER BUYER

223. **Seller Warranties:** Seller expressly warrants that all work performed by Seller in connection with the construction of the Premises will  
 224. be performed in a workmanlike manner and be of a quality which is standard in the industry, and in conformance with the requirements  
 225. of the Arizona Registrar of Contractors. Seller warrants the construction of the Premises against defects in workmanship and  
 226. materials as provided for by Arizona law and Seller will, at Seller's own expense, make any and all repairs and replacements made  
 227. necessary as a result of defective workmanship or materials, provided however, Seller is granted reasonable access to the Property  
 228. during normal business hours. This warranty is applicable only to requests for repair and replacement reported in writing to Seller. This  
 229. warranty does not apply to defects caused by normal wear and tear, insubstantial variances or defects, acts of God, faulty  
 230. maintenance, operation or abusive use, or other acts or events beyond Seller's control. Seller's warranty shall in no event extend to  
 231. any consumer product, appliance, air conditioning unit, furnace, water heater, or other products included in the Premises that are  
 232. considered "consumer products" as defined by the Federal Trade Commission for purposes of the Magnuson Moss Warranty - Federal  
 233. Trade Commission Improvement Act (15 U.S.C. §2301, et seq.) that may be included in this transaction. If a manufacturer's warranty  
 234. has been issued to Seller, Seller hereby assigns to Buyer, to be effective upon closing, without recourse to Seller, all rights under said  
 235. manufacturer's warranties, as are assignable, an appliances and any other consumer products included in the Premises. BUYER MAY  
 236. HAVE ADDITIONAL RIGHTS, REMEDIES, AND WARRANTIES BEYOND THOSE CONTAINED IN THIS CONTRACT.

237. **Final Walkthrough:** Prior to the Close of Escrow the Buyer shall inspect the Premises in the presence of the Seller. Upon the con-  
 238. clusion of this inspection, the Buyer will immediately notify the Seller in writing of any claim by the Buyer for deficiencies in workman-  
 239. ship or materials. The Seller shall correct at Seller's cost within a reasonable period of time any items noted by the Buyer or Buyer's  
 240. representative that are, in the good faith judgment of the Seller, deficient in workmanship and/or materials according to the standard  
 241. in the industry and the requirements of the Arizona Registrar of Contractors. Unless otherwise required by law, the Seller has no oblig-  
 242. ation to correct any items not due to deficient workmanship and/or materials. Buyer understands that the Seller may encounter delays  
 243. in correcting any defects because the primary responsibility for correcting the defects may be that of a subcontractor or a supplier  
 244. whose time schedule is not controlled by the Seller. Seller's obligation to correct any defects noted by the Buyer shall not entitle Buyer  
 245. to delay Close of Escrow, or to demand any conditions upon the Close of Escrow not specified in this Contract.

**REMEDIES**

246. **Remedies for Breach:** If either party breaches in any respect on any material obligation under this Contract, the non-breaching party  
 247. may elect to be released from all obligations under this Contract by canceling this Contract as provided in Lines 273-276. The non-  
 248. breaching party may thereafter proceed against the party in breach upon any claim or remedy that the non-breaching party may have  
 249. in law or equity. In the case of the Seller, because it would be difficult to fix actual damages in the event of Buyer's breach, the amount  
 250. of the earnest money may be deemed a reasonable estimate of the damages; and Seller may, at Seller's option, accept the earnest  
 251. money deposit, subject to any compensation to Broker(s), as Seller's sole right to damages. In the event that the non-breaching party  
 252. elects not to cancel this Contract, the non-breaching party may proceed against the party in breach for specific performance of this  
 253. Contract or any of its terms, in addition to any claim or remedy that the non-breaching party may have in law or equity. In the event  
 254. that either party pursues specific performance of this Contract, that party does not waive the right to cancel this Contract pursuant to  
 255. Lines 273-276 at any time and proceed against the breaching party as otherwise provided herein, or in law or equity. If Buyer or Seller  
 256. files suit against the other to enforce any provision of this Contract or for damages sustained by reason of its breach, all parties  
 257. prevailing in such action, on trial and appeal, shall receive their reasonable attorneys' fees and costs as awarded by the court. In  
 258. addition, both Seller and Buyer agree to indemnify and hold harmless all Brokers against all costs and expenses that any Broker may  
 259. incur or sustain in connection with any lawsuit arising from this Contract, and will pay the same on demand unless the court grants  
 260. judgment in such action against the party to be indemnified. Costs shall include, without limitation: attorneys' fees, expert witness fees,  
 261. fees paid to investigators, and court costs.

262. **Liquidated Damages for Delay:** Should Buyer not timely perform all of Buyer's obligations on or before the date set for closing, Buyer  
 263. shall pay to Seller at Close of Escrow, to compensate Seller for the delay, as liquidated damages, and not as a penalty, the amount  
 264. of \$ \_\_\_\_\_ per day from the day following the date scheduled for Close of Escrow until the date that Close of Escrow  
 265. actually occurs, unless Seller elects to pursue Seller's remedies as set forth on Lines 246-261 (Default and Remedies), or unless such  
 266. non-performance by the Buyer is caused by the Seller's non-performance of any terms or conditions hereof. Should Seller not timely  
 267. perform all of Seller's obligations hereunder, including, but not limited to, the failure to complete construction on or before the date set  
 268. forth on Lines 334-345 (Construction Schedule), Seller shall pay to Buyer at Close of Escrow, to compensate Buyer for the delay, as  
 269. liquidated damages, and not as a penalty, the amount of \$ \_\_\_\_\_ per day from the 5th day following the date construction  
 270. should have been completed, until the date that Close of Escrow actually occurs, unless Buyer elects to pursue Buyer's remedies as set  
 271. forth on Lines 246-261 (Default and Remedies), or unless such non-performance by the Seller is caused by the Buyer's non-performance  
 272. of any terms or conditions hereof.

273. **Cancellation:** Except as otherwise provided herein, any party who wishes to cancel this Contract because of any material breach by the  
 274. other party, and who is not in material breach except as occasioned by a material breach by the other party, may cancel this Contract by  
 275. delivering written notice of cancellation to either the breaching party or to the Escrow Company stating the nature of the breach. Cancellation  
 276. shall become effective immediately upon delivery of the written notice of cancellation to either the breaching party or Escrow Company.

277. **Release of Earnest Money:** In the event of a dispute between Buyer and Seller regarding earnest money deposited with Escrow  
 278. Company, Buyer and Seller authorize Escrow Company to release earnest money pursuant to the terms and conditions of this Contract.  
 279. Buyer and Seller specifically authorize Escrow Company to act in its sole and absolute discretion in the release of earnest money. Buyer  
 280. and Seller agree to hold harmless and indemnify Escrow Company against any claim, action or lawsuit of any kind, and from any loss,  
 281. judgment, or expense, including costs and attorneys' fees, arising from or relating in any way to the release of earnest money.

282. **Mediation:** Buyer and Seller agree to mediate any dispute or claim arising out of or relating to this Contract, any alleged breach of this Contract,  
 283. or services provided in relation to this Contract before resorting to court action. Any agreement signed by the parties pursuant to the media-  
 284. tion conference shall be binding. All mediation costs will be paid equally by the parties to the Contract. Disputes shall include claims for earnest  
 285. money or representations made by the Buyer or Seller in connection with the sale, purchase, financing, condition, or other aspect of the  
 286. Premises to which this Contract pertains, including, without limitation, allegations of concealment, misrepresentation, negligence and/or fraud.

Initials: _____ / _____ SELLER            SELLER	©AAR Form NHPC 4/05	Initials: _____ / _____ BUYER            BUYER
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287. **Exclusions from Mediation:** The following matters are excluded from mediation hereunder: (a) any action brought in the Small Claims  
288. Division of an Arizona Justice Court (up to \$2,500), so long as the matter is not thereafter transferred or removed from the Small Claims  
289. Division; (b) judicial or nonjudicial foreclosure or other action or proceeding to enforce a deed of trust, mortgage, or agreement for sale;  
290. (c) an unlawful entry or detainer action; (d) the filing or enforcement of a mechanic's lien; or (e) any matter that is within the jurisdiction of  
291. a probate court. The filing of a judicial action to enable the recording of a notice of pending action, or order of attachment, receivership,  
292. injunction, or other provisional remedies shall not constitute a waiver of the obligation to mediate under this provision, nor shall it constitute  
293. a breach of the duty to mediate.

294. **UNDER ARIZONA REVISED STATUTES SECTION §32-1155, A BUYER OF A DWELLING HAS THE RIGHT TO FILE**  
295. **A WRITTEN COMPLAINT AGAINST THE HOMEBUILDER WITH THE ARIZONA REGISTRAR OF CONTRACTORS**  
296. **WITHIN TWO YEARS OF THE COMMISSION OF AN ACT IN VIOLATION OF ARIZONA REVISED STATUTES**  
297. **SECTION §32-1154, SUBSECTION A.**  
298. (BUYER'S INITIALS REQUIRED) \_\_\_\_\_ BUYER \_\_\_\_\_ BUYER

**ADDITIONAL TERMS AND CONDITIONS**

299. **Risk Of Loss:** If there is any loss or damage to the Premises between the date of acceptance of this Contract and the Close of Escrow or  
300. possession, whichever is earlier, by reason of fire, vandalism, flood, earthquake, or act of God, the risk of loss shall be on the Seller,  
301. provided, however, that if the cost of repairing such loss or damage would exceed ten percent (10%) of the purchase price, either Seller or  
302. Buyer may elect to cancel the Contract by written notice.

303. **Permission:** Buyer and Seller grant Broker(s) permission to advise the public of this Contract.

304. **Arizona Law:** This Contract shall be governed by Arizona law.

305. **Time is of the essence.**

306. **Compensation:** Seller and Buyer acknowledge that Broker(s) shall be compensated for services rendered as previously agreed by  
307. separate written agreement(s). Any separate written agreement(s) shall be delivered to Escrow Company for payment at Close of  
308. Escrow, if not previously paid, and shall constitute an irrevocable assignment of Seller's proceeds at Close of Escrow and/or payment  
309. will be collected from Buyer as a condition of Closing. If any Broker hires an attorney to enforce the collection of such compensation,  
310. the party(ies) responsible for paying such compensation agree(s) to pay such Broker's costs including but not limited to: attorney's  
311. fees, expert witness fees, fees paid to investigators, and court costs. **COMMISSIONS PAYABLE FOR THE SALE, LEASING, OR**  
312. **MANAGEMENT OF PROPERTY ARE NOT SET BY ANY BOARD OR ASSOCIATION OF REALTORS®, OR MULTIPLE LISTING**  
313. **SERVICE, OR IN ANY MANNER OTHER THAN BETWEEN THE BROKER AND CLIENT.**

314. **Additional Compensation:** RESPA prohibits the paying or receiving of any fee, kickback, or thing of value for the referral of any  
315. business related to settlement or closing of a federally-related mortgage loan, including, but not limited to, any services related to  
316. the origination, processing, or funding of a federally-related mortgage loan, and includes such settlement-related business as ter-  
317. mite inspections and home warranties. RESPA does not prohibit fees, salaries, compensation, or other payments for services actu-  
318. ally performed. If any Broker performs any such services for a fee, Seller and Buyer consent to the payment of this additional com-  
319. pensation for such services actually performed as follows:  
320. \_\_\_\_\_  
321. \_\_\_\_\_

322. **Entire Agreement:** This Contract, and any addenda and attachments, shall constitute the entire agreement between Seller and Buyer, and  
323. shall supersede any other written or oral agreement between Seller and Buyer. This Contract can be modified only by a writing signed by  
324. Seller and Buyer. A fully executed facsimile copy of the entire agreement shall be treated as an original Contract. The failure to initial any  
325. page of this Contract will not affect the validity or terms of this Contract. This Contract may be executed in any number of counterparts,  
326. and will become effective upon delivery as provided for herein. All counterparts shall be deemed to constitute one instrument, and each  
327. counterpart shall be deemed an original. Neither Seller, Buyer nor any Broker shall be bound by any understanding, agreement, promise,  
328. or representation, express or implied, written or verbal, not specified herein. The Seller and the Buyer acknowledge that the Broker(s) are  
329. third-party beneficiaries of this Contract.

330. **Construction of Language:** All references to days in this Contract shall be construed as calendar days.

331. **Construction:** The construction of the Premises shall be completed in compliance with the plans and specifications in any Addendum  
332. referenced on Lines 386-387 and the applicable governmental regulations. Seller shall have the right to substitute any materials or fix-  
333. tures specified in the plans and specifications with those of comparable or of better quality upon written notice to Buyer.

334. **Construction Schedule:** (a) Seller will complete construction of the Premises within  \_\_\_\_\_ days from date of conditional loan approval  
335. or  \_\_\_\_\_ days from \_\_\_\_\_. The final inspection and approval of the Premises by the applicable  
336. governmental authority, as evidenced by the issuance of a Certificate of Occupancy or other final approval, shall constitute completion  
337. of the Premises for closing purposes. Seller makes no representation as to the specific completion date or schedule of construction  
338. other than as set forth herein. The time by which the Premises shall be completed maybe extended by written agreement of the Seller  
339. and Buyer and shall be extended automatically for the length of any delays resulting from matters outside Seller's control that make  
340. timely completion impossible, including, but not limited to: labor strikes, slow-downs, lock-outs, material or labor shortages, any action  
341. of the federal, state or local authorities having jurisdiction over the Premises or affecting Seller's ability to perform, civil disorder, fire,  
342. unusual weather conditions, or acts of God. **Seller shall give Buyer written notice within twenty-one (21) days after occurrence**  
343. **of the event if any such event is the basis for a claim for an extension of time in which construction will be completed. In the**  
344. **event that construction is not completed within the agreed upon time period, or any extension thereof, Buyer shall have the**  
345. **remedies available as provided herein.**

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SELLER SELLER  
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Initials: \_\_\_\_\_ / \_\_\_\_\_  
BUYER BUYER

346. **Buyer's Construction Obligation:** Buyer shall select all of Buyer's interior and exterior color and material selections, including, but  
347. not limited to, carpeting, flooring, cabinetry, counter tops, and all other selections necessary or appropriate to complete construction,  
348. from color and material samples provided by the Seller, and communicate all Buyer's selections to Seller within

349.  \_\_\_\_\_ days of Seller's acceptance of this Contract. or  \_\_\_\_\_ days of Buyer's receipt of samples. Buyer's

350. selections shall be final and binding. If Buyer has not made selections within the time period allowed, Seller, at Seller's discretion, may  
351. make such color and material selections for Buyer and Buyer agrees, understands and accepts that in such case Seller's selections  
352. shall be binding upon Buyer. Alternatively, Buyer may select certain color schemes, upgrades and appliances not included among the  
353. standard selections provided by Seller, which shall otherwise be known as "Cash Extras." If this transaction fails to close for any reason  
354. whatsoever (including, but not limited to, the failure of Buyer to obtain a loan, or to satisfy any other loan condition, if applicable,  
355. or to satisfy any other contingencies), other than a default by Seller, all amounts paid by Buyer to Seller for Cash Extras shall be  
356. non-refundable and Buyer will have no claim or right thereto.

357. **Change Orders:** Any change orders relating to the construction of the Premises shall be between Buyer and Seller by separate written agreement.

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384. **Addenda Incorporated:**  Assumption and Carryback Addendum  Seller's Construction Specifications Addendum  
385.  \_\_\_\_\_

386. **If Seller is a Subdivider:** (1) THE PURCHASER (BUYER) MUST BE GIVEN A COPY OF THE SUBDIVISION PUBLIC REPORT OF  
387. THE ARIZONA DEPARTMENT OF REAL ESTATE PRIOR TO THE SIGNING OF THIS CONTRACT AND MUST SIGN THE  
388. REQUIRED RECEIPT FOR PUBLIC REPORT. (2) Unless the requirement is waived by the Arizona Department of Real Estate, no  
389. subdivided land may be sold without provision for permanent access to the land over terrain which may be traversed by convention-  
390. al motor vehicle. Seller warrants that there is permanent access to the property. (3) The Arizona Department of Water Resources has

391. determined that the water supply for the subdivision is  adequate  inadequate. If the water supply for the subdivision is inad-  
392. equate, additional disclosures may be required. (See A.R.S. §§32-2181(F); 32-2195(H), or any successor provisions).

393. **Subsequent Offers:** Buyer acknowledges that Seller has the right to accept subsequent offers until Close of Escrow. Seller understands that  
394. any subsequent offer accepted by the Seller must be a backup offer, namely, contingent on the cancellation of this Contract.

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BUYER BUYER

395. Release of Broker(s): SELLER AND BUYER HEREBY EXPRESSLY RELEASE, HOLD HARMLESS AND INDEMNIFY ALL  
396. BROKER(S) IN THIS TRANSACTION FROM ANY AND ALL LIABILITY AND RESPONSIBILITY REGARDING THE CONDITION,  
397. SQUARE FOOTAGE, LOT LINES OR BOUNDARIES, VALUE, RENT ROLLS, ENVIRONMENTAL PROBLEMS, SANITATION  
398. SYSTEMS, ROOF, WOOD INFESTATION AND WOOD INFESTATION REPORT, COMPLIANCE WITH BUILDING CODES OR  
399. OTHER GOVERNMENTAL REGULATIONS, OR ANY OTHER MATERIAL MATTERS RELATING TO THE PREMISES.

400. Acceptance: This is an offer to purchase the Premises. Unless acceptance is signed by Seller and a signed copy delivered in person, by mail, or  
401. facsimile, and received by Buyer or by Broker named on Lines 18-19 by \_\_\_\_\_, \_\_\_\_\_ at \_\_\_\_\_ AM/PM, MST,  
402. or unless this offer to purchase has been previously withdrawn by Buyer, this offer to purchase shall be deemed withdrawn and the  
403. Buyer's earnest money shall be returned.

404. THIS CONTRACT CONTAINS NINE (9) PAGES EXCLUSIVE OF ANY ADDENDA AND ATTACHMENTS. PLEASE ENSURE THAT YOU  
405. HAVE RECEIVED AND READ ALL NINE (9) PAGES OF THIS OFFER AS WELL AS ANY ADDENDA AND ATTACHMENTS.

406. THE DEVELOPER SHALL GIVE A PROSPECTIVE PURCHASER A COPY OF THE PUBLIC REPORT AND AN OPPORTUNITY TO READ  
407. AND REVIEW IT BEFORE THE PROSPECTIVE PURCHASER SIGNS THIS DOCUMENT.

408. The undersigned agree to purchase the Premises on the terms and conditions herein stated and acknowledge receipt of a copy hereof.

409. BUYER'S SIGNATURE \_\_\_\_\_ MO/DA/YR BUYER'S SIGNATURE \_\_\_\_\_ MO/DA/YR

410. ADDRESS \_\_\_\_\_ ADDRESS \_\_\_\_\_

411. CITY, STATE, ZIP CODE \_\_\_\_\_ CITY, STATE, ZIP CODE \_\_\_\_\_

**ACCEPTANCE**

412. Agency Confirmation: The following agency relationship(s) is hereby confirmed for this transaction:

413. Listing Broker: \_\_\_\_\_ (PRINT SALESPERSON NAME AND AGENT CODE) \_\_\_\_\_ (PRINT FIRM NAME AND OFFICE CODE) \_\_\_\_\_ (TELEPHONE)

414. Is the agent of (check one):  the Seller exclusively; or  both the Buyer and Seller

415. Seller Receipt of Copy: The undersigned acknowledge receipt of a copy hereof and grant permission to Broker named on  
416. Line 413 to deliver a copy to Buyer.

417.  Counter Offer is attached, and is incorporated herein by reference. Seller should sign both the Contract and the Counter  
418. Offer. If there is a conflict between this Contract and the Counter Offer, the provisions of the Counter Offer shall  
419. be controlling.

420. The undersigned agree to sell the Premises on the terms and conditions herein stated.

421. SELLER'S SIGNATURE \_\_\_\_\_ MO/DA/YR SELLER'S SIGNATURE \_\_\_\_\_ MO/DA/YR

422. SELLER'S NAME PRINTED \_\_\_\_\_ SELLER'S NAME PRINTED \_\_\_\_\_

423. ADDRESS \_\_\_\_\_ ADDRESS \_\_\_\_\_

424. CITY, STATE, ZIP CODE \_\_\_\_\_ CITY, STATE, ZIP CODE \_\_\_\_\_

**For Broker Use Only:**

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

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BUYER BUYER