

BUYER ATTACHMENT

This attachment should be given to the Buyer prior to the submission of any offer and is not a 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 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:

 - Mold inspector
 - Roof inspector
 - Pest inspector
 - Pool inspector
 - Heating/cooling 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 2e).** It is your responsibility to make sure 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.
6. **Read the title commitment within five days of receipt (see Section 3c).**
7. **Read the CC&R's and all other governing documents within five days of receipt (see Section 3c), especially if the home is in a homeowner's association.**
8. **Conduct a thorough final walkthrough (see Section 6m).** If the property is unacceptable, speak up. After the closing may be too late.

You can obtain information through the Buyer's Advisory at <http://www.aaronline.com>. **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.

RESIDENTIAL RESALE REAL ESTATE PURCHASE CONTRACT

The printed portion of this contract has been approved by the Arizona Association of REALTORS® ("AAR"). This is intended to be a binding contract. No representation is made as to the legal validity or adequacy of any provision or the tax consequences thereof. If you desire legal, tax or other professional advice, consult your attorney, tax advisor, insurance agent or professional consultant.



1. PROPERTY

- 1a. 1. **BUYER:** Sample Form Only _____
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: _____
- 1c. 8. \$ _____ Full Purchase Price, paid as outlined below
9. \$ _____ Earnest money _____
10. \$ _____
11. \$ _____
12. _____
- 1d. 13. **Close of Escrow:** Close of Escrow ("COE") shall occur when the deed is recorded at the appropriate county recorder's office.
14. Buyer and Seller shall comply with all terms and conditions of this Contract, execute and deliver to Escrow Company all
15. closing documents, and perform all other acts necessary in sufficient time to allow COE to occur on
16. _____ ("COE Date"). If Escrow Company or recorder's office is closed on
MONTH DAY YEAR
17. COE Date, COE shall occur on the next day that both are open for business.
18. Buyer shall deliver to Escrow Company a cashier's check, wired funds or other immediately available funds to pay any down
19. payment, additional deposits or Buyer's closing costs, and instruct the lender, if applicable, to deliver immediately available funds
20. to Escrow Company, in a sufficient amount and in sufficient time to allow COE to occur on COE Date.
- 1e. 21. **Possession:** Seller shall deliver possession, occupancy, access to keys and/or means to operate all locks, mailbox,
22. security system/alarms, and all common area facilities to Buyer at COE or _____ .
23. Broker(s) recommend that the parties seek appropriate counsel from insurance, legal, tax, and accounting professionals
24. regarding the risks of pre-possession or post-possession of the Premises.
- 1f. 25. **Addenda Incorporated:** Assumption and Carryback Buyer Contingency Domestic Water Well HUD forms
26. H.O.A. Lead-Based Paint Disclosure Additional Clause On-site Wastewater Treatment Facility
27. Other: _____
- 1g. 28. **Fixtures and Personal Property:** Seller agrees that all existing fixtures on the Premises, and any existing personal
29. property specified herein, shall be included in this sale, including the following:
- | | | |
|--|---|--|
| 30. • free-standing range/oven | • flush-mounted speakers | • outdoor landscaping, fountains, and lighting |
| 31. • built-in appliances | • attached fireplace equipment | • water-misting systems |
| 32. • light fixtures | • window and door screens, sun screens | • solar systems |
| 33. • ceiling fans | • storm windows and doors | • pellet, wood-burning or gas-log stoves |
| 34. • towel, curtain and drapery rods | • shutters and awnings | • timers |
| 35. • draperies and other window coverings | • garage door openers and controls | • mailbox |
| 36. • attached floor coverings | • attached TV/media antennas/satellite dishes | • storage sheds |

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37. If owned by the Seller, the following items also are included in this sale:

- 38. • pool and spa equipment (including any mechanical or other cleaning systems)
- security and/or fire systems and/or alarms
- water softeners
- water purification systems

40. **Additional existing personal property included in this sale (if checked):** refrigerator washer dryer

41. As described: _____

42. _____

43. Other: _____

44. _____

45. _____

46. Additional existing personal property included shall not be considered part of the Premises and shall be transferred with no monetary value, and free and clear of all liens or encumbrances.

48. Fixtures and leased items NOT included: _____

49. **IF THIS IS AN ALL CASH SALE, GO TO SECTION 3.**

2. FINANCING

2a. 50. **Loan Contingency:** Buyer's obligation to complete this sale is contingent upon Buyer obtaining loan approval for the loan described in the AAR Loan Status Report without conditions no later than COE Date. If Buyer is unable to obtain loan approval without conditions by COE Date, Buyer shall deliver a notice of the inability to obtain loan approval without conditions to Seller or Escrow Company no later than COE Date.

2b. 54. **Unfulfilled Loan Contingency:** This Contract shall be cancelled and Buyer shall be entitled to a return of the Earnest Money if after diligent and good faith effort, Buyer is unable to obtain loan approval without conditions by COE Date. Buyer is aware that failure to have the down payment or other funds due from Buyer necessary to obtain the loan approval without conditions and close this transaction is not an unfulfilled loan contingency. Buyer acknowledges that prepaid items paid separately from earnest money are not refundable.

2c. 59. **Appraisal Contingency:** Buyer's obligation to complete this sale is contingent upon an appraisal of the Premises by an appraiser acceptable to lender for at least the sales price. If the Premises fails to appraise for the sales price, Buyer has five (5) days after notice of the appraised value to cancel this Contract and receive a refund of the Earnest Money or the appraisal contingency shall be waived.

2d. 62. **Loan Status Report:** The AAR Loan Status Report ("LSR") with, at a minimum, the Buyer's Loan Information section completed, describing the current status of the Buyer's proposed loan, is attached hereto and incorporated herein by reference.

2e. 64. **Loan Application:** Unless previously completed, within five (5) days after Contract acceptance, Buyer shall (i) complete, sign and deliver to the lender a loan application with requested disclosures and documentation; (ii) grant lender permission to access Buyer's Trimerged Residential Credit Report; and (iii) pay all required loan application fees.

2f. 67. **Loan Processing During Escrow:** Buyer agrees to diligently work to obtain the loan and will promptly provide the lender with all additional documentation required. Buyer instructs the lender to provide loan status updates to Broker(s) and Seller. **Buyer shall sign all loan documents no later than three (3) days prior to the COE Date.**

2g. 70. **Type of Financing:** Conventional FHA VA Assumption Seller Carryback _____
71. (If financing is to be other than new financing, see attached addendum.)

2h. 72. **Loan Costs:** Private Mortgage Insurance is required for certain types of loans and shall be paid by Buyer at COE in a manner acceptable to lender. The following may be paid by either party:

74. Discount points shall be paid by: Buyer Seller Other _____

75. Discount points shall not exceed: _____ total points (Does not include loan origination fee)

76. A.L.T.A. Lender Title Insurance Policy shall be paid by Buyer Seller

77. Loan Origination Fee (Not to exceed _____ % of loan amount) shall be paid by Buyer Seller

78. Appraisal Fee, when required by lender, shall be paid by Buyer Seller Other _____

2i. 79. **Other Loan Costs:** In the event of an FHA or VA loan, Seller agrees to pay up to \$ _____ of loan costs not permitted to be paid by the Buyer, in addition to the other costs Seller has agreed to pay herein. In addition, for VA loans, Seller agrees to pay the escrow fee. All other costs of obtaining the loan shall be paid by the Buyer.

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2j. 82. **Changes:** Buyer shall immediately notify Seller of any changes in the loan program, financing terms, or lender described in 83. the LSR and shall only make any such changes without the prior written consent of Seller if such changes do not adversely 84. affect Buyer's ability to obtain loan approval without conditions, increase Seller's closing costs, or delay COE.

2k. 85. **FHA Notice (FHA Buyer Initials Required):** HUD does not warrant the condition of the property. By initialing below, Buyer acknowl- 86. edges receipt of Form HUD-92564-CN, "For Your Protection: Get a Home Inspection." Buyer further acknowledges that such 87. form was signed at or before the Contract date. Signed HUD-92564-CN is attached and made a part of this Purchase Contract.

88. **(FHA BUYER'S INITIALS REQUIRED)** _____ BUYER _____ BUYER

3. TITLE AND ESCROW

3a. 89. **Escrow:** This Contract shall be used as escrow instructions. The Escrow Company employed by the parties to carry out the 90. terms of this Contract shall be:

91. _____ / Catalina Title _____
"ESCROW/TITLE COMPANY" ESCROW OFFICER PHONE FAX

3b. 92. **Title and Vesting:** Buyer will take title as determined before COE. Taking title may have significant legal, estate planning 93. and tax consequences. Buyer should obtain legal and tax advice.

3c. 94. **Title Commitment and Title Insurance:** Escrow Company is hereby instructed to obtain and deliver to Buyer and Seller 95. directly, addressed pursuant to 8t and 9c or as otherwise provided, a Commitment for Title Insurance together with 96. complete and legible copies of all documents that will remain as exceptions to Buyer's policy of Title Insurance ("Title 97. Commitment"), including but not limited to Conditions, Covenants and Restrictions ("CC&Rs"); deed restrictions; and 98. easements. Buyer shall have five (5) days after receipt of the Title Commitment and after receipt of notice of any 99. subsequent exceptions to provide notice to Seller of any items disapproved. Seller shall convey title by general warranty 100. deed. Buyer shall be provided at Seller's expense an American Land Title Association ("ALTA") Homeowner's Title 101. Insurance Policy, or if not available, an ALTA Residential Title Insurance Policy ("Plain Language"/"1-4 units") or, if not 102. available, a Standard Owner's Title Insurance Policy, showing title vested in Buyer. Buyer may acquire extended coverage 103. at Buyer's own additional expense.

3d. 104. **Additional Instructions:** (i) Escrow Company shall promptly furnish notice of pending sale that contains the name and 105. address of the Buyer to any homeowner's association in which the Premises is located. (ii) If the Escrow Company is also 106. acting as the title agency but is not the title insurer issuing the title insurance policy, Escrow Company shall deliver to the 107. Buyer and Seller, upon deposit of funds, a closing protection letter from the title insurer indemnifying the Buyer and Seller for 108. any losses due to fraudulent acts or breach of escrow instructions by the Escrow Company. (iii) All documents necessary to 109. close this transaction shall be executed promptly by Seller and Buyer in the standard form used by Escrow Company. Escrow 110. Company shall modify such documents to the extent necessary to be consistent with this Contract. (iv) Escrow Company 111. fees, unless otherwise stated herein, shall be allocated equally between Seller and Buyer. (v) Escrow Company shall send 112. to all parties and Broker(s) copies of all notices and communications directed to Seller, Buyer and Broker(s). (vi) Escrow 113. Company shall provide Broker(s) access to escrowed materials and information regarding the escrow. (vii) If an Affidavit of 114. Disclosure is provided, Escrow Company shall record the Affidavit at COE.

3e. 115. **Tax Prorations:** Real property taxes payable by the Seller shall be prorated to COE based upon the latest tax information available.

3f. 116. **Release of Earnest Money:** In the event of a dispute between Buyer and Seller regarding any Earnest Money deposited with Escrow 117. Company, Buyer and Seller authorize Escrow Company to release Earnest Money pursuant to the terms and conditions of this Contract 118. in its sole and absolute discretion. Buyer and Seller agree to hold harmless and indemnify Escrow Company against any claim, action 119. 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 120. the release of Earnest Money.

3g. 121. **Prorations of Assessments and Fees:** All assessments and fees that are not a lien as of the COE, including homeowner's 122. association fees, rents, irrigation fees, and, if assumed, insurance premiums, interest on assessments, interest on 123. encumbrances, and service contracts, shall be prorated as of COE or Other: _____

3h. 124. **Assessment Liens:** The amount of any assessment, other than homeowner's association assessments, that is a lien as of 125. the COE, shall be paid in full by Seller prorated and assumed by Buyer. Any assessment that becomes a lien after 126. COE is the Buyer's responsibility.

3i. 127. **IRS and FIRPTA Reporting:** Seller agrees to comply with IRS reporting requirements. If applicable, Seller agrees to 128. complete, sign, and deliver to Escrow Company a certificate indicating whether Seller is a foreign person or a non-resident 129. alien pursuant to the Foreign Investment in Real Property Tax Act ("FIRPTA"). Buyer and Seller acknowledge that if the Seller 130. is a foreign person, the Buyer must withhold a tax equal to 10% of the purchase price, unless an exemption applies.

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SELLER SELLER BUYER BUYER

5c. 176. **Buyer Warranties:** Buyer warrants that Buyer has disclosed to Seller any information that may materially and adversely affect
 177. the Buyer's ability to close escrow or complete the obligations of this Contract. At the earlier of possession of the Premises or
 178. COE, Buyer warrants to Seller that Buyer has conducted all desired independent inspections and investigations and accepts
 179. the Premises. **Buyer warrants that Buyer is not relying on any verbal representations concerning the Premises**
 180. **except disclosed as follows:** _____
 181. _____

6. DUE DILIGENCE

6a. 182. **Inspection Period:** Buyer's Inspection Period shall be ten (10) days or _____ days after Contract
 183. acceptance. During the Inspection Period, Buyer, at Buyer's expense, shall (i) conduct all desired physical, environmental,
 184. and other types of inspections and investigations to determine the value and condition of the Premises; (ii) make inquiries
 185. and consult government agencies, lenders, insurance agents, architects, and other appropriate persons and entities
 186. concerning the suitability of the Premises and the surrounding area; (iii) investigate applicable building, zoning, fire, health,
 187. and safety codes to determine any potential hazards, violations or defects in the Premises; and (iv) verify any material multiple
 188. listing service ("MLS") information. If the presence of sex offenders in the vicinity or the occurrence of a disease, natural death,
 189. suicide, homicide or other crime on or in the vicinity is a material matter to the Buyer, it must be investigated by the Buyer
 190. during the Inspection Period. Buyer shall keep the Premises free and clear of liens, shall indemnify and hold Seller
 191. harmless from all liability, claims, demands, damages, and costs, and shall repair all damages arising from the inspections.
 192. Buyer shall provide Seller and Broker(s) upon receipt, at no cost, copies of all inspection reports concerning the Premises
 193. obtained by Buyer. Buyer is advised to consult the Arizona Department of Real Estate *Buyer Advisory* provided by AAR to
 194. assist in Buyer's due diligence inspections and investigations.

6b. 195. **Square Footage: BUYER IS AWARE THAT ANY REFERENCE TO THE SQUARE FOOTAGE OF THE PREMISES, BOTH**
 196. **THE REAL PROPERTY (LAND) AND IMPROVEMENTS THEREON, IS APPROXIMATE. IF SQUARE FOOTAGE IS A**
 197. **MATERIAL MATTER TO THE BUYER, IT MUST BE INVESTIGATED DURING THE INSPECTION PERIOD.**

6c. 198. **Wood-Destroying Organism or Insect Inspection: IF CURRENT OR PAST WOOD-DESTROYING ORGANISMS OR**
 199. **INSECTS (SUCH AS TERMITES) ARE A MATERIAL MATTER TO THE BUYER, THESE ISSUES MUST BE**
 200. **INVESTIGATED DURING THE INSPECTION PERIOD.** The Buyer shall order and pay for all wood-destroying organism or
 201. insect inspections performed during the Inspection Period. If the lender requires an updated Wood-Destroying Organism or
 202. Insect Inspection Report prior to COE, it will be performed at Buyer's expense.

6d. 203. **Flood Hazard:** Flood hazard designations or the cost of flood hazard insurance shall be determined by Buyer during the
 204. Inspection Period. If the Premises are situated in an area identified as having any special flood hazards by any
 205. governmental entity, the lender may require the purchase of flood hazard insurance. Special flood hazards may also affect
 206. the ability to encumber or improve the Premises.

6e. 207. **Insurance: IF HOMEOWNER'S INSURANCE IS A MATERIAL MATTER TO THE BUYER, BUYER SHALL APPLY FOR**
 208. **AND OBTAIN WRITTEN CONFIRMATION OF THE AVAILABILITY AND COST OF HOMEOWNER'S INSURANCE FOR**
 209. **THE PREMISES FROM BUYER'S INSURANCE COMPANY DURING THE INSPECTION PERIOD.** Buyer understands that
 210. any homeowner's, fire, casualty, or other insurance desired by Buyer or required by lender should be in place at COE.

6f. 211. **Sewer or On-site Wastewater Treatment System:** The Premises are connected to a:
 212. sewer system; septic system; alternative system.

213. **IF A SEWER CONNECTION IS A MATERIAL MATTER TO THE BUYER, IT MUST BE INVESTIGATED DURING THE**
 214. **INSPECTION PERIOD.** If the Premises are served by a septic or alternative system, the AAR On-site Wastewater Treatment
 215. Facility Addendum is incorporated herein by reference.
 216. _____

(BUYER'S INITIALS REQUIRED) _____ BUYER _____ BUYER

6g. 217. **Swimming Pool Barrier Regulations:** During the Inspection Period, Buyer agrees to investigate all applicable state,
 218. county, and municipal Swimming Pool barrier regulations and agrees to comply with and pay all costs of compliance
 219. with said regulations prior to occupying the Premises, unless otherwise agreed in writing. If the Premises contains a Swimming
 220. Pool, Buyer acknowledges receipt of the Arizona Department of Health Services approved private pool safety notice.

221. _____

(BUYER'S INITIALS REQUIRED) _____ BUYER _____ BUYER

6h. 222. **BUYER ACKNOWLEDGMENT: BUYER RECOGNIZES, ACKNOWLEDGES, AND AGREES THAT BROKER(S) ARE NOT**
223. **QUALIFIED, NOR LICENSED, TO CONDUCT DUE DILIGENCE WITH RESPECT TO THE PREMISES OR THE**
224. **SURROUNDING AREA. BUYER IS INSTRUCTED TO CONSULT WITH QUALIFIED LICENSED PROFESSIONALS TO**
225. **ASSIST IN BUYER'S DUE DILIGENCE EFFORTS. BECAUSE CONDUCTING DUE DILIGENCE WITH RESPECT TO THE**
226. **PREMISES AND THE SURROUNDING AREA IS BEYOND THE SCOPE OF THE BROKER'S EXPERTISE AND**
227. **LICENSING, BUYER EXPRESSLY RELEASES AND HOLDS HARMLESS BROKER(S) FROM LIABILITY FOR ANY**
228. **DEFECTS OR CONDITIONS THAT COULD HAVE BEEN DISCOVERED BY INSPECTION OR INVESTIGATION.**

229.

(BUYER'S INITIALS REQUIRED)

BUYER BUYER

6i. 230. **Inspection Period Notice:** Prior to expiration of the Inspection Period, Buyer shall deliver to Seller a signed notice of any
231. items disapproved. AAR's Buyer's Inspection Notice and Seller's Response form is available for this purpose. Buyer shall
232. conduct all desired inspections and investigations prior to delivering such notice to Seller and all Inspection Period items
233. disapproved shall be provided in a single notice.

6j. 234. **Buyer Disapproval:** If Buyer, in Buyer's sole discretion, disapproves of items as allowed herein, Buyer shall deliver to Seller
235. notice of the items disapproved and state in the notice that Buyer elects to either:

236. (1) immediately cancel this Contract and all Earnest Money shall be released to Buyer, or

237. (2) provide the Seller an opportunity to correct the items disapproved, in which case:

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

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

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

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

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

6k. 254. **Notice of Non-Working Warranted Items:** Buyer shall provide Seller with notice of any non-working warranted item(s) of
255. which Buyer becomes aware during the Inspection Period or the Seller warranty for that item(s) shall be waived. Delivery of
256. such notice shall not affect Seller's obligation to maintain or repair the warranted item(s).

6l. 257. **Home Warranty Plan:** Buyer and Seller are advised to investigate the various home warranty plans available for purchase.
258. The parties acknowledge that different home warranty plans have different coverage options, exclusions, limitations, service
259. fees and most plans exclude pre-existing conditions.

260. A Home Warranty Plan will be ordered by Buyer or Seller with the following optional coverage

261. _____, to be issued by _____ at a cost not to exceed

262. \$ _____, to be paid for by Buyer Seller

263. Buyer declines the purchase of a Home Warranty Plan.

6m. 264. **Walkthrough(s):** Seller grants Buyer and Buyer's inspector(s) reasonable access to conduct walkthrough(s) of the Premises for the
265. purpose of satisfying Buyer that any corrections or repairs agreed to by the Seller have been completed, warranted items are in
266. working condition and that the Premises is in substantially the same condition as of the date of Contract acceptance. If Buyer does
267. not conduct such walkthrough(s), Buyer releases Seller and Broker(s) from liability for any defects that could have been discovered.

6n. 268. **Seller's Responsibility Regarding Inspections and Walkthrough(s):** Seller shall make the Premises available for all
269. inspections and walkthrough(s) upon reasonable notice by Buyer. Seller shall, at Seller's expense, have all utilities on,
270. including any propane, until COE to enable Buyer to conduct these inspections and walkthrough(s).

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BUYER BUYER

7. REMEDIES

- 7a. 271. Cure Period:** A party shall have an opportunity to cure a potential breach of this Contract. If a party fails to comply with any 272. provision of this Contract, the other party shall deliver a notice to the non-complying party specifying the non-compliance. If 273. the non-compliance is not cured within three (3) days after delivery of such notice ("Cure Period"), the failure to comply shall 274. become a breach of Contract.
- 7b. 275. Breach:** In the event of a breach of Contract, the non-breaching party may cancel this Contract and/or proceed against the 276. breaching party in any claim or remedy that the non-breaching party may have in law or equity, subject to the Alternative 277. Dispute Resolution obligations set forth herein. In the case of the Seller, because it would be difficult to fix actual damages 278. in the event of Buyer's breach, the Earnest Money may be deemed a reasonable estimate of damages and Seller may, at 279. Seller's option, accept the Earnest Money as Seller's sole right to damages; and in the event of Buyer's breach arising from 280. Buyer's failure to deliver the notice required by Section 2a, or Buyer's inability to obtain loan approval due to the waiver of 281. the appraisal contingency pursuant to Section 2c, Seller shall exercise this option and accept the Earnest Money as Seller's 282. sole right to damages. An unfulfilled contingency is not a breach of Contract.
- 7c. 283. Alternative Dispute Resolution ("ADR"):** Buyer and Seller agree to mediate any dispute or claim arising out of or relating 284. to this Contract in accordance with the REALTORS® Dispute Resolution System, or as otherwise agreed. All mediation costs 285. shall be paid equally by the parties. In the event that mediation does not resolve all disputes or claims, the unresolved 286. disputes or claims shall be submitted for binding arbitration. In such event, the parties shall agree upon an arbitrator and 287. cooperate in the scheduling of an arbitration hearing. If the parties are unable to agree on an arbitrator, the dispute shall be 288. submitted to the American Arbitration Association ("AAA") in accordance with the AAA Arbitration Rules for the Real Estate 289. Industry. The decision of the arbitrator shall be final and nonappealable. Judgment on the award rendered by the arbitrator 290. may be entered in any court of competent jurisdiction. Notwithstanding the foregoing, either party may opt out of binding 291. arbitration within thirty (30) days after the conclusion of the mediation conference by notice to the other and in such event 292. either party shall have the right to resort to court action.
- 7d. 293. Exclusions from ADR:** The following matters are excluded from the requirement for ADR hereunder: (i) any action brought 294. in the Small Claims Division of an Arizona Justice Court (up to \$2,500) so long as the matter is not thereafter transferred or 295. removed from the small claims division; (ii) judicial or nonjudicial foreclosure or other action or proceeding to enforce a deed 296. of trust, mortgage, or agreement for sale; (iii) an unlawful entry or detainer action; (iv) the filing or enforcement of a 297. mechanic's lien; or (v) any matter that is within the jurisdiction of a probate court. Further, the filing of a judicial action to 298. enable the recording of a notice of pending action ("lis pendens"), or order of attachment, receivership, injunction, or other 299. provisional remedies shall not constitute a waiver of the obligation to submit the claim to ADR, nor shall such action 300. constitute a breach of the duty to mediate or arbitrate.
- 7e. 301. Attorney Fees and Costs:** The prevailing party in any dispute or claim between Buyer and Seller arising out of or relating 302. to this Contract shall be awarded their reasonable attorney fees and costs. Costs shall include, without limitation, attorney 303. fees, expert witness fees, fees paid to investigators, and arbitration costs.

8. ADDITIONAL TERMS AND CONDITIONS

- 8A.** 304. _____
 305. _____
 306. _____
 307. _____
 308. _____
 309. _____
 310. _____
 311. _____
 312. _____
 313. _____
 314. _____
 315. _____

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- 8b. 316. **Risk of Loss:** If there is any loss or damage to the Premises between the date of Contract acceptance and COE or 317. possession, whichever is earlier, by reason of fire, vandalism, flood, earthquake, or act of God, the risk of loss shall be on 318. the Seller, provided, however, that if the cost of repairing such loss or damage would exceed ten percent (10%) of the 319. purchase price, either Seller or Buyer may elect to cancel the Contract.
- 8c. 320. **Permission:** Buyer and Seller grant Broker(s) permission to advise the public of this Contract.
- 8d. 321. **Arizona Law:** This Contract shall be governed by Arizona law and jurisdiction is exclusively conferred on the State of Arizona.
- 8e. 322. **Time is of the Essence:** The parties acknowledge that time is of the essence in the performance of the obligations 323. described herein.
- 8f. 324. **Compensation:** Seller and Buyer acknowledge that Broker(s) shall be compensated for services rendered as previously agreed by 325. separate written agreement(s), which shall be delivered by Broker(s) to Escrow Company for payment at COE, if not previously paid. 326. If Seller is obligated to pay Broker(s), this Contract shall constitute an irrevocable assignment of Seller's proceeds at COE. If Buyer 327. is obligated to pay Broker(s), payment shall be collected from Buyer as a condition of COE. COMMISSIONS PAYABLE FOR THE 328. SALE, LEASING, OR MANAGEMENT OF PROPERTY ARE NOT SET BY ANY BOARD OR ASSOCIATION OF REALTORS®, OR 329. MULTIPLE LISTING SERVICE, OR IN ANY MANNER OTHER THAN BETWEEN THE BROKER AND CLIENT.
- 8g. 330. **Copies and Counterparts:** A fully executed facsimile or electronic copy of the Contract shall be treated as an original Contract. This Contract 331. and any other documents required by this Contract may be executed by facsimile or other electronic means and in any number of counterparts, 332. which shall become effective upon delivery as provided for herein, except that the Lead-Based Paint Disclosure Statement may not be signed 333. in counterpart. All counterparts shall be deemed to constitute one instrument, and each counterpart shall be deemed an original.
- 8h. 334. **Days:** All references to days in this Contract shall be construed as calendar days and a day shall begin at 12:00 a.m. and end at 11:59 p.m.
- 8i. 335. **Calculating Time Periods:** In computing any time period prescribed or allowed by this Contract, the day of the act or event 336. from which the time period begins to run is not included and the last day of the time period is included. Contract acceptance 337. occurs on the date that the signed Contract (and any incorporated counter offer) is delivered to and received by the 338. appropriate Broker. Acts that must be performed three days prior to the COE Date must be performed three full days prior 339. (i.e., if COE Date is Friday the act must be performed by 11:59 p.m. on Monday).
- 8j. 340. **Entire Agreement:** This Contract, and any addenda and attachments, shall constitute the entire agreement between Seller and 341. Buyer, shall supersede any other written or oral agreements between Seller and Buyer and can be modified only by a writing 342. signed by Seller and Buyer. The failure to initial any page of this Contract shall not affect the validity or terms of this Contract.
- 8k. 343. **Subsequent Offers:** Buyer acknowledges that Seller has the right to accept subsequent offers until COE. Seller understands that 344. any subsequent offer accepted by the Seller must be a backup offer contingent on the cancellation of this Contract.
- 8l. 345. **Cancellation:** A party who wishes to exercise the right of cancellation as allowed herein may cancel this Contract by 346. delivering notice stating the reason for cancellation to the other party or to the Escrow Company. Cancellation shall become 347. effective immediately upon delivery of the cancellation notice.
- 8m. 348. **Notice:** Unless otherwise provided, delivery of all notices and documentation required or permitted hereunder shall be in 349. writing and deemed delivered and received when (i) hand-delivered, (ii) sent via facsimile transmission, (iii) sent via 350. electronic mail, if email addresses are provided herein, or (iv) sent by recognized overnight courier service, and addressed 351. to Buyer as indicated in Section 8r, to Seller as indicated in Section 9a and to the Escrow Company indicated in Section 3a.
- 8n. 352. **Earnest Money:** Earnest Money is in the form of: Personal Check Other: _____ 353. If applicable, Earnest Money has been received by Broker named in Section 8r and upon acceptance of this offer will be 354. deposited with: Escrow Company Broker's Trust Account
- 8o. 355. **Release of Broker(s):** Seller and Buyer hereby expressly release, hold harmless and indemnify Broker(s) in this 356. transaction from any and all liability and responsibility regarding financing, the condition, square footage, lot lines, 357. boundaries, value, rent rolls, environmental problems, sanitation systems, roof, wood infestation, building codes, 358. governmental regulations, insurance or any other matter relating to the value or condition of the Premises. 359.

(BUYER'S INITIALS REQUIRED)

BUYER

BUYER

- 8p. 360. **Terms of Acceptance:** This offer will become a binding Contract when acceptance is signed by Seller and 361. a signed copy delivered in person, by mail, facsimile or electronically, and received by Broker named in Section 8r 362. by _____, _____ at _____ a.m. p.m., Mountain Standard Time. Buyer 363. may withdraw this offer at any time prior to receipt of Seller's signed acceptance. If no signed acceptance is received by this 364. date and time, this offer shall be deemed withdrawn and the Buyer's Earnest Money shall be returned.

- 8q. 365. THIS CONTRACT CONTAINS NINE PAGES EXCLUSIVE OF ANY ADDENDA AND ATTACHMENTS. PLEASE ENSURE THAT 366. YOU HAVE RECEIVED AND READ ALL NINE PAGES OF THIS OFFER AS WELL AS ANY ADDENDA AND ATTACHMENTS.

Initials: _____ / _____ SELLER SELLER	©ARIZONA ASSOCIATION OF REALTORS® Form RPC 5/05	Initials: _____ / _____ BUYER BUYER
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