

PURCHASE CONTRACT FOR NEW HOME (WITH LOT)

Document updated:
April 2005



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RECEIPT

1. **Received From:** _____ ("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
5. earnest money with any escrow company to which the check is payable. If the check is payable to Broker, Broker may deposit the
6. check in Broker's trust account or endorse the check without recourse and deposit it with a duly licensed escrow company. Buyer
7. agrees that, if Buyer breaches this Contract, any earnest money is subject to forfeiture. If any check for earnest money is dishonored
8. for any reason, Seller may, at Seller's option, immediately cancel this Contract pursuant to Lines 273-276. Unless otherwise
9. 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
13. DEPOSITS, DOWN PAYMENTS AND OTHER ADVANCED MONIES DEPOSITED WITH SELLER WILL NOT BE PLACED IN A
14. NEUTRAL ESCROW. SUCH MONIES WILL BE PAID DIRECTLY TO THE SELLER AND MAY BE USED BY THE SELLER. THIS
15. MEANS THE BUYER ASSUMES A RISK OF LOSING SUCH MONIES IF THE SELLER IS UNABLE OR UNWILLING TO
16. 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. _____
(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,
28. without limitation, ANY WARRANTY OF MERCHANTABILITY).

29. a. \$ _____ **Full Purchase Price**, paid as outlined below. Buyer acknowledges that failure to pay the required
30. funds by the scheduled Close of Escrow other than as described in any of the following sections, shall be construed as a material
31. 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)** _____
BUYER BUYER

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- 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
- 44. 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
- 45. 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
- 47. Buyer enter the Premises or allow any other person to enter the Premises during the course of construction or at any time prior to
- 48. 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
- 50. 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
- 64. after acceptance of the Contract. The written CLA from the Buyer's lender must be based on a loan application and Trimerged
- 65. Residential Credit Report ("TMRCR") and for FHA or VA loans, show that the Seller's loan costs, pursuant to Line 88, are sufficient to
- 66. obtain the loan. Buyer agrees to supply all documentation required by the lender. If such CLA is not received within the time specified,
- 67. 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
- 68. five (5) days, then this Contract shall be deemed cancelled and all earnest money shall be released to Buyer without further written
- 69. consent of the parties and without regard to cancellation provisions provided for elsewhere in this Contract. Buyer instructs lender to
- 70. 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,
- 75. 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
- 77. 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**
- 78. **Contract acceptance** or _____. Failure to pay for appraisal within the time specified shall constitute a material breach
- 79. of this Contract rendering the Contract subject to cancellation as provided in Lines 273-276 of this Contract.

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Purchase Contract for New Home (with Lot) >>

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 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. A.L.T.A. Lender Title Insurance Policy Buyer Seller Loan Origination Fee (Not to exceed _____ % of loan amount) Buyer Seller

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

87. **Other Loan Costs:** In the event of FHA or VA loans, Seller agrees to pay up to \$ _____ of loan costs not permitted 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 paid by the Buyer.

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

(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 hereby acknowledge that any decision to enter into any loan arrangements with any person or entity will be based solely upon such independent investigation and evaluation. Buyer and Seller further release, hold harmless and indemnify Broker(s) from any and all liability regarding loan arrangements and acknowledge that no Broker is responsible for Buyer's or Seller's decisions concerning the desirability or acceptability 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 written consent of Seller unless such changes do not adversely affect Buyer's ability to qualify for the loan, increase Seller's closing 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 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 the loan and close this transaction shall be considered a material breach of contract and not a failure to qualify for the loan. Buyer 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 assistance of a federally-related mortgage loan shall require, directly or indirectly, as a condition of selling the property, that title insurance 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 Contract shall be:

112. _____ ("ESCROW COMPANY") _____ (TELEPHONE)

113. **Title and Vesting:** Taking title may have significant legal, estate planning and tax consequences. **Buyer should obtain legal and tax advice.** 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 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; deed restrictions; and easements. Any portion of documents that contain provisions prohibited by state or federal fair housing laws are void and unenforceable. Buyer shall have five (5) days after receipt of the Title Commitment and after receipt of notice of any subsequent exceptions to provide written notice to Seller of any of the exceptions reasonably disapproved. REFER TO LINES 206-222 FOR IMPORTANT TERMS. Seller shall convey title by general warranty deed. Buyer shall be provided at Seller's expense an American Land Title Association ("ALTA") Homeowner's Title Insurance Policy, or if not available, an ALTA Residential Title Insurance Policy ("Plain Language"/"1-4 units") or, if not available, a Standard Owner's Title Insurance Policy, showing the title vested in Buyer as provided in Lines 115-117. Buyer may acquire extended coverage at Buyer's own additional expense.

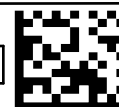
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Purchase Contract for New Home (with Lot) >>

127. (a) If the Escrow Company is also acting as the title agency but is not the title insurer issuing the title insurance policy, the Buyer and
 128. Seller hereby instruct the Escrow Company to deliver to the Buyer and Seller, upon deposit of funds, a closing protection letter from the
 129. title insurer indemnifying the Buyer and Seller for any losses due to fraudulent acts or breach of escrow instructions by the Escrow
 130. Company. (b) All documents necessary to close this transaction shall be executed promptly by Seller and Buyer in the standard form
 131. used by Escrow Company. Escrow Company is hereby instructed to modify such documents to the extend necessary to be consistent
 132. with this Contract. (c) All closing and escrow costs, unless otherwise stated herein, shall be allocated between Seller and Buyer in
 133. accordance with local custom and applicable laws and regulations. (d) Escrow Company is hereby instructed to send to Broker(s) copies
 134. of all notices and communications directed to Seller or Buyer. Escrow Company shall provide to such Broker(s) access to escrowed
 135. materials and information regarding the escrow. (e) Any documents necessary to close the escrow may be signed in counterparts, each
 136. of which shall be effective as an original upon execution, and all of which together shall constitute one and the same instrument.
137. **Prorations:** Taxes, homeowners' association fees, rents, irrigation fees, and, if assumed, insurance premiums, interest on assessments,
 138. interest on encumbrances, and service contracts shall be prorated as of **Close of Escrow** or Other: _____ .
139. **Insurance:** Buyer understands that any fire, casualty, or other insurance desired by Buyer should be in place at Close of Escrow.
 140. Buyer specifically releases Broker(s) from any obligations relating to such insurance.
141. **Assessments:** The amount of any assessment, other than homeowners' association assessments on Lines 152-168, which is a lien as of the
 142. Close of Escrow, shall be paid in full by Seller prorated and assumed by Buyer. Any assessment that becomes a lien after
 143. Close of Escrow is the Buyer's responsibility.
144. **IRS and FIRPTA Reporting:** Seller agrees to comply with IRS reporting requirements. If applicable, Seller agrees to complete, sign,
 145. and deliver to Escrow Company a certificate indicating whether Seller is a foreign person or a non-resident alien pursuant to the
 146. Foreign Investment in Real Property Tax Act ("FIRPTA"). Buyer acknowledges that if the Seller is a foreign person, the Buyer must
 147. withhold a tax equal to 10% of the purchase price, unless an exemption applies.

DISCLOSURES

148. **Seller's Notice of Violations:** Seller represents that Seller has no knowledge of any notice of violations of City, County, State, or Federal
 149. building, zoning, fire, or health laws, codes, statutes, ordinances, regulations, or rules filed or issued regarding the Premises. If Seller receives
 150. notice of violations prior to Close of Escrow, Seller shall immediately notify Buyer in writing. Buyer is allowed five (5) days after receipt of notice
 151. to provide written notice to Seller of any items reasonably disapproved. REFER TO LINES 206-222 FOR IMPORTANT TERMS.
152. **H.O.A./Condominium/P.U.D.:** If the Premises are located within a homeowners' association/condominium/planned unit development:
 153. (a) the current regular association dues are \$ _____ monthly, or _____ ;
 154. additional homeowners' association fees are \$ _____ monthly, or _____ ;
155. (b) If the homeowners' association has less than 50 units, no later than ten (10) days after acceptance of the Contract, the Seller shall:
 156. (1) disclose in writing to Buyer any known existing or pending special assessments, claims or litigation, and (2) provide to
 157. Buyer copies of Covenants, Conditions and Restrictions; Articles of Incorporation; bylaws; other governing documents;
 158. homeowners' association approval of transfer, if applicable; current financial statement including reserve statement and/or
 159. budget, and any other documents and information required by law.
160. (c) If the homeowners' association has 50 or more units, Seller shall furnish written notice of pending sale that contains the name
 161. and address of the Buyer to the homeowners' association within five (5) days after acceptance of the Contract.
162. (d) Buyer is allowed five (5) days after receipt of the information from the Seller or homeowners' association to provide written
 163. notice to Seller of any items reasonably disapproved; REFER TO LINES 206-222 FOR IMPORTANT TERMS.
164. (e) Any current homeowners' association assessment which is a lien as of Close of Escrow to be:
 165. paid in full by Seller prorated and assumed by Buyer
 166. Any assessment that becomes a lien after the Close of Escrow is the Buyer's responsibility.
167. (f) Fees related to the transfer of the Premises shall be paid by Seller Buyer Other: _____
168. (g) Any inspection or certification fee charged by a homeowners' association shall be paid **by Seller**.
169. **Insulation:** Ceiling insulation of _____ type will be installed at a thickness of _____ and a R-value of _____
 170. Exterior wall insulation of _____ type will be installed at a thickness of _____ and a R-value of _____
 171. The type of insulation is yet to be determined. Seller agrees to provide Buyer with a receipt stating the type, thickness and
 172. R-value of the insulation as soon as the determination regarding insulation is made.

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173. **Notice to Buyer of Swimming Pool Barrier Regulations (Initials Required):** Seller and Buyer acknowledge that the State of
174. Arizona has swimming pool barrier regulations which are outlined in the Arizona Department of Health Services Private Pool Safety
175. Notice. A swimming pool is defined as an above or below ground swimming pool or contained body of water intended for swimming,
176. exclusive of public or semi-public swimming pools ("Swimming Pool"). The parties further acknowledge that the county or
177. municipality in which the Premises are located may have different Swimming Pool barrier regulations than the state. Buyer agrees to
178. investigate all applicable state, county, and municipal Swimming Pool barrier regulations and agrees to comply with and pay all
179. costs of compliance with said regulations prior to possession of the Premises.

180. **BUYER'S INITIALS ACKNOWLEDGE 1) EXISTENCE OF SWIMMING POOL BARRIER REGULATIONS and 2) If these Premises contain**
181. **a Swimming Pool, RECEIPT OF THE ARIZONA DEPARTMENT OF HEALTH SERVICES APPROVED PRIVATE POOL SAFETY NOTICE**
182. **AS 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 THE**
187. **REAL PROPERTY (LAND) AND IMPROVEMENTS THEREON, IS APPROXIMATE. IF SQUARE FOOTAGE IS A MATERIAL MATTER**
188. **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 including, but not
190. limited to, being designated as a special flood hazard area by the Federal Emergency Management Agency ("FEMA"), the Buyer's lender may
191. require the purchase of flood hazard insurance at the Close of Escrow or some future date. Special flood hazards may affect the ability to
192. 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**
194. **written notice to seller of any flood hazard items reasonably disapproved during this time period. REFER TO LINES 206-222**
195. **FOR IMPORTANT TERMS.**

196. **Buyer Responsibility Regarding Inspections and Investigations:** Buyer is advised by Broker to obtain inspections and investigations of the
197. Premises. Buyer acknowledges that Buyer should make inquiries and consult government agencies, lenders, insurance agents, architects, and
198. other appropriate persons and entities concerning the use of the Premises and the surrounding areas under applicable building, zoning, fire,
199. health, and safety codes, and for evaluation of potential hazards. Buyer acknowledges that more than one inspection may be required. Buyer
200. shall keep the Premises free and clear of liens, shall indemnify and hold Seller harmless from all liability, claims, demands, damages, and
201. costs, and shall repair all damages arising from the inspections. Buyer shall provide Seller and Broker(s) upon receipt, at no cost, copies of all
202. 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
207. notice of the items reasonably disapproved [Notice shall be provided on AAR's Buyer's Inspection Notice and Seller's Response
208. form or 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
210. released to Buyer, or
- 211. (b) provide the Seller an opportunity to correct the items reasonably disapproved. If Buyer elects option (b), Seller shall respond
212. in writing 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
214. repairs in a 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
216. the time 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**
221. **PROCEED WITH THE TRANSACTION WITHOUT CORRECTION OF ANY REASONABLY DISAPPROVED ITEMS WHICH**
222. **SELLER HAS NOT AGREED TO CORRECT IN WRITING.**

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BUYER	BUYER



Purchase Contract for New Home (with Lot) >>

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
225. requirements of the Arizona Registrar of Contractors. Seller warrants the construction of the Premises against defects in workmanship
226. and materials as provided for by Arizona law and Seller will, at Sellers own expense, make any and all repairs and replacements
227. made necessary as a result of defective workmanship or materials, provided however, Seller is granted reasonable access to the
228. Property during normal business hours. this warranty is applicable only to requests for repair and replacement reported in writing to
229. Seller. This 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 –
233. Federal Trade Commission Improvement Act (15 U.S.C. §2301, et seq.) that may be included in this transaction. If a manufacturer's
234. warranty has been issued to Seller, Seller hereby assigns to Buyer, to be effective upon closing, without recourse to Seller, all rights
235. under said manufacturer's warranties, as are assignable, on appliances and any other consumer products included in the Premises.
236. BUYER MAY 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 conclusion
238. of this inspection, the Buyer will immediately notify the Seller in writing of any claim by the Buyer for deficiencies in workmanship or
239. 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 in
241. the industry and the requirements of the Arizona Registrar of Contractors. Unless otherwise required by law, the Seller has no obligation
242. to correct any items not due to deficient workmanship and/or materials. Buyer understands that the Seller may encounter delays in
243. correcting any defects because the primary responsibility for correcting the defects may be that of a subcontractor or a supplier whose
244. time schedule is not controlled by the Seller. Seller's obligation to correct any defects noted by the Buyer shall not entitle Buyer to delay
245. 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
247. party may elect to be released from all obligations under this Contract by canceling this Contract as provided in Lines 273-276. The
248. non-breaching party may thereafter proceed against the party in breach upon any claim or remedy that the non-breaching party may
249. have 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
250. amount of the earnest money may be deemed a reasonable estimate of the damages; and Seller may, at Seller's option, accept the
251. earnest money deposit, subject to any compensation to Broker(s), as Seller's sole right to damages. In the event that the non-
252. breaching party elects not to cancel this Contract, the non-breaching party may proceed against the party in breach for specific
253. performance of this Contract or any of its terms, in addition to any claim or remedy that the non-breaching party may have in law or
254. equity. In the event that either party pursues specific performance of this Contract, that party does not waive the right to cancel this
255. Contract pursuant to Lines 273-276 at any time and proceed against the breaching party as otherwise provided herein, or in law or
256. equity. If Buyer or Seller files suit against the other to enforce any provision of this Contract or for damages sustained by reason of
257. its breach, all parties prevailing in such action, on trial and appeal, shall receive their reasonable attorneys' fees and costs as
258. awarded by the court. In addition, both Seller and Buyer agree to indemnify and hold harmless all Brokers against all costs and
259. expenses that any Broker may incur or sustain in connection with any lawsuit arising from this Contract, and will pay the same on
260. demand unless the court grants judgment in such action against the party to be indemnified. Costs shall include, without limitation:
261. attorneys' fees, expert witness fees, 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 mediation
284. 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.

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Purchase Contract for New Home (with Lot) >>

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

(BUYER'S INITIALS ARE 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
300. Escrow or possession, whichever is earlier, by reason of fire, vandalism, flood, earthquake, or act of God, the risk of loss shall be on
301. the Seller, provided, however, that if the cost of repairing such loss or damage would exceed ten percent (10%) of the purchase
302. price, either Seller or 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
309. payment will be collected from Buyer as a condition of Closing. If any Broker hires an attorney to enforce the collection of such
310. compensation, the party(ies) responsible for paying such compensation agree(s) to pay such Broker's costs including but not limited to:
311. attorney's fees, expert witness fees, fees paid to investigators, and court costs. **COMMISSIONS PAYABLE FOR THE SALE,**
312. **LEASING, OR MANAGEMENT OF PROPERTY ARE NOT SET BY ANY BOARD OR ASSOCIATION OF REALTORS®, OR**
313. **MULTIPLE LISTING 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 the
316. origination, processing, or funding of a federally-related mortgage loan, and includes such settlement-related business as termite
317. inspections and home warranties. RESPA does not prohibit fees, salaries, compensation, or other payments for services actually
318. performed. If any Broker performs any such services for a fee, Seller and Buyer consent to the payment of this additional compensation
319. 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
323. Buyer, and shall supersede any other written or oral agreement between Seller and Buyer. This Contract can be modified only by a
324. writing signed by Seller and Buyer. A fully executed facsimile copy of the entire agreement shall be treated as an original Contract.
325. The failure to initial any page of this Contract will not affect the validity or terms of this Contract. This Contract may be executed in
326. any number of counterparts, and will become effective upon delivery as provided for herein. All counterparts shall be deemed to
327. constitute one instrument, and each counterpart shall be deemed an original. Neither Seller, Buyer nor any Broker shall be bound by
328. any understanding, agreement, promise, or representation, express or implied, written or verbal, not specified herein. The Seller and
329. the Buyer acknowledge that the Broker(s) are 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 fixtures
333. 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 may be extended by written agreement of the
339. Seller and Buyer and shall be extended automatically for the length of any delays resulting from matters outside Seller's control that
340. make timely completion impossible, including, but not limited to: labor strikes, slow-downs, lock-outs, material or labor shortages,
341. any action of the federal, state or local authorities having jurisdiction over the Premises or affecting Seller's ability to perform, civil
342. disorder, fire, unusual weather conditions, or acts of God. **Seller shall give Buyer written notice within twenty-one (21) days**
343. **after occurrence of the event if any such event is the basis for a claim for an extension of time in which construction will**
344. **be completed. In the event that construction is not completed within the agreed upon time period, or any extension**
345. **thereof, Buyer shall have the remedies available as provided herein.**

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BUYER BUYER



Purchase Contract for New Home (with Lot) >>

346. **Buyer's Construction Obligation:** Buyer shall select all of Buyer's interior and exterior color and material selections, including,
347. but not limited to, carpeting, flooring, cabinetry, counter tops, and all other selections necessary or appropriate to complete
348. construction, 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
353. the standard selections provided by Seller, which shall otherwise be known as "Cash Extras." If this transaction fails to close for any
354. reason whatsoever (including, but not limited to, the failure of Buyer to obtain a loan, or to satisfy any other loan condition, if
355. applicable, or to satisfy any other contingencies), other than a default by Seller, all amounts paid by Buyer to Seller for Cash Extras
356. shall be 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
387. OF 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 conventional
390. 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
392. inadequate, 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
394. that any subsequent offer accepted by the Seller must be a backup offer, namely, contingent on the cancellation of this Contract. >>>

SELLER	SELLER

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BUYER	BUYER



Purchase Contract for New Home (with Lot) >>

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**
405. **YOU 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**
407. **OPPORTUNITY TO READ 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. _____ MO/DA/YR _____ MO/DA/YR
^ BUYER'S SIGNATURE ^ BUYER'S SIGNATURE

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**
418. **Counter Offer. If there is a conflict between this Contract and the Counter Offer, the provisions of the Counter Offer**
419. **shall be controlling.**

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

421. _____ MO/DA/YR _____ MO/DA/YR
^ SELLER'S SIGNATURE ^ SELLER'S SIGNATURE

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

SELLER SELLER

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BUYER BUYER

