

SHORT SALE ADDENDUM TO THE COMMERCIAL PURCHASE CONTRACT

Document updated:
February 2010



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1. Seller: _____
2. Buyer: _____
3. Property Address: _____
4. Date: _____

5. The following additional terms and conditions are hereby included as part of the Contract between Seller and Buyer for the above
6. referenced Property.

7. CONTINGENT UPON ACCEPTABLE SHORT SALE AGREEMENT

8. Buyer and Seller acknowledge that there is more debt owing against the Property than the purchase price. Therefore, this Contract
9. is contingent upon an agreement between the Seller and Seller's creditor(s), acceptable to both, to sell the Property for less than
10. the loan amount(s) ("short sale"). Buyer and Seller acknowledge that it may take weeks or months to obtain creditor(s) approval of
11. a short sale.

12. Nothing shall limit a Seller from accepting subsequent offers from subsequent buyer(s) and submitting the back-up contract(s) to
13. Seller's creditor(s) for consideration. All parties understand and agree that Seller's creditor(s) may elect to allow the Seller to sell the
14. Property only to the holder of the Contract with terms and conditions most acceptable to creditor(s).

15. DOCUMENTATION TO CREDITOR(S)

16. Seller shall submit to creditor(s) a copy of this Contract, including this and other Addenda, and any other documentation required by the
17. creditor(s) for approval of this sale within five (5) days after Contract acceptance. Seller agrees to diligently work to obtain short sale
18. approval and will promptly provide the creditor(s) with all additional documentation required, including an appraisal, at Seller's expense, if
19. required. Seller instructs creditor(s) to provide approval status updates to Broker(s) and Buyer upon request.

20. TERMS UPON ACCEPTABLE SHORT SALE AGREEMENT

21. **Agreement Notice:** If Seller and Seller's creditors enter into a short sale agreement, the Seller shall immediately deliver notice
22. to Buyer ("Agreement Notice").

23. **Time Periods:** The date of Seller's delivery of the Short Sale Agreement Notice to Buyer shall be deemed the date of Opening of
24. Escrow for purposes of all applicable Contract time periods.

25. **Escrow and Earnest Money:** Buyer shall promptly open Escrow and deposit Earnest Money as described in the Contract upon receipt
26. of Agreement Notice.

27. **Loan Costs:** Buyer will be responsible for all Buyers' Loan Costs.

28. **Seller Warranties:** Buyer hereby waives Seller's warranties as set forth in Lines 260 - 263 of the Contract that all listed items shall be
29. in working condition at the earlier of possession or COE.

30. However, Seller warrants and shall maintain and repair the Property so that, pursuant to lines 263 - 264 of the Contract, at the earlier of
31. possession or COE, the Property, including all heating, cooling, mechanical, plumbing, and electrical systems (including swimming pool
32. and/or spa, motors, filter systems, cleaning systems, and heaters, if any), and built-in appliances and additional existing personal property
33. included in the sale, will be in substantially the same condition as on the date of mutual execution of the Contract.

34. **Close of Escrow:** Close of Escrow shall occur thirty (30) days or _____ days after delivery of Agreement Notice.

35. **Creditor Requirements:** Buyer and Seller agree to cooperate with Creditor(s) and sign additional Creditor disclosure(s) or execute
36. additional addendum(a) required by Creditor(s) as a condition of approval of the short sale, provided that Buyer and Seller incur no
37. additional cost or liability.

38. BUYER CANCELLATION

39. Buyer may unilaterally cancel this Contract by notice to Seller at any time before receipt of a short sale Agreement Notice from Seller.

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Short Sale Addendum to the Commercial
Purchase Contract • February 2010

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SELLER	SELLER

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BUYER	BUYER



Short Sale Addendum to the Commercial Purchase Contract >>

40. **LEGAL AND TAX ADVICE**

41. Seller acknowledges that Broker is not qualified to provide financial, legal, or tax advice regarding a short sale transaction.
42. Therefore, the Seller is advised to obtain professional tax advice and consult independent legal counsel immediately
43. regarding the tax implications and advisability of entering into a short sale agreement.

44. (SELLER'S INITIALS REQUIRED) _____
SELLER SELLER

45. **UNFULLILLED CONTINGENCY**

46. In the event that Seller and Seller's creditor(s) are unable to reach a short sale agreement acceptable to both, at the sales price contained
47. herein, Seller shall promptly notify Buyer of same, and the Contract shall be deemed cancelled due to the unfulfilled short sale contin-
48. gency. If applicable, Buyer shall be entitled to a return of any Earnest Money.

49. **OTHER TERMS AND CONDITIONS**

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74. In the event that any provision contained in this Addendum conflicts in whole or in part with any terms contained in the Contract, the
75. provisions of this Addendum shall prevail and the conflicting terms are hereby considered deleted and expressly waived by both Buyer
76. and Seller.

77. ^ BUYER'S SIGNATURE _____ MO/DA/YR ^ BUYER'S SIGNATURE _____ MO/DA/YR

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

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SHORT SALE ADDENDUM TO THE RESIDENTIAL RESALE REAL ESTATE PURCHASE CONTRACT

Document updated:
February 2011



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1. Seller: _____
2. Buyer: _____
3. Premises Address: _____
4. Date: _____

5. The following additional terms and conditions are hereby included as part of the Contract between Seller and Buyer for the above
6. referenced Premises. Delivery of all notices and documentation shall be deemed delivered and received when sent as required by
7. Section 8m of the Contract.

8. CONTINGENT UPON ACCEPTABLE SHORT SALE AGREEMENT

9. Buyer and Seller acknowledge that there is more debt owing against the Premises than the purchase price. Therefore, this Contract
10. is contingent upon an agreement between the Seller and Seller's creditor(s), acceptable to both, to sell the Premises for less than
11. the loan amount(s) ("short sale"). Buyer and Seller acknowledge that it may take weeks or months to obtain creditor(s) approval of
12. a short sale.

13. Nothing shall limit a Seller from accepting subsequent offers from subsequent buyer(s) and submitting the back-up contract(s) to
14. Seller's creditor(s) for consideration. All parties understand and agree that Seller's creditor(s) may elect to allow the Seller to sell the
15. Premises only to the holder of the Contract with terms and conditions most acceptable to creditor(s).

16. DOCUMENTATION TO CREDITOR(S)

17. Seller shall submit to creditor(s) a copy of this Contract, including this and other Addenda, and any other documentation required by the
18. creditor(s) for approval of this sale within five (5) days after Contract acceptance. Seller agrees to diligently work to obtain short sale
19. approval and will promptly provide the creditor(s) with all additional documentation required, including an appraisal, at Seller's expense, if
20. required. Seller instructs creditor(s) to provide approval status updates to Broker(s) and Buyer upon request.

21. TERMS UPON ACCEPTABLE SHORT SALE AGREEMENT

22. **Agreement Notice:** If Seller and Seller's creditors enter into a short sale agreement, the Seller shall immediately deliver notice
23. to Buyer ("Agreement Notice").

24. **Time Periods:** The date of Seller's delivery of the Short Sale Agreement Notice to Buyer shall be deemed the date of Contract
25. acceptance for purposes of all applicable Contract time periods.

26. **Escrow and Earnest Money:** Buyer shall promptly open Escrow and deposit Earnest Money as described in the Contract upon receipt
27. of Agreement Notice.

28. **Seller Warranties:** Buyer hereby waives Seller's warranties as set forth in Lines 166-168 of Section 5a of the Contract that all listed
29. items shall be in working condition at the earlier of possession or COE. However, Seller warrants and shall maintain and repair the
30. Premises so that, pursuant to lines 169-170 of the Contract, at the earlier of possession or COE, the Premises, including all heating,
31. cooling, mechanical, plumbing, and electrical systems (including swimming pool and/or spa, motors, filter systems, cleaning systems,
32. and heaters, if any), free-standing range/oven, built-in appliances and additional existing personal property included in the sale, will
33. be in substantially the same condition as on the date of Contract acceptance and all personal property not included in the sale and
34. all debris will be removed from the Premises.

35. **Close of Escrow:** Close of Escrow shall occur thirty (30) days or _____ days after delivery of Agreement Notice.

36. **Creditor Requirements:** Buyer and Seller agree to cooperate with Creditor(s) and sign additional Creditor disclosure(s) or execute
37. additional addendum(a) required by Creditor(s) as a condition of approval of the short sale, provided that Buyer and Seller incur no
38. additional cost or liability.

39. BUYER CANCELLATION

40. Buyer may unilaterally cancel this Contract by notice to Seller at any time before receipt of a short sale Agreement Notice from Seller.

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Short Sale Addendum to the Residential Resale Real Estate
Purchase Contract • Updated: February 2011

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SELLER	SELLER

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BUYER	BUYER



41. **LEGAL AND TAX ADVICE**

42. Seller acknowledges that Broker is not qualified to provide financial, legal, or tax advice regarding a short sale transaction.
 43. Therefore, the Seller is advised to obtain professional tax advice and consult independent legal counsel immediately
 44. regarding the tax implications and advisability of entering into a short sale agreement.

45. (SELLER'S INITIALS REQUIRED) _____ SELLER _____ SELLER

46. **UNFULFILLED CONTINGENCY**

47. In the event that Seller and Seller's creditor(s) are unable to reach a short sale agreement acceptable to both, at the sales price contained
 48. herein, Seller shall promptly notify Buyer of same, and the Contract shall be deemed cancelled due to the unfulfilled short sale contin-
 49. gency. If applicable, Buyer shall be entitled to a return of any Earnest Money.

50. **OTHER TERMS AND CONDITIONS**

51. _____
 52. _____
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 73. _____
 74. _____

75. In the event that any provision contained in this Addendum conflicts in whole or in part with any terms contained in the Contract,
 76. the provisions of this Addendum shall prevail and the conflicting terms are hereby considered deleted and expressly waived by
 77. both Buyer and Seller.

78. ^ BUYER'S SIGNATURE _____ MO/DA/YR ^ BUYER'S SIGNATURE _____ MO/DA/YR

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

Short Sale Addendum to the Residential Resale Real Estate

Purchase Contract • Updated: February 2011

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SELLER	SELLER
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SHORT SALE ADDENDUM TO LISTING CONTRACT

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1. Seller: _____
2. Broker: _____
3. Premises Address: _____
4. Date: _____

5. Seller acknowledges that Broker is not qualified to provide financial, legal, or tax advice regarding a short sale transaction.
6. Therefore, the Seller is advised to obtain professional tax advice and consult independent legal counsel immediately
7. regarding the tax implications and advisability of entering into a short sale agreement. Seller is advised to consult the
8. Arizona Department of Real Estate Short Sale Seller Advisory provided by AAR at www.aaronline.com to assist Seller in
9. exploring options other than a short sale and determining the advisability of entering into a short sale agreement.

10. (SELLER'S INITIALS REQUIRED) _____ SELLER _____ SELLER

11. **SHORT-SALE DEFINED:** The term "short sale" is used to describe a sale in a situation where there is more debt owing against
12. a property than the property's value. In a loan default situation, (pre-foreclosure) the creditor(s) may be willing to agree to allow
13. the property to be sold for less than the loan amount and/or accept less than (or "short") the amount owed as payment in full.
14. **Seller acknowledges that there may be disadvantages to a short sale.**

15. **CREDIT AND CREDITOR CONSIDERATIONS:** A short sale may adversely affect the Seller's credit score. Further, even if
16. the creditor(s) agrees to a short sale, the creditor(s) may not agree to forgive the debt entirely, and may require the Seller
17. to pay the difference as a personal obligation. If the loan is guaranteed by the FHA or VA, these entities may also require
18. payment of the difference. **Seller is advised to be certain of the terms of any short sale before making a decision, and**
19. **obtain any debt forgiveness agreement in writing.**

20. **TAX CONSIDERATIONS:** A short sale in which a portion of the debt is forgiven is considered a relief of debt and may be
21. treated as income for tax purposes. A creditor who forgives a debt must submit a 1099 form to the IRS indicating the amount
22. of the debt that has been forgiven.

23. **DETERMINING THE AMOUNT OWED:** Seller agrees to disclose all liens encumbering the Premises and to cooperate with
24. Broker(s), escrow company, and creditor(s) to determine the amount of debt owed on the property, including but not limited to,
25. purchase money loans, home equity loans, homeowner's association fees, property taxes and other tax liens.

26. **OBTAINING CREDITOR APPROVAL:** Obtaining creditor(s) approval of a short sale involves documentation similar to
27. that required for the original loan application. The Seller must generally establish that the Seller is financially incapable
28. of paying the loan(s). The Seller agrees to promptly submit to creditor(s) all requested documentation, including W-2 forms
29. from employers, bank statements, tax returns, "hardship letter" (stating the reason the creditor(s) should consider granting
30. a short sale) and other requested financial documents outlining income and debt. The Seller acknowledges that it may take
31. weeks or months to obtain creditor(s) approval of a short sale. Seller(s) agrees to grant creditor(s) permission to communicate
32. directly with Broker(s).

33. **OTHER OPTIONS:** Seller is advised to explore options with creditors other than a short sale, such as loan modification, revised
34. repayment plan, refinance or entry into a lender(s) loan mitigation program, if available.
35. Seller agrees to notify Broker if Seller decides to pursue other options.

36. _____ MO/DA/YR
^ SELLER SIGNATURE

37. _____ MO/DA/YR
^ FIRM NAME (BROKER)

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_____ BROKER	_____ BROKER
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Short Sale Seller Advisory

ARIZONA DEPARTMENT OF REAL ESTATE

The Short Sale Seller Advisory is a resource for Real Estate Consumers Provided by the Arizona Association of REALTORS®

A short sale is a real estate transaction in which the sales price is insufficient to pay the loan(s) encumbering the property in addition to the costs of sale and the seller is unable to pay the difference. A short sale involves numerous issues as well as legal and financial risks. This Advisory is designed to address some of these issues and risks, but does not purport to be comprehensive.

BEFORE PROCEEDING WITH A SHORT SALE

1 Understand a Lender's Options upon Loan Default

There are many types of loans that are secured by real property. These may be purchase loans, refinanced loans, home-equity loans, or one of the various other types of loans. The type of loan and type of property will determine what remedies a lender may have if the homeowner fails to make the agreed upon payments. The available remedies, the homeowner's overall current or potential future financial strength, the lender's cost in acquiring the loan and any shared-loss or similar agreement if the loan was acquired by purchase or merger, are some of the many factors that the lender may consider in deciding how to proceed when a loan is in default. For an overview of these issues, go to www.aaronline.com/AZR/Dec/09LoanDefaults.aspx

2 Be Aware of Predatory "Rescue" Scams & Short Sale Fraud

Homeowners worried about foreclosure may be susceptible to predatory "rescue" scams which may cost you money with no results, result in the loss of your home entirely, or involve you in a fraudulent scheme. For more information, go to www.efanniemae.com/utility/legal/antifraud.jsp or www.efanniemae.com/utility/legal/pdf/fraudnews/mortgagefraudnews0709.pdf

"Red Flags" of fraudulent schemes include:

- Guarantees to stop the foreclosure
- Large upfront fees
- Instructions not to contact the lender
- Transfer of title or lease of the property
- The proposed buyer is an LLC
- Requests that the homeowner execute a power of attorney
- The proposed buyer, at the buyer's sole expense, retains a third party to negotiate the short sale for the seller's benefit.



Short Sale Seller Advisory

BEFORE PROCEEDING WITH A SHORT SALE (CONTINUED)

3 Report suspected scams

- Financial Fraud Enforcement Task Force
www.stopfraud.gov
- HUD, in partnership with the Loan Modification Scam Prevention Network
www.PreventLoanScams.org.
- Arizona Department of Financial Institutions at
fraudline@azdfi.gov
- Arizona Attorney General's Office www.azag.gov/consumer/foreclosure/index.html#Complaint
- NeighborWorks® at www.loanscamalert.org/default.aspx

4 Contact a Free HUD-Approved Housing Counselor or Contact Your Lender Directly

- Contact a HUD-approved housing counseling agency online at www.hud.gov/offices/hsg/sfh/hcc/hcs.cfm?webListAction=search&searchstate=AZ or call (800) 569-4287 or TDD (800) 877-8339 for advice on your options. For additional HUD resources: http://portal.hud.gov/portal/page/portal/HUD/topics/avoiding_foreclosure
- Contact the Neighborhood Assistance Corporation of America at: www.naca.com/refinance/refinanceTenStep.jsp
- Contact the lender directly. To find the lender's contact information, check the loan billing statement, or coupon book. Ask for the lender's home retention department, loss mitigation department, (or other department that handles negotiation of loans in default); explain the situation and find out if the lender is willing to discuss options.

5 Utilize Free Services Available to Arizona Residents

- **Contact the Arizona Foreclosure Helpline** at 1-877-448-1211 (toll-free) or visit www.housingaz.com/ShowPage.aspx?ID=248
- **Review the Arizona Foreclosure Prevention Task Force Workbook** www.dbtaz.org/flyers/2009.9.1.State.Task.Force.Wrkbk.pdf.

This book will help you evaluate your options and provide you with tools to take action. Additional resources are available at:

www.azforeclosureprevention.org

6 Obtain Legal Advice

An attorney can advise you about your options and legal liability.

- To find out if you are eligible for free or low cost legal assistance, contact a legal aid organization in your county or one of the organizations listed at www.azbar.org/LawyersHelpingYou/freelegal.cfm or www.azlawhelp.org/housing.cfm
- Contact the Lawyer Referral Service in your county where you can consult with an attorney for a small fee for a half-hour consultation.

Maricopa County: www.maricopabar.org/displaycommon.cfm?an=16 (602) 257-4200.

Pima County: www.pimacountybar.org/web/lawyer-referral-service-lrs (520) 623-4625.

- Attorneys who are State Bar Real Estate Law Certified Specialists can be located at www.azbar.org/LegalResources/findspecialist.cfm.



Short Sale Seller Advisory

BEFORE PROCEEDING WITH A SHORT SALE (CONTINUED)

7 Obtain Tax Advice

- For Mortgage Forgiveness Debt Relief Act and Debt Cancellation tax information, go to www.irs.gov/individuals/article/o,,id=179414,00.html
- Attorneys who are State Bar Tax Law Certified Specialists can be located at www.azbar.org/LegalResources/findspecialist.cfm.

8 Be Aware of the Consequences of Committing "Waste"

Damaging the property or removing fixtures such as sinks, toilets, cabinets, air conditioners, and water heaters may result in liability to the lender for "waste." In other words, the lender may be able to sue you for damages if you have physically abused, damaged or destroyed any part of the property.

OPTIONS OTHER THAN SHORT SALE

CONSIDER ALL OPTIONS

**A SHORT SALE MAY NOT BE YOUR BEST COURSE OF ACTION.
CONSIDER ALL YOUR OPTIONS BEFORE MAKING A DECISION.**

1 Loan Workout

- **Reinstatement:**
Paying the total amount owed by a specific date in exchange for the lender agreeing not to foreclose.
- **Forebearance:**
An agreement to reduce or suspend payments for a short period of time.
- **Repayment Plan:**
An agreement to resume making monthly payments with a portion of the past due payments each month until they are caught up.
- **Claim Advance/Partial Claim:**
If the loan is insured, a homeowner may qualify for an interest-free loan from the mortgage guarantor to bring the account current.

2 Loan Modification

The lender may agree to change the terms of the original loan to make the payments more affordable. For example, missed payments can be added to the existing loan balance, the interest rate may be modified or the loan term extended. Loan modification resources include:

- **Making Homes Affordable:**
www.makinghomeaffordable.gov
- **National Foreclosure Mitigation Counseling Program:**
<http://findaforeclosurecounselor.org/network/home.asp>
- **Homeownership Preservation Foundation:**
www.995hope.org

1-888-995-HOPE™Hotline



Short Sale Seller Advisory

OPTIONS OTHER THAN SHORT SALE (CONTINUED)

3 Refinance

If the lender will not agree to a loan workout or modification, the homeowner may be able to refinance the loan with another lender.

The HOPE for Homeowners program will refinance mortgages for homeowners that can afford a new loan insured by HUD's Federal Housing Administration. Learn more at www.hud.gov/hopeforhomeowners/index.cfm.

4 Deed-in-Lieu of Foreclosure

The lender may allow a homeowner to "give back" the property. This option may not be available if there are other liens recorded against the property. Review the HUD requirements at www.hud.gov/offices/hsg/sfh/nsc/rep/dilfact.pdf.

5 Work Out Sale

The lender may allow a specific amount of time for the home to be sold and the loan to be paid off. The lender may also allow a buyer to assume the loan to purchase the property even if the loan is non-assumable.

6 Bankruptcy

If you are considering bankruptcy as an option, consult with an attorney that specializes in bankruptcy cases: www.azbar.org/LegalResources/findspecialist.cfm.

Access the Arizona Bankruptcy Court self help information by calling 866-553-0893 or visit www.azb.uscourts.gov/default.aspx?PID=78#866.



7 Foreclosure

Allowing the lender to foreclose is another option. The counselors at the Arizona Foreclosure Help Line can explain the foreclosure process, call:

1-877-448-1211

Ultimately, only you and your attorney can decide if foreclosure is the best option for you. Attorneys who are State Bar Real Estate Law Certified Specialists can be located at:

www.azbar.org/LegalResources/findspecialist.cfm

Ask your attorney about the possibility of a deficiency lawsuit after foreclosure. Assuming all statutory requirements are met, the Arizona anti-deficiency statutes may limit the lender's remedy to foreclosure, even if the amount due to the lender exceeds the value of the property.

Also, seek professional tax advice about the consequences of a foreclosure and review the IRS information at www.irs.gov/individuals/article/o,,id=179414,00.html.



Short Sale Seller Advisory

SHORT SALE CONSIDERATIONS

IF YOU DECIDE TO PURSUE A SHORT SALE,
CONSIDER TAKING THE FOLLOWING ACTIONS

1 Contact a Qualified Real Estate Professional

Interview several real estate professionals and ask about their experience in short sales, the number of short sale transactions that they have handled, and their education and training in short sales.

- Review the real estate professional's background and continuing education on the ADRE website at: <http://services.AZRE.gov/publicdatabase>
- Ask if the real estate professional has obtained a short sale certification, such as the Short Sales and Foreclosure Resource Certification ("SFR") www.realtorsfr.org/.
- Find a REALTOR® at www.aaronline.com/ConsumerAssistance/FindARealtor

2 Investigate Documentation and Eligibility

Documentation and eligibility criteria for short sales vary depending on specific lender and investor guidelines. Generally, you must prove that you are financially incapable of paying the loan and the lender is convinced that it will fare better by agreeing to a sale for less than the outstanding loan amount than foreclosing.

3 Determine the Amount owed on the Property

All debt and costs must be factored in before determining whether a short sale is feasible. Consider the delinquent loan, home equity loan or other loans recorded against the property, past due homeowner's association fees, unpaid property taxes and the costs of a sale, such as closing costs, escrow fees and brokerage commissions. If you

have more than one loan on the property, be aware that a short sale will generally require the approval of all lenders.

4 Determine the Estimated Fair Market Value of the Property

You must prove to the lender that the home is worth less than the unpaid loan balance. Consult a real estate professional or an appraiser for assistance in estimating the value of the property.

5 Consult Legal Counsel

The importance of competent legal counsel to help you determine whether a short sale is the best option and to advise you during the short sale process cannot be over emphasized. See the legal resources listed on page 2 or visit www.azbar.org.

6 Understand that a Short Sale May not Discharge the Debt

Even if a lender agrees to a short sale, the lender, the VA, or the FHA may not agree to forgive the debt entirely and may require you to pay the difference as a personal obligation. This outstanding personal obligation could result in a subsequent collection action. For example, a lender may accept the short sale purchase price to "release the lien" on the property as opposed to agreeing to accept the purchase price as "full and final settlement of the debt" on the property. Therefore, be certain of the terms of any short sale before making a decision, consult an attorney regarding whether the lender is entitled to pursue a deficiency judgment and obtain any debt forgiveness agreements with the lender in writing.



Short Sale Seller Advisory

SHORT SALE CONSIDERATIONS (CONTINUED)

7

Obtain Tax Advice

A short sale in which the debt is forgiven is a relief of debt and may be treated as income for tax purposes. The Mortgage Forgiveness Debt Relief Act of 2007 created a limited exemption to allow homeowners to pay no taxes on debt forgiveness; however, only cancelled debt used to buy, build or improve a principal residence or refinance debt incurred for those purposes qualifies for this tax exemption. For more information on the tax consequences of debt relief seek professional tax advice and go to www.irs.gov/individuals/article/o,,id=179414,00.html

8

Be Aware of the Impact on Your Credit Score

The impact of a short sale on your credit score depends upon a variety of factors, including late or missed payments. A short sale may appear on your credit report as "pre-foreclosure redemption," "paid in full for less than full balance" or other similar term.

9

Understand That There May Be a Waiting Period Before You Can Buy another Home

Your ability to qualify for a loan to purchase another home after a short sale will likely be impacted by a short sale and there may be a waiting period before you can purchase another home.

10

Home Affordable Foreclosure Alternative (HAFA) Program

The HAFA program was designed to give homeowners different alternatives to a foreclosure, which include incentives for completing a short sale. For more information on the options available, visit the HAFA program website

www.makinghomeaffordable.gov/hafa.html

To find out which option you are eligible for go to

www.makinghomeaffordable.gov/eligibility.html

To find out if your mortgage servicer participates in the HAFA program go to

www.makinghomeaffordable.com/contact_servicer.html

National Association of REALTORS® HAFA brochure:

www.realtor.org/wps/wcm/connect/3400520042baa210a512b5d4db880d7c/HAFA+Consumer+Brochure+6.3.10.pdf?MOD=AJPERES&CACHEID=3400520042baa210a512b5d4db880d7c

Guidelines and Forms:

www.hmpadmin.com/portal/programs/foreclosure_alternatives.html

Fannie Mae's HAFA program:

www.efanniemae.com/sf/servicing/hafa/index.jsp

11

Review the Arizona Association of REALTORS® (AAR) Short Sale Forms

AAR has developed a Short Sale Addendum to the Listing Agreement, www.aaronline.com/documents/SSAListing.pdf, and a

Short Sale Addendum to the Residential Resale Real Estate Purchase Contract www.aaronline.com/documents/SSARPC.pdf, to assist in a short sale transaction. Review these contract forms and any other forms you are asked to sign so that you thoroughly understand your rights and obligations.

For More Information, Visit:

The Arizona Department of Real Estate website:

www.azre.gov/

AAR's Consumer Foreclosure Assistance Links:

www.aaronline.com/documents/ForeclosureLinks.aspx



Short Sale Seller Advisory

SELLER ACKNOWLEDGEMENT

Seller acknowledges receipt of this Advisory and further acknowledges that there may be other issues of concern not listed herein. The information in this Advisory is provided with the understanding that it is not intended as legal or other professional services or advice. These materials have been prepared for general informational purposes only. The information and links contained herein may not be updated or revised for accuracy. If you have any additional questions or need advice, please contact your own lawyer.



Short Sale Seller Advisory

*A Resource for
Real Estate Consumers
Provided by the*



^ SELLER SIGNATURE _____ DATE _____

^ SELLER SIGNATURE _____ DATE _____



"AS IS" ADDENDUMDocument updated:
August 2009

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1. Seller: _____
2. Buyer: _____
3. Premises Address: _____
4. Date: _____

5. The following additional terms and conditions are hereby included as a part of the Contract between Seller and Buyer for the
6. above referenced Premises. All terms and conditions of the Contract are hereby included herein and delivery of all notices
7. and documentation shall be deemed delivered and received when sent as required by Section 8m of the Contract.

8. **A.** Seller and Buyer agree that the Premises is being sold in its existing condition ("AS IS") and Seller makes no warranty
9. to Buyer, either express or implied, as to the (1) condition of the Premises, including, but not limited to, Seller's Warranties
10. in Lines 166-168 of Section 5a, which Buyer hereby waives; (2) zoning of the Premises; or (3) Premises' fitness for any
11. particular use or purpose. However, Seller warrants and shall maintain and repair the Premises so that, pursuant to lines
12. 169-170, at the earlier of possession or COE, the Premises, including all additional existing personal property included
13. in the sale, will be in substantially the same condition as on the date of Contract acceptance and all personal property
14. not included in the sale and all debris will be removed from the Premises.

15. **B.** Buyer is advised to conduct independent inspection(s) and investigations regarding the Premises within the
16. Inspection Period as specified in Section 6a. Buyer retains the rights pursuant to Section 6j. Seller shall not
17. be obligated to correct any defects that may be discovered during Buyer's inspection(s) and
18. investigations or otherwise.

19. **C.** Notwithstanding the foregoing, if an On-Site Wastewater Treatment Facility (conventional septic or alternative
20. system) ("Facility") has been installed on the Premises, Seller and Buyer agree to complete and execute the AAR
21. On-Site Wastewater Treatment Facility Addendum and Seller agrees to pay for the Facility inspections, fees or
22. repairs as set forth therein.

23. **D.** Seller acknowledges that selling the Premises "AS IS" does not relieve Seller of the legal obligation to disclose all
24. known material latent defects to Buyer.

25. **E.** In the event that any provision contained in this Addendum conflicts in whole or in part with any of the terms
26. contained in the Contract, the provisions of this Addendum shall prevail and the conflicting terms are hereby
27. considered deleted and expressly waived by both Buyer and Seller.

28. **F.** Other Terms and Conditions:

29. _____

30. _____

31. **BUYER ACKNOWLEDGES THAT BUYER IS HEREBY ADVISED TO SEEK APPROPRIATE COUNSEL REGARDING**
32. **THE RISKS OF BUYING A PROPERTY IN "AS IS" CONDITION.**

33. Buyer recognizes, acknowledges, and agrees that Broker(s) are not qualified, nor licensed, to conduct due diligence with respect
34. to the premises or the surrounding area. Buyer is instructed to consult with qualified licensed professionals to assist in Buyer's due
35. diligence efforts. Because conducting due diligence with respect to the premises and the surrounding area is beyond the scope of
36. the Broker's expertise and licensing, Buyer expressly releases and holds harmless Broker(s) from liability for any defects or conditions
37. that could have been discovered by inspection or investigation. **Seller and Buyer hereby expressly release, hold harmless and**
38. **indemnify Broker(s) in this transaction from any and all liability and responsibility regarding financing, the condition,**
39. **square footage, lot lines, boundaries, value, rent rolls, environmental problems, sanitation systems, roof, wood infestation,**
40. **building codes, governmental regulations, insurance or any other matter relating to the value or condition of the Premises.**

41. [^] BUYER'S SIGNATURE _____ MO/DA/YR [^] BUYER'S SIGNATURE _____ MO/DA/YR

42. [^] SELLER'S SIGNATURE _____ MO/DA/YR [^] SELLER'S SIGNATURE _____ MO/DA/YR

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DISCLOSURE / NOTIFICATION



1. This written Disclosure/Notification is being made by: ☐ Buyer ☐ Seller ☐ Agent to the
2. ☐ Buyer ☐ Seller. _____

Print Name

3. Regarding the Premises (address or description): _____

4. _____

5. Disclosure/Notification: _____

6. _____

7. _____

8. _____

9. _____

10. _____

11. _____

12. _____

13. _____

14. _____

15. _____

16. _____

17. _____

18. _____

19. _____

20. _____

21. ☐ A total of _____ page(s) is attached and is a part of this Disclosure/Notification.

22. **DELIVERY OF THIS DISCLOSURE/NOTIFICATION TO THE AGENT OF THE BUYER**
23. **OR SELLER SHALL BE DEEMED NOTIFICATION TO THAT AGENT'S PRINCIPAL.**

24. _____

25. Print Name _____ Print Name _____

26. _____

27. Signature _____ Signature _____

-
28. **Party signing below acknowledges receipt of this Disclosure/Notification.**

29. ☐ Buyer ☐ Seller

30. _____

Print Name _____ Print Name _____

31. _____

32. Signature _____ MO/DA/YR _____ Signature _____ MO/DA/YR _____

DISCLOSURE OF INFORMATION ON LEAD-BASED PAINT AND LEAD-BASED PAINT HAZARDS (SALES)

Document updated:



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1. Premises Address: _____

2. **Lead Warning Statement:** Every buyer of any interest in residential real property on which a residential dwelling was built prior to 1978 is notified that such property may present exposure to lead from lead-based paint, which may place young children at risk of developing lead poisoning. Lead poisoning in young children may produce permanent neurological damage, including learning disabilities, reduced intelligence quotient, behavioral problems, and impaired memory. Lead poisoning also poses a particular risk to pregnant women. The seller of any interest in residential real property is required to provide the buyer with any information on lead-based paint hazards from risk assessments or inspections in the seller's possession and to notify the buyer of any known lead-based paint hazards. A risk assessment or inspection for possible lead-based paint or lead-based paint hazards is recommended prior to purchase.

1. SELLER'S DISCLOSURE (Seller must complete and initial sections a, b and c below)

9. (a) Lead-based paint and/or lead-based paint hazards (check either 1 or 2 below):
 10. 1. ☐ Seller is aware that lead-based paint and/or lead-based paint hazards are present in the residence(s) and/or building(s) included
 11. in this sale. (Explain) _____
 12. 2. ☐ Seller has no knowledge of any lead-based paint and/or lead-based paint hazards in the residence(s) and building(s) included
 13. in this sale.

(SELLER'S INITIALS REQUIRED)

SELLER

SELLER

15. (b) Records and reports available to the seller (check either 1 or 2 below):

16. 1. ☐ Seller has provided the buyer with all available records and reports relating to lead-based paint and/or lead-based paint hazards in
 17. the residence(s) and building(s) included in the sale. (List documents) _____
 18. 2. ☐ Seller has no reports or records relating to lead-based paint and/or lead-based paint hazards in the residence(s) and building(s)
 19. included in this sale.

(SELLER'S INITIALS REQUIRED)

SELLER

SELLER

21. (c) Seller acknowledges Seller's obligation to disclose to any real estate agent(s) to whom the seller directly or indirectly is to pay compensation
 22. with regard to the transaction contemplated by this disclosure any known lead-based paint or lead-based paint hazards in the premises to be
 23. sold, as well as the existence of any reports or records relating to lead-based paint or lead-based paint hazards in the premises to be sold. Seller
 24. further acknowledges that this disclosure accurately reflects the entirety of the information provided by the seller to the agent(s) with regard to
 25. lead-based paint, lead-based paint hazards, and lead-based paint risk-assessment or inspection reports and records.

(SELLER'S INITIALS REQUIRED)

SELLER

SELLER

2. BUYER'S ACKNOWLEDGMENT (Buyer must complete and initial sections a, b and c below)

27. (a) Buyer has read the information set forth above, and has received copies of the reports, records, or other materials listed above, if any.

(BUYER'S INITIALS REQUIRED)

BUYER

BUYER

29. (b) Buyer has received the pamphlet *Protect Your Family From Lead in Your Home*.

(BUYER'S INITIALS REQUIRED)

BUYER

BUYER

31. (c) Buyer has (check one):

32. ☐ Received a 10-day opportunity (or mutually agreed upon period) to conduct a risk assessment or inspection for the
 33. presence of lead-based paint and/or lead-based paint hazards; or
 34. ☐ Waived the opportunity to conduct a risk assessment or inspection for the presence of lead-based paint and/or
 35. lead-based paint hazards.

(BUYER'S INITIALS REQUIRED)

BUYER

BUYER

3. AGENT'S ACKNOWLEDGMENT (Any real estate agent who is to receive compensation from the seller or the listing agent with regard to the transaction contemplated in this disclosure must initial below.)

37. The agent(s) whose initials appear below has (have) ensured the seller's compliance under the Residential Resale Lead-Based Paint Hazard
 38. Reduction Act of 1992 by the seller's use and completion of this disclosure form.

(AGENT'S INITIALS REQUIRED)

LISTING AGENT

COOPERATING AGENT

40. **Certification of Accuracy:** By signing below, each signatory acknowledges that he or she has reviewed the above information, and
 41. certifies that, to the best of his or her knowledge, the information provided by the signatory is true and accurate.

42. ^ SELLER'S SIGNATURE _____ MO/DA/YR ^ BUYER'S SIGNATURE _____ MO/DA/YR

43. ^ SELLER'S SIGNATURE _____ MO/DA/YR ^ BUYER'S SIGNATURE _____ MO/DA/YR

44. ^ LISTING AGENT'S SIGNATURE _____ MO/DA/YR ^ COOPERATING AGENT'S SIGNATURE _____ MO/DA/YR





MOLD DISCLOSURE



Address of Premises: _____

STREET CITY STATE ZIP

Recently, substantial attention has been given to the possible health effects of mold in homes, apartments and commercial buildings. Mold found inside such buildings is referred to as indoor mold and is categorized as being either toxic or nontoxic. Certain types of toxic indoor molds may cause health problems in some people while triggering only common allergic responses in others. Non-toxic indoor molds are ordinarily no more than a common nuisance.

The existence of indoor mold is often not detectable by a visual inspection and therefore can go undetected by Real Estate Agents, Sellers/Landlords and even Professional Home Inspectors. The only certain way to determine if the premises you are purchasing/or leasing contains harmful or toxic indoor mold or other airborne health hazards is to retain an environmental expert to perform an indoor air quality test. If past or present existence of any toxic or non-toxic mold, water intrusion or moisture has been disclosed to you, or discovered by you, you should have that condition professionally evaluated.

The Broker(s) recommends that every Buyer/Tenant should consider having an indoor air quality test and/or other health hazard test performed by an environmental expert as part of their inspection rights under their Purchase Contract/ or prior to signing their Lease. This is particularly important if any of the inspection reports or disclosure documents indicate the existence of past or present moisture, standing water, visible water stains, or water intrusion in the Premises.

All inspections, including those to detect the existence of indoor mold or other health hazards, should be completed within the time provided for inspections in the Purchase Contract/or prior to signing the Lease. Any waiver or failure on the part of the Buyer/Tenant to complete all desired inspections and tests within the time provided in the Contract/Lease, including those for indoor mold or other health hazards, is contrary to the advice and recommendations of the Broker(s) and Agent(s).

The Broker(s) and Agent(s) have no knowledge of whether the Premises may have either toxic or non-toxic indoor mold and they hereby acknowledge that they have not been informed of the existence of any indoor mold problems by the Seller/Landlord or any other individual. Also, the Broker(s) and Agent(s) have not and cannot verify, unless the existence of mold is plainly visible, whether or not there is now or ever has been any indication of indoor mold in the Premises. If mold is visible inside the Premises, it is hereby acknowledged by Buyer/Tenant that Broker(s) and Agent(s) are not qualified to verify or identify whether the visible mold is toxic or non-toxic or whether or not there is any existing health risk that may be associated with such mold in or on the Premises.

If you have any questions about indoor mold in or about the Premises, or about potential health problems which may result from toxic and non-toxic mold, the Broker(s) and Agent(s) strongly recommend seeking advice from an environmental expert.

Buyer/Tenant acknowledges having received and read a copy of the foregoing information pertaining to mold. Buyer/Tenant agrees that if there are any questions pertaining to same, the Buyer/Tenant will seek professional advice in a timely manner. The Buyer/Tenant has not and will not rely on the Broker(s) and/or Agent(s) to furnish such advice. The Buyer/Tenant acknowledges that Buyer/Tenant has received no advice and/or information other than this form, pertaining to mold from either the Broker(s), Agent(s), and/or Seller/Landlord.

BUYER/TENANT SPECIFICALLY RELEASES, HOLDS HARMLESS AND INDEMNIFIES BROKER(S) AND AGENT(S) FROM ANY LIABILITY FOR ANY MOLD FOUND ON THE PREMISES WHICH COULD HAVE BEEN DISCOVERED BY SUCH INSPECTIONS.

Initials Required: _____

BUYER/TENANT SIGNATURE

MO/DA/YR

BUYER/TENANT SIGNATURE

MO/DA/YR

REAL ESTATE AGENCY DISCLOSURE AND ELECTION

Document updated:
January 2009



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1. Firm Name ("Broker") _____
2. acting through _____ hereby makes the following disclosure.

LICENSEE'S NAME

DISCLOSURE

3. Before a **Seller or Landlord (hereinafter referred to as "Seller")** or a **Buyer or Tenant (hereinafter referred to as "Buyer")** enters into
4. a discussion with a real estate broker or licensee affiliated with a broker, the Seller and the Buyer should understand what type of agency
5. relationship or representation they will have with the broker in the transaction.
6. **I. Buyer's Broker:** A broker other than the Seller's broker can agree with the Buyer to act as the broker for the Buyer. In these
7. situations, the Buyer's broker is not representing the Seller, even if the Buyer's broker is receiving compensation for services
8. rendered, either in full or in part, from the Seller or through the Seller's broker:
9. a) A Buyer's broker has the fiduciary duties of loyalty, obedience, disclosure, confidentiality, and accounting in dealings with the Buyer.
10. b) Other potential Buyers represented by broker may consider, make offers on, or acquire an interest in the same or similar
11. properties as Buyer is seeking.
12. **II. Seller's Broker:** A broker under a listing agreement with the Seller acts as the broker for the Seller only:
13. a) A Seller's broker has the fiduciary duties of loyalty, obedience, disclosure, confidentiality, and accounting in dealings with the Seller.
14. b) Other potential Sellers represented by broker may list properties that are similar to the property that Seller is selling.
15. **III. Broker Representing both Seller and Buyer (Limited Representation):** A broker, either acting directly or through one or more
16. licensees within the same brokerage firm, can legally represent both the Seller and the Buyer in a transaction, but only with the
17. knowledge and informed consent of both the Seller and the Buyer. In these situations, the Broker, acting through its licensee(s),
18. represents both the Buyer and the Seller, with limitations of the duties owed to the Buyer and the Seller:
19. a) The broker will not, without written authorization, disclose to the other party that the Seller will accept a price or terms other than
20. stated in the listing or that the Buyer will accept a price or terms other than offered.
21. b) There will be conflicts in the duties of loyalty, obedience, disclosure and confidentiality. Disclosure of confidential information may
22. be made only with written authorization.
23. Regardless of who the Broker represents in the transaction, the Broker shall exercise reasonable skill and care in the performance of the
24. Broker's duties and shall be truthful and honest to both the Buyer and Seller and shall disclose all known facts which materially and adversely
25. affect the consideration to be paid by any party. Pursuant to A.R.S. §32-2156, Sellers, Lessors and Brokers are not obligated to disclose that
26. a property is or has been: (1) the site of a natural death, suicide, homicide, or any crime classified as a felony; (2) owned or occupied by a
27. person exposed to HIV, or diagnosed as having AIDS or any other disease not known to be transmitted through common occupancy of real
28. estate; or (3) located in the vicinity of a sex offender. Sellers or Sellers' representatives may not treat the existence, terms, or conditions of
29. offers as confidential unless there is a confidentiality agreement between the parties.
30. **THE DUTIES OF THE BROKER IN A REAL ESTATE TRANSACTION DO NOT RELIEVE THE SELLER OR THE BUYER FROM THE**
31. **RESPONSIBILITY TO PROTECT THEIR OWN INTERESTS. THE SELLER AND THE BUYER SHOULD CAREFULLY READ ALL**
32. **AGREEMENTS TO INSURE THAT THE DOCUMENTS ADEQUATELY EXPRESS THEIR UNDERSTANDING OF THE TRANSACTION.**

ELECTION

33. **Buyer or Tenant Election** (Complete this section only if you are the Buyer.) The undersigned elects to have the Broker (check any that apply):
34. ☐ represent the Buyer as Buyer's Broker.
35. ☐ represent the Seller as Seller's Broker.
36. ☐ show Buyer properties listed with Broker's firm and Buyer agrees that Broker shall act as agent for both Buyer and Seller provided that
37. the Seller consents to limited representation. In the event of a purchase, Buyer's and Seller's informed consent should be
38. acknowledged in a separate writing other than the purchase contract.
39. **Seller or Landlord Election** (Complete this section only if you are the Seller.) The undersigned elects to have the Broker (check any that apply):
40. ☐ represent the Buyer as Buyer's Broker.
41. ☐ represent the Seller as Seller's Broker.
42. ☐ show Seller's property to Buyers represented by Broker's firm and Seller agrees that Broker shall act as agent for both Seller and
43. Buyer provided that Buyer consents to the limited representation. In the event of a purchase, Buyer's and Seller's informed consent
44. should be acknowledged in a separate writing other than the purchase contract.

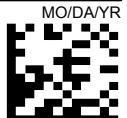
45. The undersigned ☐ Buyer(s) or ☐ Seller(s) acknowledge that this document is a disclosure of duties. This document is not an employment agreement.

46. I/WE ACKNOWLEDGE RECEIPT OF A COPY OF THIS DISCLOSURE.

47. _____ ^ PRINT NAME _____ ^ PRINT NAME

48. _____ ^ SIGNED _____ MO/DA/YR ^ SIGNED _____ MO/DA/YR

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RESIDENTIAL SELLER ADVISORY

**WHEN IN DOUBT - DISCLOSE!**

Sellers are obligated by law to disclose all known material (important) facts about the property to the buyer. Arizona law requires that you disclose material facts about the property whether or not you are asked by the buyer or a real estate agent, or when asked to complete a disclosure form. There are also some very specific seller disclosures that you are required by statute to make. For example, sellers are required to disclose information on lead based paint in homes built prior to 1978, and if the property is in the vicinity of a military or public airport. **You may also be required to complete and record an Affidavit of Disclosure if you are selling property in an unincorporated area of a county.**

"...you have a duty to disclose the information, regardless of whether or not you consider the information material."

If the buyer asks you about an aspect of the property, you have a duty to disclose the information, regardless of whether or not you consider the information material. You also have a legal duty to disclose facts when disclosure is necessary to prevent a previous statement from being misleading or misrepresented: for example, if something changes. However, a seller does not generally have a legal obligation to correct defects in the property, as long as the defects are disclosed. Any correction of the defects is a matter of contract negotiation between you and the buyer.

If you do not make the legally required disclosures, you may be subject to civil liability. Under certain circumstances, nondisclosure of a fact is the same as saying that the fact does not exist. Therefore, nondisclosure may be given the same legal effect as fraud.

The Arizona Association of REALTORS® Residential Seller's Property Disclosure Statement ("SPDS") is designed to assist you in making these legally required disclosures and to avoid inadvertent nondisclosures of material facts.

You should complete the SPDS by answering all questions as truthfully and as thoroughly as possible. Attach copies of any available invoices, warranties, inspection reports, and leases, to insure that you are disclosing accurate information. Also, use the blank lines to explain your answers. If you do not have the personal knowledge to answer a question, it is important not to guess - use the blank lines to explain the situation.

The SPDS is divided into six general sections:

- (1) **Ownership and Property:** This section asks for general information about the property, such as location, ownership and occupancy. Any seller, whether or not that seller has actually lived in the property, should be able to answer most, if not all, of the questions in this section.
- (2) **Building and Safety Information:** This section asks for information regarding the physical aspects of the property. You should disclose any past or present problems with the property and any work or improvements made to the property. You are also asked specifically to disclose any knowledge of past or current presence of termites or other wood destroying organisms on the property, and whether scorpions or other possible "pests" have ever been present on the property. Although many sellers will answer affirmatively to these questions, they were necessitated by lawsuits involving the alleged non-disclosure of these natural inhabitants.
- (3) **Utilities:** You are asked whether the property currently receives the listed utilities, and if so, to identify the provider. The water source and any known information about drinking water problems should also be disclosed.
- (4) **Environmental Information:** A variety of environmental information is requested. In addition to questions regarding environmental hazards, you are asked to disclose any issues relating to soil settlement/expansion, drainage/grade, or erosion; noise from the surrounding area including airport and traffic noise; and any odors or other nuisances. As a result of recent lawsuits and potential health concerns, you are asked specifically if you are aware of any past or present mold growth on the property. Mold spores are everywhere and when mold spores drop in places where there is water damage or excessive moisture, or where there has been flooding, mold will grow. Thus, you are asked to disclose any conditions conducive to mold growth, such as past or present dampness/moisture, flooding, and water damage or water leaks of any kind.
- (5) **Sewer/Waste Water Treatment:** There are many questions dealing with the topic of sewer or wastewater treatment as a result of claims involving alleged misrepresentations that the property was connected to a sewer, when in fact it was not. You are asked if the entire property is connected to a sewer and if so, whether the sewer connection has been professionally verified. If the property is served by an on-site wastewater treatment facility, i.e., a septic or alternative wastewater system, a variety of additional information is required.
- (6) **Other Conditions and Factors - Additional Explanations:** These blank lines provide space for you to disclose any other important information concerning the property that might affect the buyer's decision-making process, the value of the property, or its use, and to make any other necessary explanations.

Please note: By law, sellers are not obligated to disclose that the property is or has been: (1) the site of a natural death, suicide, homicide, or any other crime classified as a felony; (2) owned or occupied by a person exposed to HIV, or diagnosed as having AIDS or any other disease not known to be transmitted through common occupancy of real estate; or (3) located in the vicinity of a sex offender. However, the law does not protect a seller who makes an intentional misrepresentation. For example, if you are asked whether there has been a death on the property and you know that there was such a death, you should not answer "no" or "I don't know"; instead you should either answer truthfully or respond that you are not legally required to answer the question.



**RESIDENTIAL SELLER'S PROPERTY DISCLOSURE STATEMENT (SPDS) (To be completed by Seller)**Document updated:
August 2010

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

**MESSAGE TO THE SELLER:**

Sellers are obligated by law to disclose all known material (important) facts about the Property to the Buyer. The SPDS is designed to assist you in making these disclosures. If you know something important about the Property that is not addressed on the SPDS, add that information to the form. Prospective Buyers may rely on the information you provide.

INSTRUCTIONS: (1) Complete this form yourself. (2) Answer all questions truthfully and as fully as possible. (3) Attach all available supporting documentation. (4) Use explanation lines as necessary. (5) If you do not have the personal knowledge to answer a question, use the explanation lines to explain. By signing below you acknowledge that the failure to disclose known material information about the Property may result in liability.

MESSAGE TO THE BUYER:

Although Sellers are obligated to disclose all known material (important) facts about the Property, there are likely facts about the Property that the Sellers do not know. Therefore, it is important that you take an active role in obtaining information about the Property.

INSTRUCTIONS: (1) Review this form and any attachments carefully. (2) Verify all important information. (3) Ask about any incomplete or inadequate responses. (4) Inquire about any concerns not addressed on the SPDS. (5) Review all other applicable documents, such as CC&R's, association bylaws, surveys, rules, and the title report or commitment. (6) Obtain professional inspections of the Property. (7) Investigate the surrounding area.

THE FOLLOWING ARE REPRESENTATIONS OF THE SELLER(S) AND ARE NOT VERIFIED BY THE BROKER(S) OR AGENT(S).

OWNERSHIP AND PROPERTY

- As used herein, "Property" shall mean the real property and all fixtures and improvements thereon and appurtenances incidental thereto, plus fixtures and personal property described in the Contract.

3. **PROPERTY ADDRESS:** _____
(STREET ADDRESS) (CITY) (STATE) (ZIP)

- Is the Property located in an unincorporated area of the county? ☐ Yes ☐ No If yes, and five or fewer parcels of land other than subdivided land are being transferred, the Seller must furnish the Buyer with a written Affidavit of Disclosure in the form required by law.

6. **LEGAL OWNER(S) OF PROPERTY:** _____ Date Purchased: _____

- Is the legal owner(s) of the Property a foreign person or a non-resident alien pursuant to the Foreign Investment in Real Property Tax Act (FIRPTA)? ☐ Yes ☐ No If yes, consult a tax advisor; mandatory withholding may apply.

- Is the property located in a community defined by the fair housing laws as housing for older persons? ☐ Yes ☐ No

10. Explain: _____

- Approximate year built: _____. If Property was built prior to 1978, Seller must furnish the Buyer with a lead-based paint disclosure form.

12. **NOTICE TO BUYER: IF THE PROPERTY IS IN A SUBDIVISION, A SUBDIVISION PUBLIC REPORT, WHICH CONTAINS A VARIETY OF INFORMATION ABOUT THE SUBDIVISION AT THE TIME THE SUBDIVISION WAS APPROVED, MAY BE AVAILABLE BY CONTACTING THE ARIZONA DEPARTMENT OF REAL ESTATE OR THE HOMEBUILDER. THE PUBLIC REPORT INFORMATION MAY BE OUTDATED.**

- The Property is currently: ☐ Owner-occupied ☐ Leased ☐ Estate ☐ Foreclosure ☐ Vacant If vacant, how long? _____

- If a rental property, how long? _____ Expiration date of current lease: _____ (Attach a copy of the lease if available.)

- If any refundable deposits or prepaid rents are being held, by whom and how much? Explain: _____

18. _____

YES NO

- ☐ ☐ Have you entered into any agreement to transfer your interest in the Property in any way, including rental renewals or options to purchase? Explain: _____

- ☐ ☐ Are you aware if there are any association(s) governing this Property?

22. If yes, provide contact(s) information: Name: _____ Phone #: _____

23. If yes, are there any fees? How much? \$ _____ How often? _____

- ☐ ☐ Are you aware of any transfer fees or other fees due upon transfer of the Property? Explain: _____

25. _____

>>

Residential Seller's Property Disclosure Statement (SPDS)
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Initials>

BUYER	BUYER

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Residential Seller's Property Disclosure Statement (SPDS) >>

YES	NO	
26.	<input type="checkbox"/>	<input type="checkbox"/> Are you aware of any proposed or existing association assessment(s)? Explain: _____
27.		_____
28.	<input type="checkbox"/>	<input type="checkbox"/> Are you aware of any pending or anticipated disputes or litigation regarding the Property or the association(s)?
29.		Explain: _____
30.	<input type="checkbox"/>	<input type="checkbox"/> Are you aware of any of the following recorded against the Property? (Check all that apply):
31.		<input type="checkbox"/> Judgment liens <input type="checkbox"/> Tax liens <input type="checkbox"/> Other non-consensual liens
32.		Explain: _____
33.	<input type="checkbox"/>	<input type="checkbox"/> Are you aware of any assessments affecting this Property? (Check all that apply):
34.		<input type="checkbox"/> Paving <input type="checkbox"/> Sewer <input type="checkbox"/> Water <input type="checkbox"/> Electric <input type="checkbox"/> Other
35.		Explain: _____
36.	<input type="checkbox"/>	<input type="checkbox"/> Are you aware of any title issues affecting this Property? (Check all that apply):
37.		<input type="checkbox"/> Recorded easements <input type="checkbox"/> Use restrictions <input type="checkbox"/> Lot line disputes <input type="checkbox"/> Encroachments
38.		<input type="checkbox"/> Unrecorded easements <input type="checkbox"/> Use permits <input type="checkbox"/> Other _____
39.		Explain: _____
40.	<input type="checkbox"/>	<input type="checkbox"/> Are you aware of any public or private use paths or roadways on or across this Property?
41.		Explain: _____
42.	<input type="checkbox"/>	<input type="checkbox"/> Are you aware of any problems with legal or physical access to the Property? Explain: _____
43.		The road/street access to the Property is maintained by the <input type="checkbox"/> County <input type="checkbox"/> City <input type="checkbox"/> Homeowners' Association <input type="checkbox"/> Privately
44.	<input type="checkbox"/>	<input type="checkbox"/> If privately maintained, is there a recorded road maintenance agreement? Explain: _____
45.	<input type="checkbox"/>	<input type="checkbox"/> Are you aware of any violation(s) of any of the following? (Check all that apply):
46.		<input type="checkbox"/> Zoning <input type="checkbox"/> Building Codes <input type="checkbox"/> Utility Service <input type="checkbox"/> Sanitary health regulations
47.		<input type="checkbox"/> Covenants, Conditions, Restrictions (CC&R's) <input type="checkbox"/> Other _____ (Attach a copy of notice(s) of violation if available.)
48.		Explain: _____
49.		_____
50.	<input type="checkbox"/>	<input type="checkbox"/> Are you aware of any homeowner's insurance claims having been filed against the Property?
51.		Explain: _____
52.		NOTICE TO BUYER: YOUR CLAIMS HISTORY, YOUR CREDIT REPORT, THE PROPERTY'S CLAIMS HISTORY
53.		AND OTHER FACTORS MAY AFFECT THE INSURABILITY OF THE PROPERTY AND AT WHAT COST. UNDER
54.		ARIZONA LAW, YOUR INSURANCE COMPANY MAY CANCEL YOUR HOMEOWNER'S INSURANCE WITHIN 60
55.		DAYS AFTER THE EFFECTIVE DATE. CONTACT YOUR INSURANCE COMPANY.

BUILDING AND SAFETY INFORMATION

YES	NO	
56.		STRUCTURAL:
57.	<input type="checkbox"/>	<input type="checkbox"/> Are you aware of any past or present roof leaks? Explain: _____
58.		_____
59.	<input type="checkbox"/>	<input type="checkbox"/> Are you aware of any other past or present roof problems? Explain: _____
60.		_____
61.	<input type="checkbox"/>	<input type="checkbox"/> Are you aware of any roof repairs? Explain: _____
62.		_____
63.	<input type="checkbox"/>	<input type="checkbox"/> Is there a roof warranty? (Attach a copy of warranty if available.)
64.	<input type="checkbox"/>	<input type="checkbox"/> If yes, is the roof warranty transferable? Cost to transfer _____
65.		NOTICE TO BUYER: CONTACT A PROFESSIONAL TO VERIFY THE CONDITION OF THE ROOF.
66.	<input type="checkbox"/>	<input type="checkbox"/> Are you aware of any interior wall/ceiling/door/window/floor problems? Explain: _____
67.		_____
68.	<input type="checkbox"/>	<input type="checkbox"/> Are you aware of any cracks or settling involving the foundation, exterior walls or slab? Explain: _____
69.		_____
70.	<input type="checkbox"/>	<input type="checkbox"/> Are you aware of any chimney or fireplace problems, if applicable? Explain: _____
71.		_____

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Initials>

BUYER

BUYER



Residential Seller's Property Disclosure Statement (SPDS) >>

	YES	NO	
72.	<input type="checkbox"/>	<input type="checkbox"/>	Are you aware of any damage to any structure on the Property by any of the following? (Check all that apply):
73.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/> Flood <input type="checkbox"/> Fire <input type="checkbox"/> Wind <input type="checkbox"/> Expansive soil(s) <input type="checkbox"/> Water <input type="checkbox"/> Hail <input type="checkbox"/> Other _____
74.			Explain: _____
75.			WOOD INFESTATION:
76.			Are you aware of any of the following:
77.	<input type="checkbox"/>	<input type="checkbox"/>	Past presence of termites or other wood destroying organisms on the Property?
78.	<input type="checkbox"/>	<input type="checkbox"/>	Current presence of termites or other wood destroying organisms on the Property?
79.	<input type="checkbox"/>	<input type="checkbox"/>	Past or present damage to the Property by termites or other wood destroying organisms?
80.			Explain: _____
81.			_____
82.	<input type="checkbox"/>	<input type="checkbox"/>	Are you aware of past or present treatment of the Property for termites or other wood destroying organisms?
83.			If yes, date last treatment was performed: _____
84.			Name of treatment provider: _____
85.	<input type="checkbox"/>	<input type="checkbox"/>	Is there a treatment warranty? (Attach a copy of warranty if available.)
86.	<input type="checkbox"/>	<input type="checkbox"/>	If yes, is the treatment warranty transferrable?
87.			NOTICE TO BUYER: CONTACT STATE OF ARIZONA STRUCTURAL PEST CONTROL COMMISSION
88.			FOR PAST TERMITE REPORTS OR TREATMENT HISTORY.
89.			HEATING & COOLING:
90.			Heating: Type(s) _____
91.			Cooling: Type(s) _____
92.	<input type="checkbox"/>	<input type="checkbox"/>	Are you aware of any past or present problems with the heating or cooling system(s)?
93.			Explain: _____
94.			PLUMBING:
95.	<input type="checkbox"/>	<input type="checkbox"/>	Are you aware of the type of water pipes, such as galvanized, copper, PVC, CPVC or polybutylene?
96.			If yes, identify: _____
97.	<input type="checkbox"/>	<input type="checkbox"/>	Are you aware of any past or present plumbing problems? Explain: _____
98.			_____
99.	<input type="checkbox"/>	<input type="checkbox"/>	Are you aware of any water pressure problems? Explain: _____
100.			Type of water heater(s): <input type="checkbox"/> Gas <input type="checkbox"/> Electric <input type="checkbox"/> Solar Approx. age(s): _____
101.	<input type="checkbox"/>	<input type="checkbox"/>	Are you aware of any past or present water heater problems? Explain: _____
102.			_____
103.	<input type="checkbox"/>	<input type="checkbox"/>	Is there a landscape watering system? If yes, type: <input type="checkbox"/> automatic timer <input type="checkbox"/> manual <input type="checkbox"/> both
104.	<input type="checkbox"/>	<input type="checkbox"/>	If yes, are you aware of any past or present problems with the landscape watering system?
105.			Explain: _____
106.	<input type="checkbox"/>	<input type="checkbox"/>	Are there any water treatment systems? (Check all that apply):
107.			<input type="checkbox"/> water filtration <input type="checkbox"/> reverse osmosis <input type="checkbox"/> water softener <input type="checkbox"/> Other _____
108.			Is water treatment system(s) <input type="checkbox"/> owned <input type="checkbox"/> leased (Attach a copy of lease if available.)
109.	<input type="checkbox"/>	<input type="checkbox"/>	Are you aware of any past or present problems with the water treatment system(s)?
110.			Explain: _____
111.			SWIMMING POOL/SPA/HOT TUB/SAUNA/WATER FEATURE:
112.	<input type="checkbox"/>	<input type="checkbox"/>	Does the Property contain any of the following? (Check all that apply):
113.			<input type="checkbox"/> Swimming pool <input type="checkbox"/> Spa <input type="checkbox"/> Hot tub <input type="checkbox"/> Sauna <input type="checkbox"/> Water feature
114.	<input type="checkbox"/>	<input type="checkbox"/>	If yes, are either of the following heated? <input type="checkbox"/> Swimming pool <input type="checkbox"/> Spa If yes, type of heat: _____
115.	<input type="checkbox"/>	<input type="checkbox"/>	Are you aware of any past or present problems relating to the swimming pool, spa, hot tub, sauna or water feature?
116.			Explain: _____

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Initials>

BUYER	BUYER



Residential Seller's Property Disclosure Statement (SPDS) >>**YES NO**

117. **ELECTRICAL AND OTHER RELATED SYSTEMS:**
118. ☐ ☐ Are you aware of any past or present problems with the electrical system? Explain: _____
119. _____
120. ☐ ☐ Is there a security system? If yes, is it (Check all that apply):
121. ☐ **Leased (Attach copy of lease if available)** ☐ **Owned** ☐ **Monitored** ☐ **Other** _____
122. ☐ ☐ Are you aware of any past or present problems with the security system? Explain: _____
123. _____
124. ☐ ☐ Does the Property contain any of the following systems or detectors?(Check all that apply):
125. ☐ Smoke/fire detection ☐ Fire suppression (sprinklers) ☐ Carbon monoxide detector
126. If yes, are you aware of any past or present problems with the above systems? Explain: _____
127. _____

128. **MISCELLANEOUS:**
129. ☐ ☐ Are you aware of or have you observed any of the following on the Property? (Check all that apply):
130. ☐ Scorpions ☐ Rabid animals ☐ Bee swarms ☐ Rodents ☐ Reptiles ☐ Other: _____
131. Explain: _____
132. How often is the Property serviced or treated for pests, reptiles, insects or animals? _____
133. Name of service provider: _____ Date of last service: _____
134. ☐ ☐ Are you aware of any work done on the Property, such as building, plumbing, electrical or other improvements?
135. **(If no, skip to line 144.)**
136. Explain: _____
137. ☐ ☐ Are you aware of any rooms added to the Property or converted to bedrooms?
138. Were permits for the work required? Explain: _____
139. If yes, were permits for the work obtained? Explain: _____
140. Was the work performed by a person licensed to perform the work? Explain: _____
141. Was approval for the work required by any association governing the property? Explain: _____
142. If yes, was approval granted by the association? Explain: _____
143. Was the work completed? Explain: _____
144. ☐ ☐ Are there any security bars or other obstructions to door or window openings? Explain: _____
145. ☐ ☐ Are you aware of any past or present problems with any built-in appliances? Explain: _____
146. _____
147. ☐ ☐ Are there any leased propane tanks, equipment or other systems on the Property? Explain: _____
148. _____

UTILITIES

149. **DOES THE PROPERTY CURRENTLY RECEIVE THE FOLLOWING SERVICES?**
- | YES | NO | | PROVIDER |
|--|--------------------------|---|----------|
| <input type="checkbox"/> | <input type="checkbox"/> | Electricity: | _____ |
| <input type="checkbox"/> | <input type="checkbox"/> | Fuel: <input type="checkbox"/> Natural gas <input type="checkbox"/> Propane <input type="checkbox"/> Oil | _____ |
| <input type="checkbox"/> | <input type="checkbox"/> | Cable: | _____ |
| <input type="checkbox"/> | <input type="checkbox"/> | Telephone: | _____ |
| <input type="checkbox"/> | <input type="checkbox"/> | Garbage Collection: | _____ |
| <input type="checkbox"/> | <input type="checkbox"/> | Fire: | _____ |
| <input type="checkbox"/> | <input type="checkbox"/> | Irrigation: | _____ |
| <input type="checkbox"/> | <input type="checkbox"/> | Water Source: <input type="checkbox"/> Public <input type="checkbox"/> Private water co. <input type="checkbox"/> Private well <input type="checkbox"/> Shared well <input type="checkbox"/> Hauled water | |
| 158. If water source is a private or shared well, complete and attach DOMESTIC WATER WELL/WATER USE ADDENDUM. | | | |
| 159. If source is public, a private water company, or hauled water, Provider is: _____ | | | |
| 160. NOTICE TO BUYER: IF THE PROPERTY IS SERVED BY A WELL, PRIVATE WATER COMPANY OR A | | | |
| 161. MUNICIPAL WATER PROVIDER, THE ARIZONA DEPARTMENT OF WATER RESOURCES MAY NOT | | | |
| 162. HAVE MADE A WATER SUPPLY DETERMINATION. FOR MORE INFORMATION ABOUT WATER SUPPLY, | | | |
| 163. CONTACT THE WATER PROVIDER. | | | |

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Initials>**BUYER****BUYER**

Residential Seller's Property Disclosure Statement (SPDS) >>**YES NO**

164. ☐ ☐ Are you aware of any past or present drinking water problems? Explain: _____
165. _____
166. ☐ ☐ Are there any alternate power systems serving the Property? If yes, indicate type (Check all that apply):
167. ☐ Solar ☐ Wind ☐ Generator ☐ Other _____
168. If yes, are you aware of any past or present problems with the alternate power system(s)? Explain: _____
169. _____

ENVIRONMENTAL INFORMATION**YES NO**

170. ☐ ☐ Are you aware of any past or present issues or problems with any of the following on the Property? (Check all that apply):
171. ☐ Soil settlement/expansion ☐ Drainage/grade ☐ Erosion ☐ Fissures ☐ Dampness/moisture ☐ Other
172. Explain: _____
173. ☐ ☐ Are you aware of any past or present issues or problems in close proximity to the Property related to any of
174. the following? (Check all that apply):
175. ☐ Soil settlement/expansion ☐ Drainage/grade ☐ Erosion ☐ Fissures ☐ Other _____
176. Explain: _____
177. **NOTICE TO BUYER: THE ARIZONA DEPARTMENT OF REAL ESTATE PROVIDES EARTH FISSURE MAPS TO**
178. **ANY MEMBER OF THE PUBLIC IN PRINTED OR ELECTRONIC FORMAT UPON REQUEST AND ON ITS WEBSITE**
179. **AT www.azre.gov.**
180. ☐ ☐ Are you aware if the Property is subject to any present or proposed effects of any of the following? (Check all that apply):
181. ☐ Airport noise ☐ Traffic noise ☐ Rail line noise ☐ Neighborhood noise ☐ Landfill ☐ Toxic waste disposal
182. ☐ Odors ☐ Nuisances ☐ Sand/gravel operations ☐ Other _____
183. Explain: _____
184. ☐ ☐ Are you aware if any portion of the Property has ever been used as a "Clandestine drug laboratory" (manufacture of,
185. or storage of, chemicals or equipment used in manufacturing methamphetamine, ecstasy or LSD)?
186. **NOTICE TO BUYER: THE ARIZONA BOARD OF TECHNICAL REGISTRATION (BTR) MAINTAINS A LIST OF**
187. **UNREMIEDIATED SITES AT www.azbtr.gov. TO DETERMINE IF THE PROPERTY WAS ONCE ON THE LIST**
188. **BUT HAS BEEN REMEDIATED, CONTACT THE BTR AT 602-364-4948.**
189. ☐ ☐ Are you aware if the Property is located in the vicinity of an airport (military, public, or private)?
190. Explain: _____
191. **NOTICE TO SELLER AND BUYER: PURSUANT TO ARIZONA LAW A SELLER SHALL PROVIDE A WRITTEN**
192. **DISCLOSURE TO THE BUYER IF THE PROPERTY IS LOCATED IN TERRITORY IN THE VICINITY OF A MILITARY**
193. **AIRPORT OR ANCILLARY MILITARY FACILITY AS DELINEATED ON A MAP PREPARED BY THE STATE LAND**
194. **DEPARTMENT. THE DEPARTMENT OF REAL ESTATE ALSO IS OBLIGATED TO RECORD A DOCUMENT AT THE**
195. **COUNTY RECORDER'S OFFICE DISCLOSING IF THE PROPERTY IS UNDER RESTRICTED AIR SPACE AND TO**
196. **MAINTAIN THE STATE LAND DEPARTMENT MILITARY AIRPORT MAP ON ITS WEBSITE AT www.azre.gov.**
197. ☐ ☐ Are you aware of the presence of any of the following on the Property, past or present? (Check all that apply):
198. ☐ Asbestos ☐ Radon gas ☐ Lead-based paint ☐ Pesticides ☐ Underground storage tanks ☐ Fuel/chemical storage
199. Explain: _____
200. ☐ ☐ Are you aware if the Property is located within any of the following? (Check all that apply):
201. ☐ Superfund/ WQARF/ CERCLA ☐ Wetlands area
202. ☐ ☐ Are you aware of any open mine shafts/tunnels or abandoned wells on the Property?
203. If yes, describe location: _____
204. ☐ ☐ Are you aware if any portion of the Property is in a flood plain/way? Explain: _____
205. _____
206. ☐ ☐ Are you aware of any portion of the Property ever having been flooded? Explain: _____
207. _____
208. ☐ ☐ Are you aware of any water damage or water leaks of any kind on the Property? Explain: _____
209. _____
210. ☐ ☐ Are you aware of any past or present mold growth on the Property? If yes, explain: _____
211. _____

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Initials>

BUYER

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Residential Seller's Property Disclosure Statement (SPDS) >>**SEWER/WASTEWATER TREATMENT****YES NO**

212. ☐ ☐ Is the entire Property connected to a sewer? Explain: _____
213. ☐ ☐ If yes, has a professional verified the sewer connection? If yes, how and when: _____
214. **NOTICE TO BUYER: CONTACT A PROFESSIONAL TO CONDUCT A SEWER VERIFICATION TEST.**
215. Type of sewer: ☐ Public ☐ Private ☐ Planned and approved sewer system, but not connected
216. Name of Provider _____
217. ☐ ☐ Are you aware of any past or present problems with the sewer? Explain: _____
218. ☐ ☐ Is the Property served by an On-Site Wastewater Treatment Facility? (If no, skip to line 226.)
219. If yes, the Facility is: ☐ **Conventional septic system** ☐ **Alternative system; type:** _____
220. ☐ ☐ If the Facility is an alternative system, is it currently being serviced under a maintenance contract?
221. If yes, name of contractor: _____ Phone #: _____
222. Approximate year Facility installed: _____ (Attach copy of permit if available.)
223. ☐ ☐ Are you aware of any repairs or alterations made to this Facility since original installation?
224. Explain: _____
225. _____
226. Approximate date of last Facility inspection and/or pumping of septic tank: _____
227. ☐ ☐ Are you aware of any past or present problems with the Facility? Explain: _____
228. _____
229. **NOTICE TO SELLER AND BUYER: THE ARIZONA DEPARTMENT OF ENVIRONMENTAL QUALITY REQUIRES A**
230. **PRE-TRANSFER INSPECTION OF ON-SITE WASTEWATER TREATMENT FACILITIES ON RE-SALE PROPERTIES.**

OTHER CONDITIONS AND FACTORS

231. What other material (important) information are you aware of concerning the Property that might affect the buyer's decision-making
232. process, the value of the Property, or its use? Explain: _____
233. _____
234. _____

ADDITIONAL EXPLANATIONS

235. _____
236. _____
237. _____
238. **SELLER CERTIFICATION:** Seller certifies that the information contained herein is true and complete to the best of Seller's
239. knowledge as of the date signed. Seller agrees that any changes in the information contained herein will be disclosed in writing by Seller
240. to Buyer prior to Close of Escrow, including any information that may be revealed by subsequent inspections.

241. _____ MO/DA/YR _____ MO/DA/YR

^ SELLER'S SIGNATURE ^ SELLER'S SIGNATURE

242. **Reviewed and updated:** Initials: _____ / _____ MO/DA/YR

SELLER SELLER

243. **BUYER'S ACKNOWLEDGMENT:** Buyer acknowledges that the information contained herein is based only on the Seller's actual
244. knowledge and is not a warranty of any kind. Buyer acknowledges Buyer's obligation to investigate any material (important) facts in
245. regard to the Property. Buyer is encouraged to obtain Property inspections by professional independent third parties and to
246. consider obtaining a home warranty protection plan.

247. **NOTICE:** Buyer acknowledges that by law, Sellers, Lessors and Brokers are not obligated to disclose that the Property is or has been: (1) the site
248. of a natural death, suicide, homicide, or any other crime classified as a felony; (2) owned or occupied by a person exposed to HIV, diagnosed as
249. having AIDS or any other disease not known to be transmitted through common occupancy of real estate; or (3) located in the vicinity of a sex offender.
250. **By signing below, Buyer acknowledges receipt only of this SPDS. If Buyer disapproves of any items provided herein, Buyer**
251. **shall deliver to Seller written notice of the items disapproved as provided in the Contract.**



252. _____ MO/DA/YR _____ MO/DA/YR

^ BUYER'S SIGNATURE ^ BUYER'S SIGNATURE



SELLER H.O.A. CONDOMINIUM / PLANNED COMMUNITY INFORMATION (less than 50 units)

Document updated:
July 2005

 <p>ARIZONA association of REALTORS® REAL SOLUTIONS. REALTOR® SUCCESS</p>	<p><i>The pre-printed portion of this form has been drafted by the Arizona Association of REALTORS®. Any change in the pre-printed language of this form must be made in a prominent manner. No representations are made as to the legal validity, adequacy and/or effects of any provision, including tax consequences thereof. If you desire legal, tax or other professional advice, please consult your attorney, tax advisor or professional consultant.</i></p>	 <p>REALTOR® EQUAL HOUSING OPPORTUNITY</p>
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1. Seller: _____,
2. Buyer: _____,
3. Premises Address: _____
4. Date: _____

A Seller of a home in a homeowners' association ("HOA")/ condominium/planned unit development ("PUD") with less than 50 units is obligated by law to provide the Buyer with the following information and documentation. (A.R.S. §33-1806; §33-1260)

Association Information

The telephone number and address of a principal contact for the association (manager, management company, officer or any other person designated by the board of directors) is:

Name: _____

Address: _____

Telephone: _____ Fax: _____ email: _____

The amount of the common regular assessment is: \$ _____ ☐ monthly or ☐ other: _____

The amount of unpaid common regular assessment, special assessment or other assessment, fee or charge currently due and payable is: ☐ \$ _____ ☐ Not Applicable

The total amount of money held by the association as reserves is: \$ _____

Is a portion of the unit covered by insurance maintained by the association? ☐ Yes ☐ No

Do you have any knowledge of any alterations or improvements to the unit that violate the declaration ("CC&Rs")? ☐ Yes ☐ No

If yes, Explain: _____

Is there any pending litigation with respect to the Premises or the association? ☐ Yes ☐ No

If yes, provide the case names and case numbers: _____

^ SELLER'S SIGNATURE _____ MO/DA/YR

^ SELLER'S SIGNATURE _____ MO/DA/YR

Association Documentation to be provided:

1. A copy of the bylaws and the rules of the association.
2. A copy of the declaration ("CC&Rs").
3. A copy of the current operating budget of the association.
4. A copy of the most recent annual financial report of the association. If the report is more than ten pages, the association may provide a summary of the report in lieu of the entire report.
5. A copy of the most recent reserve study of the association, if any.

Buyer acknowledgment: I hereby acknowledge that the declaration, bylaws and rules of the association constitute a contract between the association and me (the purchaser). By signing this statement, I acknowledge that I have read and understand the association's contract with me (the purchaser). I also understand that as a matter of Arizona law, if I fail to pay my association assessments, the association may foreclose on my property.

Notice to Buyer: You are obligated by law to return a copy of this document to the association within fourteen calendar days.

^ BUYER'S SIGNATURE _____ MO/DA/YR

^ BUYER'S SIGNATURE _____ MO/DA/YR