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

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

This advisory is designed to make the purchase of real property as smooth as possible. Some of the more common issues that a buyer may decide to investigate or verify concerning a property purchase are summarized in this Advisory. Included in this Advisory are:

(1) common documents a buyer should review;
(2) physical conditions in the property the buyer should investigate; and
(3) conditions affecting the surrounding area that the buyer should investigate. In addition, a buyer must communicate to the real estate agents in the transaction any special concerns the buyer may have about the property or surrounding area, whether or not those issues are addressed in this Advisory.

REMEMBER:

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

COMMON DOCUMENTS A BUYER SHOULD REVIEW

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

1 Purchase Contract

Buyers should protect themselves by taking the time to read the real estate purchase contract and understand their legal rights and obligations before they submit an offer to buy a property. Sample AAR forms are at www.aaronline.com/ForRealtors/Forms/.

2 MLS Printout

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

3 The Subdivision Disclosure Report (Public Report)

A Subdivision Disclosure Report (Public Report) is intended to point out material information about a subdivision. Subdividers (any person who offers for sale or lease six or more lots in a subdivision or who causes land to be divided into a subdivision) are required to give buyers an ADRE Public Report. Read the Public Report before signing any contract to purchase property in a subdivision. Although some of the information may become outdated, subsequent buyers can also benefit from reviewing the Public Report. Public Reports dating from January 1, 1997, are available on the ADRE website

Initials> BUYER BUYER

COMMON DOCUMENTS A BUYER SHOULD REVIEW (CONTINUED)

at http://services.azre.gov/publicdatabase/SearchDevelopments.aspx. The ADRE does not verify the information in the Public Report therefore the Report could be inaccurate so it should be verified. For additional information, go to

www.azre.gov/PublicInfo/PropertyBuyerChecklist.aspx

4 Seller's Property Disclosure Statement ("SPDS")

Most sellers provide a SPDS. This document poses a variety of questions for the seller to answer about the property and its condition. The real estate broker is not responsible for verifying the accuracy of the items on the SPDS; therefore, a buyer should carefully review the SPDS and verify those statements of concern.

View sample SPDS forms at:

www.aaronline.com/ForRealtors/Forms/.

Also review:

www.azre.gov/PublicInfo/PropertyBuyerChecklist.aspx

5 Covenants, Conditions and Restrictions ("CC&Rs")

The CC&Rs are recorded against the property and generally empower a homeowner's association to control certain aspects of property use within the development. By purchasing a property in such a development, the buyer agrees to be bound by the CC&Rs. The association, the property owners as a whole, and individual property owners can enforce the contract. It is essential that the buyer review and agree to these restrictions prior to purchasing a property. See www.realtor.com/BASICS/condos/ccr.asp. The ADRE advises: "Read the deed restrictions, also called CC&Rs (covenants, conditions and restrictions). You might find some of the CC&Rs are very strict." www.azre.gov/PublicInfo/PropertyBuyerChecklist.aspx. Buyers should consult legal counsel if uncertain of the application of particular provisions in the CC&Rs.

6 Homeowners Association ("HOA") Governing Documents

In addition to CC&Rs, HOAs may be governed by Articles of Incorporation, Bylaws, Rules and Regulations, and often architectural control standards. Read and understand these documents. Also, be aware that some HOAs impose fees that must be paid when the property is sold, so ask if the purchase of the property will result in any fees. Condominium and planned community HOAs are regulated by Arizona statutes; however, they are not under the jurisdiction of the Department of Real Estate. If you have questions about your rights and remedies regarding homeowners associations or community associations, read the information provided at www.azre.gov/PublicInfo/RealEstateResearchTopics.aspx#LINK11 or Chapter 16 and 18 of the Arizona Revised Statutes - Title 33

www.azleg.state.az.us/ArizonaRevisedStatutes.asp?Title=33

7 HOA Disclosures

If purchasing a resale home in a condominium or planned community, the seller (if fewer than 50 units in the community) or the HOA (if there are 50 or more units) must provide the buyer with a disclosure containing a variety of information. See www.azleg.state.az.us/ars/33/01260.htm and www.azleg.state.az.us/ars/33/01806.htm for the laws detailing these requirements.

8 Title Report or Title Commitment

The title report or commitment contains important information and is provided to the buyer by the title/escrow company or agent. This report or commitment lists documents that are exceptions to the title insurance (Schedule B Exceptions). Schedule B Exceptions may include encumbrances, easements, and liens against the property, some of which may affect the use of the property, such as a future addition or swimming pool. Make sure you receive and review all of the listed documents.

Questions about the title commitment and Schedule B documents may be answered by the title or escrow officer, legal counsel, or a surveyor. General information regarding title issues may be found at www.alta.org/consumer/questions.cfm. For information on title insurance, visit the Arizona Department of Insurance website at www.id.state.az.us/consumerautohome.html#titleresource.

9 Loan Documents

Unless a buyer is paying cash, the buyer must qualify for a loan in order to complete the purchase. A buyer should complete a loan application with a lender before making an offer on a property if at all possible and, if not, immediately after making an offer. It will be the buyer's responsibility to deposit any down payment and insure that the buyer's lender deposits the remainder of the purchase price into escrow prior to the close of escrow date. Therefore, make sure you get all requested documentation to your lender as soon as possible.

COMMON DOCUMENTS A BUYER SHOULD REVIEW (CONTINUED)

For information on loans and the lending process, visit the following websites:

Ginnie Mae:
www.ginniemae.gov/ypth/index.asp?Section=YPTH

HUD: www.hud.gov/

Mortgage Bankers Association:
www.homeloanlearningcenter.com/default.htm

National Association of Mortgage Brokers:
www.namb.org/namb/Home_Buyers_Home.asp?SnID=382338594

10 Home Warranty Policy

A home warranty may be part of the sale of the home. Buyers should read the home warranty document for coverage and limitation information. Be aware that pre-existing property conditions are generally not covered under these policies.

11 Affidavit of Disclosure

If the buyer is purchasing five or fewer parcels of land (whether improved or vacant), other than subdivided land, in an unincorporated area of a county, the seller must furnish the buyer with an Affidavit of Disclosure. A sample form is located at www.aaronline.com/documents/affidavit.aspx.

12 Lead-Based Paint Disclosure Form

If the home was built prior to 1978, the seller must provide the buyer with a lead-based paint disclosure form. Information about lead-based paint may be obtained at www.azre.gov/PublicInfo/RealEstateResearchTopics.aspx#LINK11 or www.epa.gov/lead/. Buyer is further advised to use certified contractors to perform renovation, repair or painting projects that disturb lead-based paint in residential properties built before 1978 and to follow specific work practices to prevent lead contamination. For more information on this new rule, visit www.epa.gov/lead/pubs/lscp-press.htm.

13 Professional Inspection Report

The importance of having a property inspected by a professional inspector cannot be over-emphasized. An inspection is a visual physical examination, performed for a fee, designed to identify material defects in the property. The inspector will generally provide the buyer with a report detailing information about the property's condition. The buyer should carefully review this report with the inspector and ask the inspector about any item of concern. Pay attention to the scope of the inspection and any portions of the property excluded from the inspection. A list of certified home inspectors may be found at the Arizona Board of Technical Registration website, www.btr.state.az.us. Additional information on inspections may be found at www.ashi.com, and guidance on hiring a home inspector may be found at www.realtor.com/basics/buy/inspnegot/hire.asp?gate=realtor&poe=propertystore.

14 County Assessors/Tax Records

The county assessor's records contain a variety of valuable information, including the assessed value of the property for tax purposes and some of the physical aspects of the property, such as the reported square footage. The date built information in the assessor's records can be either the actual or effective/weighted age if the residence has been remodeled. All information on the site should be verified for accuracy. Information is available on county websites:

Coconino: www.coconino.az.gov/

Maricopa: www.maricopa.gov/assessor ***or*** http://treasurer.maricopa.gov/parcels/

Pima: www.asr.pima.gov/

Yavapai: www.co.yavapai.az.us/

Other counties: http://azstateparks.com/shpo/downloads/SHPO_SPT_Assessor.pdf

15 Termites and Other Wood Destroying Insects and Organisms

Termites are commonly found in some parts of Arizona. The Office of Pest Management (OPM) regulates pest inspectors and can provide the buyer with information regarding past termite treatments on a property. To obtain a termite history report on a property, visit the OPM website at http://tarf.sb.state.az.us/ or call 1-800-223-0618. The OPM publication, What You Should Know about Wood-Destroying Insect Inspection Reports, can be found at www.sb.state.az.us/TermiteInsp.php.

Additional information may be obtained at the OPM website at www.sb.state.az.us/index.php.

COMMON DOCUMENTS A BUYER SHOULD REVIEW (CONTINUED)

16 Foreign Investment in Real Property Tax Act (FIRPTA)

Foreign Investment In Real Property Tax Act (FIRPTA) may impact the purchase of property if the legal owner(s) of the property are foreign persons or non-resident aliens pursuant to FIRPTA. If so, consult a tax advisor as mandatory withholding may apply. For additional information related to FIRPTA, go to: http://www.irs.gov/Individuals/International-Taxpayers/Definitions-of-Terms-and-Procedures-Unique-to-FIRPTA

COMMON PHYSICAL CONDITIONS IN THE PROPERTY A BUYER SHOULD INVESTIGATE

Every buyer and every property is different, so the physical property conditions requiring investigation will vary

1 Repairs and New Construction

The seller may have made repairs or added a room to the property. The buyer should feel comfortable that the work was properly done or have an expert evaluate the work. Request copies of permits, invoices or other documentation regarding the work performed. The Registrar of Contractors' ("ROC") publication, 10 Tips for Hiring a Contractor, is available on the ROC website, www.azroc.gov/Acrobat/News/homeownersinfo.pdf. The Arizona chapters of the National Association of the Remodeling Industry may be contacted at www.greaterphoenixnari.org/ for the Phoenix area and www.nariofsouthernarizona.memberlodge.com/ for Southern Arizona/Tucson. For information regarding permits, contact the city or county building department.

The City of Phoenix records building permit information which can be found on their website http://phoenix.gov/haht-bin/hsrun/payf/DSDOPPROD/StateId/Qseb7LtaB5a5Cmv5uSTXDmoM30dP3-4P_W/HAHTpage/HS_PermitSearch

2 Square Footage

Square footage on the MLS printout or as listed by the county assessor's records is often only an estimate and generally should not be relied upon for the exact square footage in a property. An appraiser or architect can measure the property's size to verify the square footage. If the square footage is important, you should have it confirmed by one of these experts during the inspection period in a resale transaction and prior to executing a contract in a new home transaction. A list of appraisers may be found at the Arizona Board of Appraisal, www.appraisal.state.az.us/directory/Default.aspx. A list of architects may be found at the Board of Technical Registration, www.btr.state.az.us.

3 Roof

If the roof is 10 years old or older, a roof inspection by a licensed roofer is highly recommended. See the ROC information on hiring a licensed contractor online at www.azroc.gov/Acrobat/News/homeownersinfo.pdf or the Arizona Roofing Contractors Association at www.azroofing.org.

4 Swimming Pools and Spas

If the property has a pool or a spa, the home inspector may exclude the pool or spa from the general inspection so an inspection by a pool or spa company may be necessary.

Barriers: Further, each city and county has its own swimming pool barrier ordinance. Pool barrier contact information for Arizona cities and counties may be found at www.aaronline.com/documents/pool_contacts.aspx. The Arizona Department of Health Services Private Pool Safety notice may be found at http://azdhs.gov/phs/oeh/pool_rules.htm. The state law on swimming pools is located at www.azleg.state.az.us/ars/36/01681.htm.

5 Septic and Other On-Site Wastewater Treatment Facilities

If the home is not connected to a public sewer, it is probably served by an on-site wastewater treatment facility (septic or alternative system). A qualified inspector must inspect any such facility within six months prior to transfer of ownership. For information on current inspection and transfer of ownership requirements, contact the specific county environmental/health agency where the property is located or the Arizona Department of Environmental Quality at www.azdeq.gov/environ/water/permits/

COMMON PHYSICAL CONDITIONS IN THE PROPERTY (CONTINUED)

download/septictank.pdf. To file for a Notice of Transfer online go to https://az.gov/app/own/home.xhtml.

6 Sewer

Even if the listing or SPDS indicates that the property is connected to the city sewer, a plumber, home inspector, or other professional should verify it. Some counties and cities can perform this test as well.

7 Water/Well Issues

You should investigate the availability and quality of the water to the property. For information on wells and assured/adequate water, go to www.azwater.gov/AzDWR/WaterManagement/Wells/default.htm ***or*** www.azwater.gov/WaterManagement_2005/Content/OAAWS/default.asp.

Adjudications: Arizona is undertaking several General Stream Adjudications, which are court proceedings to determine the extent and priority of water rights in an entire river system. For information regarding water uses and watersheds affected by these adjudications, and the forms upon sale of the property, contact the Department of Water Resources at www.azwater.gov/AzDWR/SurfaceWater/Adjudications/default.htm

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

CAGRDs: The Central Arizona Groundwater Replenishment District (CAGRD) functions to replenish groundwater used by its members, individual subdivisions ("member lands") and service areas of member water providers ("member service areas"). Homeowners in a CAGRD pay an annual assessment fee which is collected through the county property tax process based on the amount of groundwater served to member homes. To learn more about CAGRD, membership visit www.cagrd.com.

8 Soil Problems

The soil in some areas of Arizona has "clay-like" tendencies, sometimes referred to as "expansive soil." To investigate areas in Arizona where expansive soils exist, go to www.az.nrcs.usda.gov (search "shrink/swell") or www.azgs.az.gov ("Geologic Hazards") and the direct link to the Study Area Maps is www.azgs.az.gov/efmaps.shtml. Other areas are subject to fissures, subsidence and other soil conditions. For information on earth fissures, visit www.azwater.gov/AzDWR/Hydrology/Geophysics/LandSubsidenceInArizona.htm. The ADRE provides earth fissure maps at www.re.state.az.us/PublicInfo/Fissures.aspx or contact the ADRE for printed fissure maps.

Properties built on such soils may experience significant movement causing a major problem. If it has been disclosed that the property is subject to any such soil conditions or if the buyer has any concerns about the soil condition or observes evidence of cracking, the buyer should secure an independent assessment of the property and its structural integrity by a licensed, bonded, and insured professional engineer. A list of state certified professional engineers and firms can be found at www.btr.state.az.us.

9 Previous Fire/Flood

If it is disclosed there has been a fire or flood on the property, a qualified inspector should be hired to advise you regarding any possible future problems as a result of the fire or flood damage and/or any subsequent repairs. For example, if the property was not properly cleaned after a flood, mold issues may result. Your insurance agent may be able to assist you in obtaining information regarding fire, flood, or other past damage to the property.

10 Pests

Cockroaches, rattlesnakes, black widow spiders, scorpions, termites and other pests are common in parts of Arizona. Fortunately, most pests can be controlled with pesticides.

Scorpions: Scorpions, on the other hand, may be difficult to eliminate. If the buyer has any concerns or if the SPDS indicates the seller has seen scorpions or other pests on the property, seek the advice of a pest control company. A source of information on scorpions may be found at www.desertusa.com/oct96/du_scorpion.html.

Bed Bugs: Bed bug infestations are on the rise in Arizona and nationally, for more information visit the following websites:

www.azdhs.gov/phs/oids/vector/bedbugs/files/Bed-Bug_FAQs.pdf

www.cdc.gov/parasites/bedbugs/

www.epa.gov/bedbugs/

Roof Rats: For information on roof rats, which have been reported in some areas, www.maricopa.gov/EnvSvc/VectorControl/RR/RRInfo.aspx.

Termites and bark beetles: For information on termites or bark beetles, which have been reported in some forested areas, see www.sb.state.az.us/.

COMMON PHYSICAL CONDITIONS IN THE PROPERTY (CONTINUED)

11 Endangered and Threatened Species

Certain areas in the state may have issues related to federally listed endangered or threatened species that may affect land uses. Further information may be obtained by going to the following U.S. Fish and Wildlife website, www.fws.gov/southwest/es/arizona/, or contact the appropriate planning/development service department.

12 Deaths and Felonies on the Properties

An Arizona law states that sellers and real estate licensees have no liability for failure to disclose to a buyer that the property was ever the site of a natural death, suicide, murder or felony, www.azleg.state.az.us/ars/32/02156.htm. This information is often difficult to uncover; however, the local law enforcement agency may be able to identify calls made to the property address.

13 Indoor Environmental Concerns

Mold: Mold has always been with us, and it is a rare property that does not have some mold. However, over the past few years a certain kind of mold has been identified as a possible contributor to illnesses. Allergic individuals may experience symptoms related to mold. The Arizona Department of Health Services, Office of Environmental Health, states: "If you can see mold, or if there is an earthy or musty odor, you can assume you have a mold problem." http://www.azdhs.gov/phs/oeh/children/indoorair/mold/index.php

The Environmental Protection Agency (EPA) and Centers for Disease Control and Prevention websites also contain valuable information: www.epa.gov/mold/ and www.cdc.gov/mold/default.htm.

Chinese Drywall: There have been a few reports of Chinese Drywall used in Arizona homes, see www.cpsc.gov/info/drywall/where.html for more information.

Radon gas and carbon monoxide: Radon gas and carbon monoxide poisoning are two of the more common and potentially serious indoor air quality ("IAQ") concerns. Both of these concerns can be addressed by the home inspector, usually for an additional fee. For information on radon levels in the state, go to the Arizona Radiation Regulatory Agency's website www.azrra.gov/radon/index.html.

Drug labs: Unremediated meth labs and other dangerous drug labs must be disclosed to buyers by Arizona law. A list of unremediated properties and a list of the registered drug laboratory site remediation firms can be found at www.azbtr.gov/listings/drug_lab_site_clean_up.asp.

Other: For information on other indoor environmental concerns, the EPA has a host of resource materials and pamphlets available at www.epa.gov/iaq/pubs/index.html.

14 Property Boundaries

If the property boundaries are of concern, a survey may be warranted. For example, a survey may be advisable if there is an obvious use of property by others (i.e., a well-worn path across a property and/or parked cars on the property) or fences or structures of adjacent property owners that appear to be built on the property. For more information, visit the Arizona Professional Land Surveyors website at www.azpls.org. A list of surveyors may be obtained from the Board of Technical Registration at www.btr.state.az.us.

15 Flood Plain Status

If the property is in a flood zone, an additional annual insurance premium of several hundred dollars may be required (check with your insurance agent about cost and coverage). If the property is in an area deemed high risk, the buyer may be required by the lender to obtain flood hazard insurance through the National Flood Insurance Program. Find details on flood plain status at:

Maricopa County: www.fcd.maricopa.gov/

Coconino County:
www.coconino.az.gov/information.aspx?id=23077

Coconino County Flood Preparedness Brochure**:**
www.coconino.az.gov/uploadedFiles/Public_Works/Emergency_Services/flood%20brochure%20pdf.pdf

Pima County: www.rfcd.pima.gov

Phoenix: www.phoenix.gov/streets/floodplain/index.html

Tucson: www.tucsonaz.gov/dsd/Site_Review/Engineer___Flood/Status_Requests/status_requests.html

Santa Cruz County: www.co.santa-cruz.az.us/public_works/flood/index.html

Other parts of the state:
www.azgs.az.gov/hazards_floods.shtml

FEMA Flood Map Service Center:
www.fema.gov/hazard/flood/index.shtm

COMMON PHYSICAL CONDITIONS IN THE PROPERTY (CONTINUED)

16 Insurance (Claims History)

Many factors affect the availability and cost of homeowner's insurance. Some insurance companies use a database known as the Comprehensive Loss Underwriting Exchange ("C.L.U.E.") in their underwriting practices to track the insurance claim history of a property and of the person applying for insurance coverage. Property owners may request a five year claims history from their insurance agent or purchase a C.L.U.E. report online at https://personalreports.lexisnexis.com/index.jsp or by calling 866-527-2600. For additional insurance information, visit the Arizona Department of Insurance website at www.id.state.az.us/consumer.html.

17 Other Property Conditions

Plumbing: Check functionality.

Cooling/Heating: Make sure the cooling and heating systems are adequate. Arizona State Chapter affiliate of the Air Conditioning Contractors of America: www.acca-az.org/.

Electrical systems: Check for function and safety

CONDITIONS AFFECTING THE AREA SURROUNDING THE PROPERTY THE BUYER SHOULD INVESTIGATE

Every property is unique; therefore, important conditions vary.

1 Environmental Concerns

It is often very difficult to identify environmental hazards. For environmental information, search the ADEQ website at www.adeq.state.az.us. The ADEQ website contains information regarding the locations of open and closed landfills (Solid Waste Facilities) at www.azdeq.gov/environ/waste/solid/map.html and wildfire information at www.azdeq.gov/function/programs/wildfire.html, as well as air quality information, water quality information and more.

Environmentally Sensitive Land Ordinance: Approximately two-thirds of the City of Scottsdale is affected by the Environmentally Sensitive Land Ordinance (ESLO), which requires some areas on private property be retained in their natural state and designated as National Area Open Space (NAOS). For more information about how the ESLO and NAOS may impact affected property, go to www.scottsdaleaz.gov/codes/ESLO.

2 Electromagnetic Fields

For information on electromagnetic fields, and whether they pose a health risk to you or your family, visit the following websites: www.niehs.nih.gov/health/topics/agents/emf/

3 Superfund Sites

There are numerous sites in Arizona where the soil and groundwater have been contaminated by improper disposal of contaminants. To check if a property is in an area designated by the ADEQ as requiring cleanup, see www.azdeq.gov/environ/waste/sps/phx.html for available maps to view. The EPA also has information on Federal sites at www.epa.gov/superfund/ and in Spanish at www.epa.gov/superfund/spanish/index.htm.

4 Freeway Construction and Traffic Conditions

Although the existence of a freeway near the property may provide highly desirable access, sometimes it contributes to undesirable noise. To search for roadway construction and planning, go to the Arizona Department of Transportation ("ADOT") website at www.azdot.gov/Highways/. Check ADOT maps to find the nearest future freeway routes and roads in the area slated for widening. For traffic conditions, visit www.az511.com/.

CONDITIONS AFFECTING THE AREA SURROUNDING THE PROPERTY (CONTINUED)

5 Crime Statistics

Crime statistics, an imperfect measurement at best, provide some indication of the level of criminal activity in an area. To check the crime statistics for the city of Phoenix go to http://phoenix.gov/POLICE/crista1.html. A visit or phone call to other law enforcement agencies may be required.

For the city of Tucson: http://tpdinternet.tucsonaz.gov/Stats/.

For crime statistics in all Arizona cities go to http://www.leagueaz.org/lgd/ click on the city/town and search for "crime statistics."

6 Sex Offenders

Since June 1996, Arizona has had a registry and community notification program for convicted sex offenders. This information may be accessed at https://az.gov/webapp/offender/main.do. Prior to June 1996, registration was not required, and only the higher-risk sex offenders are on the website. The presence of a sex offender in the vicinity of the property is not a fact that the seller or real estate agent is required to disclose.

City of Glendale: For more information go to www.glendaleaz.com/police/sexoffenderinfocenter.cfm.

National Sex Offender Public Website: www.nsopw.gov/Core/Portal.aspx

7 Forested Areas

Life in a forested area has unique benefits and concerns. For information on protecting your property from wildfire, go to www.azsf.az.gov/ *or* www.firewise.org/. See also, Arizona Firewise Communities, http://cals.arizona.edu/firewise/. Contact county/city fire authority for information on issues particular to your community.

8 Military and Public Airports

The legislature has mandated the identification of areas in the immediate vicinity of military and public airports that are susceptible to a certain level of noise from aircraft. The boundaries of these areas have been plotted on maps that are useful in determining if a property falls within one of these areas. The maps for military airports may be accessed at www.re.state.az.us/AirportMaps/MilitaryAirports.aspx; view maps for many of the public airports at www.re.state.az.us/AirportMaps/PublicAirports.aspx. These maps are intended to show the areas subject to the preponderance of airport-related noise from a given airport. Periodic over-flights that may contribute to noise cannot usually be determined from these maps.

9 Zoning/Planning/Neighborhood Services

Phoenix: www.phoenix.gov/PLANNING/index.html
Scottsdale: www.scottsdaleaz.gov/Topics/Planning
Tucson: www.ci.tucson.az.us/planning.html
Other cities and towns: www.azleague.org

10 Schools

Although there is no substitute for an on-site visit to the school to talk with principals and teachers, there is a significant amount of information about Arizona's schools on the Internet. Visit www.ade.state.az.us for more information. The ADRE advises: "Call the school district serving the subdivision to determine whether nearby schools are accepting new students. Some school districts, especially in the northwest part of the greater Phoenix area, have placed a cap on enrollment. You may find that your children cannot attend the school nearest you and may even be transported to another community." www.azre.gov/PublicInfo/PropertyBuyerChecklist.aspx

11 City Profile Report

Information on demographics, finances and other factors drawn from an array of sources, such as U.S. Census Bureau, Bureau of Labor, Internal Revenue Service, Federal Bureau of Investigation, and the National Oceanic and Atmospheric Administration. www.homefair.com/find_a_place/cityprofile/

OTHER METHODS OF GETTING INFORMATION ABOUT A PROPERTY

Talk to the Neighbors

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

Drive around the Neighborhood

Buyers should always drive around the neighborhood, preferably on different days at several different times of the day and evening, to investigate the surrounding area.

MARKET CONDITIONS ADVISORY

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

The ultimate decision on the price a Buyer is willing to pay and the price a Seller is willing to accept for a specific property rests solely with the individual Buyer or Seller. The parties to a real estate transaction must decide on what price and terms they are willing to buy or sell in light of market conditions, their own financial resources and their own unique circumstances.

The parties must, upon careful deliberation, decide how much risk they are willing to assume in a transaction. Any waiver of contingencies, rights or warranties in the Contract may have adverse consequences. Buyer and Seller acknowledge that they understand these risks.

Buyer and Seller assume all responsibility should the return on investment, tax consequences, credit effects, or financing terms not meet their expectations. The parties understand and agree that the Broker(s) do not provide advice on property as an investment. Broker(s) are not qualified to provide financial, legal, or tax advice regarding a real estate transaction. Therefore, Broker(s) make no representation regarding the above items. Buyer and Seller are advised to obtain professional tax and legal advice regarding the advisability of entering into this transaction.

FAIR HOUSING & DISABILITY LAWS

The Fair Housing Act prohibits discrimination in the sale, rental, and financing of dwellings based on race, color, national origin, religion, sex, familial status (including children under the age of 18 living with parents or legal custodians, pregnant women, and people securing custody of children under the age of 18), and handicap (disability). Visit HUD's Fair Housing/Equal Opportunity website at http://portal.hud.gov/portal/page/portal/HUD/program_offices/fair_housing_equal_opp. For information on the Americans with Disabilities Act, visit www.usdoj.gov/crt/ada/adahom1.htm.

ADDITIONAL INFORMATION

NATIONAL ASSOCIATION OF REALTORS® (NAR): www.realtor.org/

NAR's Ten Steps to Homeownership: www.realtor.com/home-finance/buyers-basics/guide-how-to-buy-a-home.aspx

Home Closing 101: www.homeclosing101.org/

INFORMATION ABOUT ARIZONA GOVERNMENT

Links to state agencies, city and county websites: www.az.gov

Geographic Information System (GIS) — Maps and information based on a specific address: www.az.gov/webapp/govinfo/main.do

ARIZONA DEPARTMENT OF REAL ESTATE

Consumer Information: www.azre.gov/InfoFor/Consumers.aspx

ARIZONA ASSOCIATION OF REALTORS®

Consumer Assistance: www.aaronline.com/ConsumerAssistance/Default.aspx

Find a REALTOR®: www.aaronline.com/ConsumerAssistance/FindARealtor/

BUYER ACKNOWLEDGMENT

Buyer acknowledges receipt of all nine pages of this Advisory. Buyer further acknowledges that there may be other disclosure issues of concern not listed in this Advisory. Buyer is responsible for making all necessary inquiries and consulting the appropriate persons or entities prior to the purchase of any property.

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

Buyer Advisory

A Resource for
Real Estate Consumers
Provided by the

ARIZONA association of REALTORS®

^ BUYER SIGNATURE DATE

^ BUYER SIGNATURE DATE

Buyer Advisory

TABLE OF CONTENTS

PAGE		PAGE	
1	**COMMON DOCUMENTS A BUYER SHOULD REVIEW**	7	**CONDITIONS AFFECTING THE AREA SURROUNDING THE PROPERTY THE BUYER SHOULD INVESTIGATE**
1	Purchase Contract	7	Environmental Concerns (*Environmentally Sensitive Land Ordinance*)
1	MLS Printout	7	Electromagnetic Fields
1	The Subdivision Disclosure Report (Public Report)	7	Superfund Sites
2	Seller's Property Disclosure Statement (SPDS)	7	Freeway Construction and Traffic Conditions
2	Covenants, Conditions and Restrictions (CC&Rs)	8	Crime Statistics
2	Homeowner's Association (HOA) Governing Documents	8	Sex Offenders
2	HOA Disclosures	8	Forested Areas
2	Title Report or Title Commitment	8	Military and Public Airports
2	Loan Documents	8	Zoning/Planning/Neighborhood Services
3	Home Warranty Policy	8	Schools
3	Affidavit of Disclosure	8	City Profile Report
3	Lead-Based Paint Disclosure Form		
3	Professional Inspection Report	9	**OTHER METHODS TO GETTING INFORMATION ABOUT A PROPERTY**
3	County Assessors/Tax Records	9	Talk to the Neighbors
3	Termites and Other Wood Destroying Insects and Organisms	9	Drive around the Neighborhood
4	Foreign Investment in Real Property Tax Act (FIRPTA)	9	**MARKET CONDITIONS ADVISORY**
4	**COMMON PHYSICAL CONDITIONS IN THE PROPERTY A BUYER SHOULD INVESTIGATE**	9	**FAIR HOUSING AND DISABILITY LAWS**
4	Repairs and New Construction	9	**ADDITIONAL INFORMATION**
4	Square Footage	9	**INFORMATION ABOUT ARIZONA GOVERNMENT**
4	Roof	9	**ARIZONA DEPARTMENT OF REAL ESTATE**
4	Swimming Pools and Spas (*Barriers*)	9	**ARIZONA ASSOCIATION OF REALTORS®**
4	Septic and Other On-site Wastewater Treatment Facilities	10	**BUYER ACKNOWLEDGMENT**
5	Sewer		
5	Water/Well Issues (*Adjudications, CAGRDs*)		
5	Soil Problems		
5	Previous Fire/Flood		
5	Pests (*Scorpions, Bed bugs, Roof Rats, Termites & Bark Beetles*)		
6	Endangered and Threatened Species		
6	Deaths and Felonies on the Property		
6	Indoor Environmental Concerns (*Mold, Chinese Drywall, Radon gas and Carbon monoxide, Drug labs, Other*)		
6	Property Boundaries		
6	Flood Plain Status		
7	Insurance (Claims History)		
7	Other Property Conditions (*Plumbing, Cooling/ heating, Electrical systems*)		

Buyer Advisory

INDEX

PAGE	
1	**COMMON DOCUMENTS A BUYER SHOULD REVIEW**
3	Affidavit of Disclosure
3	County Assessors/Tax Records
2	Covenants, Conditions and Restrictions (CC&Rs)
4	Foreign Investment in Real Property Tax Act (FIRPTA)
2	HOA Disclosures
3	Home Warranty Policy
2	Homeowner's Association (HOA) Governing Documents
3	Lead-Based Paint Disclosure Form
2	Loan Documents
1	MLS Printout
3	Professional Inspection Report
1	Purchase Contract
2	Seller's Property Disclosure Statement (SPDS)
3	Termites and Other Wood Destroying Insects and Organisms
1	The Subdivision Disclosure Report (Public Report)
2	Title Report or Title Commitment
4	**COMMON PHYSICAL CONDITIONS IN THE PROPERTY A BUYER SHOULD INVESTIGATE**
6	Deaths and Felonies on the Property
6	Endangered and Threatened Species
6	Flood Plain Status
6	Indoor Environmental Concerns (*Mold, Chinese Drywall, Radon gas and Carbon monoxide, Drug labs, Other)*
7	Insurance (Claims History)
7	Other Property Conditions (*Plumbing, cooling/ heating, electrical systems*)
5	Pests (*Scorpions, Bed bugs, Roof rats, Termites & Bark Beetles*)
5	Previous Fire/Flood
6	Property Boundaries
4	Repairs and New Construction
4	Roof
4	Septic and Other On-site Wastewater Treatment Facilities
5	Sewer
5	Soil Problems
4	Square Footage
4	Swimming Pools and Spas (*Barriers*)
5	Water/Well Issues (*Adjudications, CAGRDs*)

PAGE	
7	**CONDITIONS AFFECTING THE AREA SURROUNDING THE PROPERTY THE BUYER SHOULD INVESTIGATE**
8	City Profile Report
8	Crime Statistics
7	Electromagnetic Fields
7	Environmental Concerns (*Environmentally Sensitive Land Ordinance*)
8	Forested Areas
7	Freeway Construction and Traffic Conditions
8	Military and Public Airports
8	Schools
8	Sex Offenders
7	Superfund Sites
8	Zoning/Planning/Neighborhood Services
9	**OTHER METHODS TO OBTAIN INFORMATION ABOUT A PROPERTY**
9	Drive around the Neighborhood
9	Talk to the Neighbors
9	**ADDITIONAL INFORMATION**
9	**ARIZONA ASSOCIATION OF REALTORS®**
9	**ARIZONA DEPARTMENT OF REAL ESTATE**
9	**FAIR HOUSING AND DISABILITY LAWS**
9	**INFORMATION ABOUT ARIZONA GOVERNMENT**
9	**MARKET CONDITIONS ADVISORY**
10	**BUYER ACKNOWLEDGMENT**