

EXHIBIT "A"

CONTRACT DISCLOSURES

- A. Any real estate sales contract or lease shall contain substantially the following language in large or bold print above the signature portion of such document.

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

- B. Any real estate sales contract or lease for an unimproved (vacant) lot or parcel shall contain substantially the following language in large or bold print above the signature portion of such document:

THE PURCHASER OR LESSEE HAS THE LEGAL RIGHT TO RESCIND (CANCEL) THIS AGREEMENT WITHOUT CAUSE OR REASON OF ANY KIND AND TO THE RETURN OF ANY MONEY OR OTHER CONSIDERATION BY SENDING OR DELIVERING A WRITTEN NOTICE OF RESCISSION TO THE SELLER OR LESSOR BY MIDNIGHT OF THE SEVENTH CALENDAR DAY FOLLOWING THE DAY THE PURCHASER OR LESSEE EXECUTED THE AGREEMENT. IF THE PURCHASER OR LESSEE DOES NOT INSPECT THE LOT OR PARCEL BEFORE THE EXECUTION OF THE AGREEMENT, THE PURCHASER OR LESSEE SHALL HAVE SIX MONTHS TO INSPECT THE LOT OR PARCEL AND AT THE TIME OF INSPECTION SHALL HAVE THE RIGHT TO UNILATERALLY RESCIND THE AGREEMENT.

An adequate opportunity to exercise the seven (7) day right of rescission shall be provided by disclosing conspicuously the complete current name and address of seller on the face of all agreements and contracts.

- C. Any real estate sales contract or lease shall conspicuously disclose the nature of the document at or near the top of the document.
- D. Any real estate sales contract or lease of a lot in a subdivision where down payment, earnest money deposit or other advanced money, if any, is paid directly to the seller and not placed in a neutral escrow depository shall conspicuously disclose this fact within the document, and the purchaser shall sign or initial this provision indicating approval in the space adjacent to or directly below the disclosure in the real estate sales contract. The following disclosure shall be written in large or bold print and shall be included in the Public Report and real estate sales contract:

“Prospective purchasers are advised that earnest money deposits, down payments and other advanced money will not be placed in a neutral escrow. This money will be paid directly to the seller and may be used by the seller. This means the purchaser assumes a risk of losing the money if the seller is unable or unwilling to perform under the terms of the sales contract.”

- E. In areas outside of groundwater active management areas established pursuant to Title 45, Chapter 45, Article 2, if the Director of Water Resources, pursuant to §45-108, reports an inadequate onsite supply of water to meet the needs projected by the developer or if no water is available, the State Real Estate Commissioner shall require that all promotional material and real estate sales contracts for lots in subdivisions approved by the Commissioner adequately display the Director of Water Resources’ report or the developer’s brief summary of the report as approved by the Commissioner on the proposed water supply for the subdivision.
- F. See A.R.S. §32-2185.01 and 32-2185.06 for additional information relating to sales and contract disclosures.
- G. For applications seeking HUD/OILSR Certification, see the HUD Supplement to this application for HUD’s rescission language and additional contract disclosures required by HUD.