

USE OF THE AAR VACANT LAND/LOT PURCHASE CONTRACT ADDENDUM REGARDING SUBDIVIDED OR UNSUBDIVIDED LAND

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This coversheet accompanies the VLPC Addendum Regarding Subdivided or Unsubdivided Land. The addendum should be given to the Seller and Buyer for completion.



ARIZONA LAW IMPOSES CERTAIN REQUIREMENTS ON THE SALE OR LEASE OF SUBDIVIDED AND UNSUBDIVIDED LAND

(Note: developments that contain 6 or more parcels or lots that are all 36 acres or more are called “unsubdivided land” in the law). These legal requirements can be found in A.R.S. §32-2181 through §32-2185.09 (“Sale of Subdivided Land”) and A.R.S. §32-2195 through §32-2195.11 (“Sale of Unsubdivided Land”) as well as in the Commissioner’ Rules R4-28-803 through 805 (“Documents”) and R4-28-A1201 through A1223 (“Application for Public Report”).

Therefore, this Addendum should be executed in any transaction in which the seller:

1. Has divided the property into six or more lots, parcels or fractional interests;
2. Owns or will own six or more lots, parcels or fractional interests in a subdivision;
3. Has caused the property to be divided into 6 or more lots, parcels or fractional interests for the subdivider or for others.

If you have questions about whether this Addendum is required in a transaction, contact your broker or manager.

VLPC ADDENDUM Coversheet

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If subdivided land is being sold by a subdivider or if unsubdivided land as defined by statute is being sold, a public report will generally be required and this Addendum must be executed by the Seller and Buyer.

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

6. The following additional terms and conditions pertaining to subdivided or unsubdivided land are hereby included as a part of the
7. Contract described above.
8. **Subdivider:** means any person who offers for sale six or more lots, parcels or fractional interests in a subdivision or who causes land to
9. be subdivided into a subdivision for the subdivider or for others, or who undertakes to develop a subdivision.
10. **Subdivided Land:** is improved or unimproved land or lands divided or proposed to be divided for the purpose of sale or lease, whether
11. immediate or future, into six (6) or more lots, parcels or fractional interests.
12. **Unsubdivided Land** is land or lands divided or proposed to be divided for the purpose of sale or lease, whether immediate or future,
13. into six (6) or more lots, parcels or fractional interests which lots or parcels are thirty-six (36) acres or more each but less than one
14. hundred and sixty (160) acres each, or which are offered, known or advertised under a common promotional plan for sale or lease,
15. except that agricultural leases shall not be included in this definition.
16. **Unimproved Lot or Parcel:** The Property is unimproved if there is no residential, commercial or industrial building on the Property,
17. or concerning which no contract has been entered into between the subdivider and the buyer that obligates the subdivider directly, or
18. indirectly through a building contractor, to complete construction of a residential, commercial or industrial building on the lot or parcel
19. within two (2) years from the date on which the contract of sale for the lot is entered into.
20. **Rescission:** If the Property is an unimproved subdivided lot or parcel or unimproved, unsubdivided land: THE PURCHASER HEREUNDER
21. HAS THE LEGAL RIGHT TO RESCIND (CANCEL) THIS AGREEMENT WITHOUT CAUSE OR REASON OF ANY KIND AND TO
22. THE RETURN OF ANY MONEY OR OTHER CONSIDERATION UNTIL MIDNIGHT OF THE SEVENTH (7th) DAY FOLLOWING
23. THE DAY THE PURCHASER EXECUTED SUCH AGREEMENT BY SENDING OR DELIVERING WRITTEN NOTICE OF RESCISSION
24. TO THE SELLER. FURTHER, IF THE PURCHASER DOES NOT INSPECT THE LOT OR PARCEL PRIOR TO THE EXECUTION
25. OF THE AGREEMENT, THE PURCHASER SHALL HAVE A SIX (6) MONTH PERIOD TO INSPECT THE LOT OR PARCEL, AND
26. AT THE TIME OF INSPECTION SHALL HAVE THE RIGHT TO UNILATERALLY RESCIND THE AGREEMENT.
27. **Access:** Unless the requirement is waived by the Arizona Department of Real Estate Commissioner, no subdivided or unsubdivided
28. land may be sold without provision for permanent access to the land over terrain which may be traversed by conventional motor
29. vehicle. Seller warrants that there is permanent access to the Property.
30. **Transfer of Title:** If the Property is an unimproved lot(s) or parcel(s) within a subdivision, the Seller agrees to either: (a) execute, deliver
31. and record a Deed conveying to the Buyer merchantable and marketable title, subject only to agreed upon exceptions, and record any
32. note and mortgage or deed of trust resulting from this transaction within sixty (60) days of Buyer's execution of this Contract; or (b) execute,
33. deliver, record and deposit in escrow, within sixty (60) days after execution of the Contract by the Buyer, this Contract with a full legal
34. description, a current preliminary title report, an executed Deed conveying to the Buyer merchantable title, subject only to the agreed
35. upon exceptions, which Seller shall record within sixty (60) days after Buyer's compliance with this Contract, together with any and all
36. documents necessary to release or extinguish any blanket encumbrance to the extent it applies to this Property or a partial release of the
37. Property from the terms and provisions of any blanket encumbrance; or (c) execute, deliver and record a Deed to the Property to a trustee
38. together with a trust agreement, which shall conform to A.R.S. 32-2185.01(A)(3) (or any successor provision), and any documents necessary
39. to release or extinguish any blanket encumbrance to the extent it applies to the Property or a partial release of the Property from the
40. terms and provisions of such blanket encumbrance, and record this Contract within sixty (60) days of execution by Buyer.
41. The Arizona Department of Water Resources has determined that the water supply for the subdivision is adequate inadequate.
42. If the water supply for the subdivision is inadequate, additional disclosures may be required.
43. The undersigned agree to the above additional terms and conditions and acknowledge the receipt of a copy hereof.
44. **Subdivision Disclosure Report (Public Report): THE DEVELOPER (OR SELLER) SHALL GIVE A PROSPECTIVE PURCHASER A**
45. **COPY OF THE PUBLIC REPORT AND AN OPPORTUNITY TO READ AND REVIEW IT BEFORE THE PROSPECTIVE PURCHASER SIGNS**
46. **THIS DOCUMENT.**

47. _____ **SAMPLE** _____ **SAMPLE**
 ^ BUYER'S SIGNATURE MO/DA/YR ^ BUYER'S SIGNATURE MO/DA/YR

48. _____ **SAMPLE** _____ **SAMPLE**
 ^ SELLER'S SIGNATURE MO/DA/YR ^ SELLER'S SIGNATURE MO/DA/YR