

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

Document updated:  
August 2007



*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's 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

Use of the AAR Vacant Land/Lot Purchase Contract Addendum Regarding  
Subdivided or Unsubdivided Land • Updated: August 2007  
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# VACANT LAND/LOT PURCHASE CONTRACT ADDENDUM REGARDING SUBDIVIDED OR UNSUBDIVIDED LAND

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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.



**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. \_\_\_\_\_ MO/DA/YR      \_\_\_\_\_ MO/DA/YR

48. \_\_\_\_\_ MO/DA/YR      \_\_\_\_\_ MO/DA/YR

**For Broker Use Only:**  
 Brokerage File/Log No. \_\_\_\_\_ Manager's Initials \_\_\_\_\_ Broker's Initials \_\_\_\_\_ Date \_\_\_\_\_  
 (Added February 2012)

