

**Pending approval by the Risk Management Committee on March 14, 2019**  
**RECOMMENDATION TO THE EXECUTIVE COMMITTEE**

**FROM:**

Risk Management Committee

**RECOMMENDATION:**

Approval of a revised Residential Resale Real Estate Purchase Contract Buyer Attachment page (aka "Flash" page).

**BACKGROUND:**

Cyber criminals are hacking emails at an unprecedented rate. As a result, wire transfer fraud continues to pose a serious threat to all parties involved in the purchase and sale of real property, including REALTORS®. Buyers are further at risk when they email documents that contain bank account numbers.

Although Arizona REALTORS® has published a Wire Fraud Advisory and addressed the issue in the Buyer Advisory, the Risk Management Committee would like to further their efforts to educate buyers and sellers about this threat.

On March 14, 2019, the Risk Management Committee approved a revised Residential Resale Real Estate Purchase Contract Buyer Attachment page and is forwarding the document to the Executive Committee for its approval. By way of the proposed revisions, buyers are warned about the risks of wire transfer fraud and instructed to independently verify wire instructions conveyed via email. Buyers are also reminded not to email or transmit any documents showing bank account numbers.

**BUDGET IMPACT:**

Arizona REALTORS® will be required to pay zipForm \$50 to format the revised Buyer Attachment page and upload it to the zipForm software product for use by Arizona REALTOR® members. (Note - zipForm has not consistently billed Arizona REALTORS® for expenses of this nature.)

**MOTION:**

**TO APPROVE FOR RELEASE ON OR ABOUT JUNE 1, 2019 THE ATTACHED REVISED RESIDENTIAL RESALE REAL ESTATE PURCHASE CONTRACT BUYER ATTACHMENT PAGE.**

**FOR MORE INFORMATION CONTACT:**

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*This attachment should be given to the Buyer prior to the submission of any offer and is not part of the Residential Resale Real Estate Purchase Contract's terms.*



# ATTENTION BUYER!

*You are entering into a legally binding agreement.*

1. **Read the entire contract *before* you sign it.**
2. **Review the Residential Seller's Property Disclosure Statement (See Section 4a).**
  - This information comes directly from the Seller.
  - Investigate any blank spaces, unclear answers or any other information that is important to you.
3. **Review the Inspection Paragraph (see Section 6a).**

If important to you, hire a qualified:

- General home inspector
- Heating/cooling inspector
- Mold inspector
- Pest inspector
- Pool inspector
- Roof inspector

Verify square footage (see Section 6b)

Verify the property is on sewer or septic (see Section 6f)

4. **Confirm your ability to obtain insurance and insurability of the property during the inspection period with your insurance agent (see Sections 6a and 6e).**
5. **Apply for your home loan now, if you have not done so already, and provide your lender with all requested information (see Section 2f).**

It is your responsibility to make sure that you and your lender follow the timeline requirements in Section 2, and that you and your lender deliver the necessary funds to escrow in sufficient time to allow escrow to close on the agreed upon date. Otherwise, the Seller may cancel the contract and you may be liable for damages.
6. **Read the title commitment within five (5) days of receipt (see Section 3c).**
7. **Read the CC&R's and all other governing documents within five (5) days of receipt (see Section 3c), especially if the home is in a homeowner's association.**
8. **Conduct a thorough pre-closing walkthrough (see Section 6I). If the property is unacceptable, speak up. After the closing may be too late.**

You can obtain information through the Buyer's Advisory at [www.aaronline.com/manage-risk/buyer-advisory-3/](http://www.aaronline.com/manage-risk/buyer-advisory-3/).

**Remember, you are urged to consult with an attorney, inspectors, and experts of your choice in any area of interest or concern in the transaction.** Be cautious about verbal representations, advertising claims, and information contained in a listing. ***Verify anything important to you.***

## **WARNING: \*WIRE TRANSFER FRAUD\***

Beware of wiring instructions sent via email. Cyber criminals may hack email accounts and send emails with fake wiring instructions. ***Always independently confirm wiring instructions prior to wiring any money.*** Do not email or transmit documents that show bank account numbers or personal identification information.

