

# RECOMMENDATION TO THE EXECUTIVE COMMITTEE

**FROM:**

Risk Management Committee

**RECOMMENDATION:**

Approval of a revised Vacant Land/Lot 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 September 19, 2019, the Risk Management Committee approved a revised Vacant Land/Lot Purchase Contract Buyer Attachment page and is forwarding the document to the Executive Committee for its approval. By way of the proposed revisions, which are identical to a prior revision made to the Residential Purchase Contract Buyer Attachment page, 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:**

None

**MOTION:**

**TO APPROVE FOR RELEASE, ON OR ABOUT FEBRUARY 1, 2020, THE ATTACHED REVISED VACANT LAND/LOT PURCHASE CONTRACT BUYER ATTACHMENT PAGE.**

**FOR MORE INFORMATION CONTACT:**

Jim Durham – (928) 855-2191 / [jim@jimdurham.com](mailto:jim@jimdurham.com)

**OR** Scott Drucker – (602) 248-7787 / [scottdrucker@aaronline.com](mailto:scottdrucker@aaronline.com)



*This attachment should be given to the Buyer prior to the submission of any offer and is not part of the Vacant Land/Lot 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 Seller's Property Disclosure Statement and other disclosures (See Section 4a and 4b).**
  - 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 Due Diligence Paragraph (see Section 6a).**

Verify square footage/acreage (see Section 6b)  
Verify whether the property is served by city or private sewer and its availability status (see Section 6e); OR  
If an on-site wastewater treatment system has been installed on the Property (see Section 6e), AND  
If a well has been installed on the Property (see Sections 4d and 6k)
4. **Apply for your loan now, if you have not done so already, and provide your lender with all requested information (see Section 2d).**

It is your responsibility to make sure that you and your lender deliver the necessary funds to escrow in sufficient time to allow escrow to close on the agreed upon date.
5. **Read the title commitment (see Section 3c).**
6. **Read the CC&R's, use restrictions, and all other governing documents including design guidelines (see Section 3c), especially if the property is governed by a homeowners association.**
7. **Conduct a thorough final inspection (see Section 6o). If the property is unacceptable, speak up. After the closing may be too late.**

You can obtain information through the Buyer's Advisory at <http://www.aaronline.com>.

**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.**

