



Finding and Selecting a Home

Once you've completed the tasks on your Homewise Action Plan, and your Home Purchase Advisor has told you are **buyer-ready**, you'll be ready to work with a **Realtor** to look for a home in your price range. Remember, if you want to increase your purchasing power, you can always contact your Home Purchase Advisor to brainstorm about ways to do this. You also can discuss your degree of comfort with the amount of mortgage loan you're qualified to borrow—you can borrow less than the maximum the advisor qualifies you for.

Home Search Tips

Spend time thinking about your priorities. Know what you need and want in a home. Use the 'Housing Priority Game' and other tools in this chapter to help you think about this.

Understand the ways a Realtor can help you find a home in your price range. As a Real Estate Transaction Broker, Realtors can help you buy a home.

They can...

- Help you determine your housing priorities
- Show you homes that are available in new developments and re-sale homes in existing communities. Homewise Realtors can also show you homes through the city and county affordable housing programs.
- Help you determine what homes are for sale in your price range and what option would work best for you
- Provide information about the homes
- Negotiate and present your offer and contract to the seller
- Guide you through your due diligence and negotiate objections on your behalf
- Walk you through the process of selecting upgrades and options if you purchase a new home
- Answer your questions throughout the home-buying process

FOR SALE

Work with a Homewise REALTOR®

The Homewise Real Estate team is here to help you find the right home at the right price, and will guide you through each step of the home buying process.

If you're already working with a real estate broker, understand their role and work with them in ways in which they can help you. There are several types of brokerage relationships. Some real estate brokers work for the seller and have a legal obligation to act in the seller's best interest. A real estate broker can also represent the buyer, as a buyer's broker or a transaction broker. Transaction brokers or buyer's brokers focus on finding a buyer a home and presenting their offer to the seller's real estate broker and acting in the buyer's best interest. The buyer's broker and the seller's real estate broker usually share the commission once a home is sold and closed on.



HELPFUL TIP

Select and work with only one real estate broker, and never let a second broker show you a home that another broker has already shown you. Instead, decide which broker you feel comfortable with, and commit to working with him or her for a determined period of time. If you need to sign a contract for that broker to represent you, keep within a period of time that feels right to you so that you aren't committed to working with that broker if the relationship doesn't work for you over time.

House Hunting Checklist

Consider the following:

1. Do you like the neighborhood?
2. Are the homes in the neighborhood well maintained?
3. Does the house have enough bathrooms and bedrooms?
4. Is there enough storage space?
5. Are there good schools in the area?
6. Is the location of the house convenient?
7. Is the quality of the structure sound (roof, foundation, etc.)?
8. Is the quality of mechanical structures good (plumbing, heating, electrical systems)?
9. Does the floor plan suit your lifestyle?
10. Are the sizes of the rooms and home adequate to meet your needs?
11. Is the house energy efficient?
12. Are the grounds easily cared for?
13. What community services are available (ambulance, fire, police, garbage, water)?
14. Are there recreational facilities nearby?
15. Are there good resale possibilities?
16. What are the average utility and maintenance costs?
17. Are there Homeowners' Association fees? Have they risen in the last two years? How much do they typically rise each year?
18. Can you and your family be happy living here?

Rank your priorities and develop a top five wish list:

1. _____
2. _____
3. _____
4. _____
5. _____



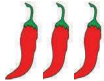





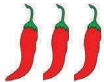


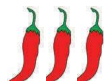


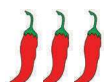





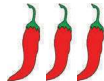
HELPFUL TIP



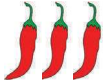







Remember, the first home you buy is probably not going to be your last. Your first home doesn't need to be your perfect dream home, but it can be a starting point. You can sell at any time and buy a different home later, once you have built equity.



The Housing Priority Game

If you had a '30 Chile Budget' to spend on housing, what would your priorities be? Circle Chiles in the boxes to indicate your spending choices. You must circle all the Chiles in whichever boxes you choose.

A	B	C
<p>Location: Multi-family or commercial neighborhood. Heavy traffic.</p> 	<p>Multi- or single-family neighborhood. Moderate traffic.</p> 	<p>Prime location. Single-family neighborhood. Light traffic.</p> 
<p>For New Construction: No upgrades allowed (including AC, evaporative cooler, etc.)</p> 	<p>Upgrades allowed but limited</p> 	<p>Unlimited upgrades at your own cost</p> 
<p>Size of House: Small: less than 800 sf</p> 	<p>Moderate: 800-1,200 sf</p> 	<p>Large: over 1,200 sf</p> 
<p>Number of bedrooms, bathrooms: 2 bedrooms, 1 bathroom</p> 	<p>3 bedrooms, 1.5 to 2 bathrooms</p> 	<p>4 or more bedrooms, 2 bathrooms</p> 
<p>Storage: No storage closet</p> 	<p>One storage closet</p> 	<p>Two or more storage closets</p> 
<p>Fireplace or wood stove: None</p> 	<p>One wood stove</p> 	<p>One fireplace</p> 
<p>Parking: Uncovered</p> 	<p>Carport</p> 	<p>Garage</p> 

A	B	C
<p>Energy Saving features: None</p> 	<p>Some energy-saving features, including insulation, caulking, and weather stripping</p> 	<p>Many energy-saving features, including radiant floor heat, storm windows, solar panels</p> 
<p>Roof and Heating System: Over 12 years old</p> 	<p>Roof and heating system 6 years old</p> 	<p>Brand-new roof and heating system</p> 
<p>Choices of interior materials: Good quality, with linoleum floors, plastic laminate cabinets and counters</p> 	<p>Additional features such as tile entry, nice carpets, wooden cabinets</p> 	<p>Upgraded features including some tile floors, thick carpets, tile counters, higher-grade wooden cabinets</p> 
<p>Landscaping: Gravel yard; low maintenance</p> 	<p>Native Southwestern plants and bushes; moderate maintenance</p> 	<p>Lawns, flowering plants and bushes with big water needs; high maintenance</p> 
<p>Neighborhood Association: None</p> 	<p>Required Neighborhood Association membership with moderate monthly fees (under \$100)</p> 	<p>Required Neighborhood Association membership with monthly fees over \$100</p> 
<p>Nearby Schools: None; you must drive children to school</p> 	<p>School buses provide transportation for children</p> 	<p>School is within walking distance from home</p> 
<p>Community services: No nearby hospital, fire station, or police station</p> 	<p>Hospital, fire station, and police station within 5 miles</p> 	<p>Hospital, fire station, and police station near your home</p> 

Negotiating Offers

You should consider the following if you are planning to buy an existing home on the market:

1. What are the typical sale prices of homes in the area (also called **comps**, or **comparables**)?
2. Have the homes in the neighborhood been appreciating in value?
3. What is the condition of the home? Does the home need repairs or improvements?
4. How much are you qualified to offer?
5. Why is the owner selling? Are they anxious to sell?
6. How long has the home been on the market?
7. Has the asking price already been reduced?
8. Are there more offers that are being considered by the seller?
9. Is this the most or least expensive home on the street?
10. Remember that the listing price can be higher than what the seller expects to get. You can often negotiate price as well as contingencies.
11. Do you have any other home buying options?

When you're working with a real estate broker, offers and counteroffers are presented in written form. You make an offer and the broker, in consultation, writes it out on a purchase agreement. The broker then presents the offer to the other party.

Earnest Money: A deposit, made out to the selected title company, that is given to the seller's agent to show that a prospective buyer is serious about buying the house once the offer is made. It is in the buyer's interest to keep the amount of earnest money as low as possible. At closing, the earnest money should be applied to your down payment.



**KNOW YOUR
FAIR HOUSING
RIGHTS**

Federal, state, and city laws prohibit discrimination in housing because of race, color, religion, national origin, ancestry, sex, disability, familial status, spousal affiliation, or sexual orientation. A seller, real estate broker, or any other agent of the seller may not discriminate on the basis of any of these factors.

Purchase Contracts

Purchase Contracts: A written contract between the buyer and seller stating the terms and conditions under which a property will be sold. You should make sure the following items are included:

- The names and signatures of all owners/sellers
- A full legal property description
- The names of all buyers who will be listed on the deed
- Agreed-on purchase price
- Earnest money (amount, title company holding deposit; to be applied to down payment at time of closing)
- Financing contingencies (type, amount, rate, term of mortgage) and timeframe: language related to a contingency of a loan approval at a maximum rate of ____% (whatever rate is the maximum you are willing to borrow at) to protect you if rates should rise suddenly and you are no longer comfortable with the rate and payment
- Offer subject to your approval of an inspection
- A proposed occupancy and closing date. Remember to provide enough time for the processing of your loan. In general, from application to closing, it takes a lender 30 to 45 days to process a loan. It is in your interest to make sure you've given enough time to obtain a low-interest mortgage loan. The seller's and real estate broker's interests are likely to be to close as quickly as possible.
- Decisions on who will pay the closing costs, prorations, and expenses (taxes, insurance, and fees until the closing)
- Upgrades, options, and any changes
- Repairs needed should be included in the addendum
- Items of personal property that were accepted in the offer/counter-offer should also be included in the addendum or in a separate bill of sale
- Property condition/damage clause: this identifies who will be responsible for any loss or damage to the home during the time the home is under contract
- Pest control or other environmental contingencies (radon, lead paint, asbestos and termite inspection)
- Subject to clear title
- The stipulation that your obligation to buy is dependent on the negotiation of a satisfactory contract



HELPFUL TIP

Once all parties have signed it, the purchase agreement is a legally binding contract. It is important that you take your time and not sign until you are sure that items are included to protect your interest. If you change your mind about buying once you've signed the contract, you could be in breach of contract and lose your earnest money, or even face legal action taken against you by the seller.



A Word About Manufactured Homes

Many homes purchased in New Mexico are manufactured homes (previously called mobile homes). A manufactured home can provide quick affordable housing, and is constructed in a factory that complies with building codes developed by the department of Housing and Urban Development. It is a transportable structure, built in single or multiple sections, and arrives equipped with new appliances and flooring.

Shopping Tips

Manufactured homes can vary in style, size, floor plan, price, and quality. The following is a list of suggestions and guidelines for the successful purchase of a manufactured home.

Be a smart shopper: Shop around for the best deal on price and quality. Remember that you should negotiate the price. It is important to find a suitable location to site the home and to understand your responsibilities for construction and land-development tasks (permitting, site preparation, and foundation construction). Make sure you choose a reputable contractor who is licensed and insured.

Perform inspections: Before you buy the home, you'll want to inspect it thoroughly several times (e.g., at the retail center on delivery, after delivery to the home site, etc.).

Warranties: Choose a manufacturer that provides a long-term warranty with very few exclusions.

Quality matters: Remember that buying a low-cost, low-quality manufactured home may result in greater repair, maintenance, and energy/utility bills later. It is worth the extra cost of quality materials and upgrades to insure that your new home will be problem free.



HELPFUL HOMEBUYER TIP!

The Consumer's Union offers valuable information about purchasing a manufactured home. Visit www.consumersunion.org for more information.

Costs to Consider

Manufactured homes may offer low initial costs per square foot and low maintenance costs. It is important to remember that the price does not include a site for a home, which must be rented or purchased separately. In order to obtain a mortgage loan for a manufactured home, lenders require that these homes be secured to a permanent foundation. Keep in mind that a manufactured home is more likely to gain value if it is placed on a permanent foundation and you own the land on which it is situated. Another advantage to purchasing a home that will be sited on a permanent foundation is that it can be financed through a lower-interest mortgage loan. A manufactured home that is not on a permanent foundation, however, is typically financed through higher-interest-rate personal property or chattel loans.

Sometimes the seller will combine all costs in one sales price. Be certain you know the cost of each item separately, and that the costs seem reasonable. Remember to negotiate the prices, and always ask the following questions:

- What is the cost of the home as it stands alone?
- What is the cost of a site for the home (for purchase or site rental fee)?
- What is the cost for utility hookups and other needed infrastructure?
- What is the transportation fee to move the home to the site?

Some Financing Tips

- Watch out for high-interest-rate mortgage loans. Do not apply for a loan at the retailer's office until you have shopped around for the best financing available. Compare rates and fees at banks, credit unions and mortgage companies, and get the loan with the lowest fixed interest rate.
- Never roll other debts into the cost of your manufactured home. To protect the value of your home, keep your car loans, credit card debts, and other unsecured debt separate.
- Don't feel pressured to sign a contract before you feel ready. Never sign any papers or contracts until you've taken them home, read them thoroughly, and understood them.
- Keep your deposit or earnest money as low as possible and understand under what circumstances it is refundable.

HELPFUL TIP

See page 44 for a worksheet of costs related to purchasing a Manufactured Home. You can also contact the State of New Mexico Manufactured Housing Division, whose mission is to assure purchasers the essential conditions of health and safety, and to provide that the business practices of the industry are fair and orderly. Call (505) 476-4770.



Manufactured Home Worksheet

Home Placed on Private Property

Maximum Loan Amount \$
(based on your budget prequalification worksheet)

Item	Cost
Land Costs	
Land	\$ _____
Total Land Costs	\$ _____

Installation and Site Preparation Costs

Site improvements, landscaping	\$ _____
Foundation	\$ _____
Garage	\$ _____
Driveway, misc. concrete (walls)	\$ _____
Septic tank installation	\$ _____
Well installation	\$ _____
City sewer and water connections	\$ _____
Gas connections	\$ _____
Electrical connections	\$ _____
Telephone connections	\$ _____
Decks/Skirting	\$ _____
Permits	\$ _____
Transportation	\$ _____
Misc.	\$ _____
Total Site Preparation Costs	\$ _____

Total Land and Site Prep Costs \$ _____

Amount Remaining for Manufactured

Home* (maximum loan amount minus total land and site prep costs)	\$ _____
Amount to Finance (maximum loan amount)	\$ _____
Down payment	\$ _____
Interest rate	_____ %
Term (years)	_____
Monthly payment (principal and interest)	\$ _____
Monthly taxes and insurance	\$ _____
Monthly MI if applicable	\$ _____

Total Monthly Payment \$ _____

Home Placed in Rental Community

Maximum Loan Amount \$
(based on your budget prequalification worksheet)

Item	Cost
Land Costs	
Deposits	\$ _____
Total Land Costs	\$ _____

Installation and Site Preparation Costs

City sewer and water connections	\$ _____
Gas connections	\$ _____
Electrical connections	\$ _____
Telephone connections	\$ _____
Skirting	\$ _____
Decks, steps, fencing	\$ _____
Permits	\$ _____
Misc.	\$ _____
Total Site Preparation Costs	\$ _____

Total Land and Site Prep Costs \$ _____

Amount Remaining for Manufactured

Home* (maximum loan amount minus total land and site prep costs)	\$ _____
Amount to Finance (maximum loan amount)	\$ _____
Down payment	\$ _____
Interest rate	_____ %
Term (years)	_____
Monthly payment (principal and interest)	\$ _____
Monthly taxes and insurance	\$ _____
Monthly MI if applicable	\$ _____
Monthly rent payment	\$ _____
Other monthly fees	\$ _____

Total Monthly Payment \$ _____

*Including transportation costs

Home Evaluation Checklist

Location: _____

Asking Price \$ _____ Mortgage \$ _____

Neighborhood: _____

Condition of home:

Realtor or For Sale By Owner (Contact name and phone number):

Appraised value of other comparable homes in the area:

Features:	Bedrooms _____	Bathrooms _____
	Living room _____	Dining room _____
	Kitchen _____	Fireplace _____
	Garage _____	Storage _____
	Yard & Landscaping _____	

Type of heat/air: _____

Washer/dryer hookup: _____

Other:	Square Feet _____	Lot Size _____
	Taxes _____	School District _____
	Utility Costs _____	Age of Roof _____
	Maintenance _____	Homeowners' Association Fee _____

Covenants and Restrictions:

Comments:

Home Inspections are Important!

Appraisals and Home Inspections Are Different

An appraisal is different from a home inspection. Appraisals are required and initiated by lenders to protect their financial interest in the home; inspections are initiated by buyers to protect their interest in getting a good-quality home. The **lender** does an appraisal for two reasons:

- To estimate the value of a house based on comparable homes in the market in order to ensure that they are not lending more to you than the home is worth.
- To make sure that the house is marketable in the event that the buyer defaults on payments and the lender needs to take the home back and re-sell it.

Appraisals are not home inspections.

Why a Buyer Needs a Home Inspection

Although not required, a home inspection is an important step. A home inspection gives the buyer more detailed information than an appraisal—information that you need to make a wise decision. In a home inspection, a qualified inspector takes an in-depth, unbiased look at your potential new home, in order to:

- Evaluate its physical condition: structure, construction, and mechanical systems
- Identify items that need to be repaired or replaced
- Estimate the remaining useful life of the major systems, equipment, structure, and finishes

What Goes into a Home Inspection

A home inspection gives the buyer an impartial, physical evaluation of the overall condition of the home and identifies items that need to be repaired or replaced. The home inspector should give the buyer a detailed written report on the condition of the structural components, exterior, roofing, plumbing, electrical, heating, insulation and ventilation, air-conditioning, and interiors.

Be an Informed Buyer

It is your responsibility to be an informed buyer. Be sure that what you buy is satisfactory. You have the right to carefully examine your potential new home with a qualified home inspector. You may arrange to do so after signing your purchase contract, as long as your contract states that the sale of the home depends on the inspection.



HELPFUL TIP

Inspections are important – whether you're buying a new or existing home! If buying a new home, check with your Realtor on the timeframe for completing an inspection.

10 Important Questions to Ask Your Home Inspector

Before making a decision to buy or sell, you must have the house inspected by a professional. An inspector may alert you to potential problems on the property, and this will allow you to make better decisions. Ask the inspector of your property the following questions:

1. What does your inspection cover? The inspector should ensure that their inspection and inspection report will meet all applicable requirements in your state if applicable and will comply with a well-recognized standard of practice and code of ethics. You should be able to request and see a copy of these items ahead of time and ask any questions you may have. If there are any areas you want to make sure are inspected, be sure to identify them upfront.
2. How long have you been practicing in the home inspection profession and how many inspections have you completed? The inspector should be able to provide his or her history in the profession and perhaps even a few names as referrals. Newer inspectors can be very qualified, and many work with a partner or have access to more experienced inspectors to assist them in the inspection.
3. Are you specifically experienced in residential inspection? Related experience in construction or engineering is helpful, but is no substitute for training and experience in the unique discipline of home inspection. If the inspection is for a commercial property, then this should be asked about as well.
4. Do you offer to do repairs or improvements based on the inspection? Some inspector associations and state regulations allow the inspector to perform repair work on problems uncovered in the inspection. Other associations and regulations strictly forbid this as a conflict of interest.
5. How long will the inspection take? The average on-site inspection time for a single inspector is two to three hours for a typical single-family house; anything significantly less may not be enough time to perform a thorough inspection. Additional inspectors may be brought in for very large properties and buildings.
6. How much will it cost? Costs vary dramatically, depending on the region, size and age of the house, scope of services and other factors. A typical range might be \$300–\$500, but consider the value of the home inspection in terms of the investment being made. Cost does not necessarily reflect quality. HUD does not regulate home inspection fees.
7. What type of inspection report do you provide and how long will it take to receive the report? Ask to see samples and determine whether or not you can understand the inspector's reporting style and if the time parameters fulfill your needs. Most inspectors provide their full report within 24 hours of the inspection.
8. Will I be able to attend the inspection? This is a valuable educational opportunity, and an inspector's refusal to allow this should raise a red flag. Never pass up this opportunity to see your prospective home through the eyes of an expert.
9. Do you maintain membership in a professional home inspector association? There are many state and national associations for home inspectors. Request to see their membership ID, and perform whatever due diligence you deem appropriate.
10. Do you participate in continuing education programs to keep your expertise up to date? One can never know it all, and the inspector's commitment to continuing education is a good measure of his or her professionalism and service to the consumer. This is especially important in cases where the home is much older or includes unique elements requiring additional or updated training.

Will they come back as part of the initial fee to re-inspect anything that was repaired after the main inspection?



**NEW MEXICO ASSOCIATION OF REALTORS®
PURCHASE AGREEMENT – RESIDENTIAL RESALE – 2019
PART I – BROKER DUTIES DISCLOSURE**

Per New Mexico law, Brokers are required to perform a specific set of applicable Broker Duties. Prior to the time the Broker generates or presents any written documents that has the potential to become an express written agreement, he/she must disclose such duties and obtain written acknowledgment that the Broker has made such disclosures.

All Brokers in this transaction owe the following broker duties to ALL BUYERS AND SELLERS in this transaction, even if the broker is not representing the buyer or the seller in the transaction:

1. Honesty and reasonable care and ethical and professional conduct;
2. Compliance with local, state, and federal fair housing and anti-discrimination laws, the New Mexico Real Estate License Law and the Real Estate Commission rules and other applicable local, state, and federal laws and regulations;
3. Performance of any and all written agreements made with the prospective buyer, seller, landlord (owner) or tenant;
4. Written disclosure of potential conflict of interest or any other written agreement that the broker has in the transaction, including, but not limited to:
 - A. any written brokerage relationship the Broker has with any other parties to the transaction or;
 - B. any material interest/relationship of a business, personal or family nature that the broker has in the transaction; or
 - C. any written agreement the Broker has with a licensed Transaction Coordinator who will be providing services related to the transaction.
5. Written disclosure of any adverse material facts actually known by the broker about the property or the transaction, or about the financial ability of the parties to the transaction to complete the transaction; adverse material facts requiring disclosure do not include any information covered by federal fair housing laws or the New Mexico Human Rights Act.

In addition to the above duties, Broker(s) owes the following Broker Duties TO THE BUYER(S) AND/OR SELLER(S) IN THIS TRANSACTION TO WHOM THE BROKER(S) IS/ARE DIRECTLY PROVIDING REAL ESTATE SERVICES, regardless of the scope and nature of those services.

1. Unless otherwise agreed to in writing by the party, assistance to the party in completing the transaction including:
 - A. timely presentation of and response to all written offers or counter-offers; and
 - B. active participation in assisting in complying with the terms and conditions of the contract and with the finalization of the transaction;
2. Acknowledgement by the broker that there may be matters related to the transaction that are outside the broker's knowledge or expertise and that the broker will suggest that the party seek expert advice on these matters;
3. Advise to consult with an attorney regarding the effectiveness, validity or consequences of any written document generated by the brokerage or presented to the party and that has the potential to become an express written agreement;
4. Prompt accounting for all money or property received by the broker;
5. Maintenance of any confidential information learned in the course of any prior agency relationship unless the disclosure is with the former principal's written consent or is required by law;
6. Written disclosure of brokerage relationship option available in New Mexico:
 - A. **Exclusive agency;** an express written agreement between a person and a brokerage wherein the brokerage agrees to exclusively represent as an agent the interest of the person in real estate transaction.
 - B. **Dual agency;** an express written agreement that modifies existing exclusive agency agreements to provide that the brokerage agrees to act as facilitator in real estate transaction rather than as an exclusive agent for either party.
 - C. **Transaction Broker;** The non-fiduciary relationship created by law, wherein a brokerage provides real estate services without entering into an agency relationship.
7. Unless otherwise authorized in writing, a broker who is directly providing real estate services to a seller shall not disclose the following to the buyer in a transaction:
 - A. that the seller has previously indicated he/she will accept a sales price less than the asking or listed price;
 - B. that the seller will agree to financing terms other than those offered;
 - C. the seller motivations for selling/leasing; or
 - D. any other information the seller has requested in writing remain confidential, unless disclosure is required by law;
8. Unless otherwise authorized in writing, a broker who is directly providing real estate service to a buyer shall not disclose the following to the seller in the transaction:
 - A. that the buyer has previously indicated he/she will pay a price greater than the price submitted in a written offer;
 - B. the buyer's motivation for buying; or
 - C. any other information the buyer has requested in writing remain confidential, unless disclosure is required by law.

BUYER(S) AND SELLER(S): PLEASE ACKNOWLEDGE RECEIPT BY INITIALING BELOW.



**NEW MEXICO ASSOCIATION OF REALTORS®
PURCHASE AGREEMENT – RESIDENTIAL RESALE – 2019
PART II – OTHER REQUIRED DISCLOSURES**

Broker shall update these and all other required disclosures as needed.

1. _____ (“Buyer’s Broker”) is working with the Buyer in this transaction as a:
 - Transaction Broker without a written agreement.
 - Transaction Broker with a written agreement (NMAR Form 1206, Buyer Broker Agreement).
 - Agent with a written agreement (NMAR Form 1206, Buyer Broker Agreement with Agency Addendum).
2. _____ (“Seller’s Broker”) is working with the Seller in this transaction as a:
 - Transaction Broker with a written Listing Agreement.
 - Agent with a written Listing Agreement with Agency Addendum.
 - Transaction Broker without a Listing Agreement, but with a Compensation Agreement.
3. **IN-HOUSE TRANSACTION: Buyer and Seller’s Consent to Dual Representation, NO Dual Agency created.**
 - A.** Buyer’s Broker is licensed under the same Qualifying Broker in the same Brokerage as Seller’s Broker. Seller’s Broker has a written listing agreement with the Seller as Transaction Broker Agent.
 - B.** Buyer’s Broker is also Seller’s Broker for the property in this Transaction. Seller’s Broker has a written listing agreement with Seller as Transaction Broker Agent.
 - C.** Brokerage is representing both Buyer and Seller.
4. **DUAL AGENCY:** Brokerage is representing both Buyer and Seller by means of written agency agreements with each of them and Designated Brokerage has not been chosen by the Qualifying Broker; Designated agency is a policy that discloses to a client of the brokerage that the broker representing them as an agent by means of an express written agency agreement is their only representative in the brokerage. When Designated Agency is *NOT* chosen, Dual Agency is created. In the case of Dual Agency, prior to writing or presenting this offer, Broker must obtain written consent from the Buyer and Seller (NMAR Form 1301, Agency Agreement – Dual).
5. **ADDITIONAL DISCLOSURES:** If any of the following apply, indicate below and attach Broker Duties Supplemental Disclosure NMAR Form 2100 or other disclosure document.
 - A. Broker(s) has any **CONFLICT OF INTEREST** (including any material interest or relationship of a business, personal, or family nature in the transaction);
 - B. Broker(s) knows of **ADVERSE MATERIAL FACTS** about the Property or Transaction; or
 - C. Broker(s) has a written agreement with a licensed **TRANSACTION COORDINATOR** who will be providing services related to the transaction.

By their signatures below, the parties acknowledge the receipt of **BROKER DUTIES** and **BROKER DISCLOSURES:**

BUYER

SELLER

Buyer Signature _____ Date _____ Time _____

Seller Signature _____ Date _____ Time _____

Buyer Signature _____ Date _____ Time _____

Seller Signature _____ Date _____ Time _____

Check if Applicable:

- Buyer is a New Mexico Real Estate Broker
- Buyer is a party to another Buyers Broker Agreement

Check if Applicable:

- Seller is a New Mexico Real Estate Broker

BUYER’S BROKER

Buyer’s Brokerage Firm _____ Broker is is not a REALTOR®

Broker Signature _____ Date _____ Time _____

SELLER’S BROKER

Seller’s Brokerage Firm _____ Broker is is not a REALTOR®

Broker Signature _____ Date _____ Time _____



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OFFER DATE: _____

1. PARTIES AND AGREEMENT.

_____ (“Buyer”) agrees to buy from Seller and _____ (“Seller”) agrees to sell and convey to Buyer, in accordance with terms of this Purchase Agreement (“Agreement”), the Property described in Para. 5 with a Settlement/Signing Date on _____ (as further described in Para. 9A below).

2. PURCHASE PRICE.

A. APPROXIMATE CASH DOWN PAYMENT to be determined by lender and/or buyer **OR** \$ _____

B. AMOUNT OF THE LOAN(S) to be determined by lender and/or buyer **OR** \$ _____

3. OFF MARKET/TIME OFF MARKET (TOM) FEE.

A. Unless otherwise agreed to in writing, as of Date of Acceptance, Seller shall take the Property “Off the Market”, which means Seller shall not accept any other offer to sell the Property, **except a Back-Up Offer.**

B. This Sub-Para. 3(B) to be used **ONLY IF Buyer will be compensating Seller** for taking the Property Off the Market in order to allow Buyer the opportunity to review Seller’s Property Disclosure per Para. 18(H) and conduct inspections per Para. 21 (Collectively, “TOM Fee Inspections”), and if applicable, to resolve any objections Buyer may have to the TOM Fee Inspections. As compensation, Buyer shall deliver to Seller \$ _____ (“TOM Fee”), in the form of Check Cash Other _____, no later than _____ days from Date of Acceptance. In the event of Closing, the TOM Fee, **SHALL NOT** be refunded to Buyer or applied to Purchase Price, down payment, and/or closing costs. In the event Buyer terminates this Agreement for any reason, Seller shall retain the entirety of the TOM Fee. Buyer’s failure to timely deliver the TOM Fee shall be considered a default of this Agreement. See RANM Form 2104(A) TOM Fee Information Sheet and 2104(B) Receipt for TOM Fee.

4. EARNEST MONEY. Buyer shall deliver \$ _____ Earnest Money in the form of Check Cash Note Wire Transfer of Funds Other to _____, no later than _____ days from **Date of Acceptance** **OR** **if Buyer has no objections to TOM Fee Inspections, the Objectation Deadline in Para. 21(F)(iii) or if Buyer has objections to TOM Fee Inspections, the date the parties reach Resolution to those objections** **OR** **OTHER** _____. Earnest Money shall be applied to Purchase Price, down payment, and/or closing costs upon Funding Date. Buyer’s failure to timely deliver Earnest Money shall be considered a default of this Agreement.

5. PROPERTY.

A. DESCRIPTION.

Address _____ City _____ State/Zip _____

Legal Description _____

or see metes and bounds or other legal description attached as Exhibit _____, _____ County(ies), New Mexico.

Gross Receipts Tax (GRT) Location Code: _____ (To be completed by Broker).

If the legal description of the Property is incomplete or inaccurate, this Agreement shall not be invalid; the legal description shall be completed or corrected to meet the requirements of the Title Company issuing the title policy.

B. TYPE: Site built Manufactured housing Modular Off-site built Other: _____ (See NMAR Form 2305 – Information Sheet-Manufactured Housing)

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C. OTHER RIGHTS. Unless otherwise provided herein, Seller shall convey to Buyer all existing wind, solar, water and mineral rights (“Other Rights”) appurtenant to the Property. **Seller makes no warranties as to the existence of any of the foregoing Other Rights. NOTE TO SELLER: If Seller is retaining any or all of the foregoing Other Rights, Seller should NOT sign this offer; a counteroffer would be necessary. NOTE TO BUYER: Buyer should be aware that some or all of the foregoing Other Rights may have been previously severed from the Property and may be owned by third persons; those severed rights would not convey to Buyer by way of this Agreement. Buyer SHOULD seek legal and expert assistance to determine what rights, IF ANY, Buyer is acquiring with the Property, to understand how the non-conveyance of any rights or portions thereof may affect Buyer; and to ensure that all rights that will convey with the Property are properly transferred at closing.**

D. FIXTURES, APPLIANCES AND PERSONAL PROPERTY.

i. FIXTURES. The Property shall include all Fixtures, free of all liens, unless otherwise noted, including, but not limited to, the following Fixtures if such Fixture exists on the Property, unless otherwise excluded as stated in Para. 5E:

- | | | |
|--|--|---|
| • Attached fireplace grate(s) & screen(s) | • Dishwasher(s) | • Security System(s) (if owned by Seller) |
| • Attached floor covering(s) | • Fire Alarm(s) (if owned by Seller) | • Smoke Alarm(s) (if owned by Seller) |
| • Attached mirror(s) | • Garbage disposal(s) | • Solar Power System(s)/Panels (If leased by Seller, lien may exist) |
| • Attached outdoor lighting & fountain(s) | • Garage door opener(s) | • Sprinkler(s)/irrigation equipment |
| • Attached pot rack(s) | • Heating system(s) | • Storm window(s) & door(s) |
| • Attached window covering(s) & rod(s) | • Landscaping | • TV antenna(s) & satellite dish(es) |
| • Awning(s) | • Light fixture(s) | • Ventilating & air conditioning system(s) |
| • Built in/attached speaker(s) & subwoofer(s) | • Mailbox(es) | • Water conditioning/filtration /water softener/purification system(s) (if owned by Seller) |
| • Built-in Murphy bed(s) | • Outdoor plant(s) & tree(s) (other than those in moveable containers) | |
| • Ceiling fan(s) | • Oven(s) | |
| • Central vacuum, to include all hoses & attachments | • Pellet, wood-burning or gas stove(s) | |
| | • Range(s) | |
| | • Window/door screen(s) | |

ii. PERSONAL PROPERTY. The following existing personal property, if checked, shall remain with the Property:

- | | | |
|---|---|---|
| <input type="checkbox"/> All window covering(s) | <input type="checkbox"/> Freestanding Range(s) | <input type="checkbox"/> Storage Shed(s) |
| <input type="checkbox"/> Audio component(s) | <input type="checkbox"/> Microwave(s) | <input type="checkbox"/> TV(s) |
| <input type="checkbox"/> Decorative mirror(s) above bath vanities | <input type="checkbox"/> Pool & spa equipment including any mechanical or other cleaning system(s) | <input type="checkbox"/> Unattached fireplace grate(s) & screen(s) |
| <input type="checkbox"/> Dryer(s) | <input type="checkbox"/> Refrigerator(s) | <input type="checkbox"/> Unattached outdoor fountain(s) & equipment |
| <input type="checkbox"/> Washer(s) | <input type="checkbox"/> Satellite receiver(s) with access cards (if owned by Seller and if transferable) | <input type="checkbox"/> Unattached outdoor lighting |
| <input type="checkbox"/> Garage door remote(s) | | <input type="checkbox"/> Hot Tub(s) |
| <input type="checkbox"/> Freezer(s) | | |

Other: _____

Personal Property remaining with the Property as stated in Para. 5D, shall be the actual personal property that is present as of the date the Buyer submits this offer, shall not be considered part of the premises and shall be transferred with no monetary value, free and clear of all liens and encumbrances.

E. EXCLUSIONS. The following items are excluded from the sale: _____



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6. FINANCED OR CASH PURCHASE

A. **LOANS.** This Agreement is contingent upon Buyer’s ability to obtain a loan in the amount stated above in Para. 2(B) of the following type:

Conventional FHA VA Other: _____

- i. Buyer has made written application for a loan, or shall make written application for a loan no later than _____ days after the Date of Acceptance.
- ii. Buyer shall provide Seller with a Pre-Qualification Letter from a lender no later than _____ days after the Date of Acceptance. Pre-Qualification Letter must stipulate that:
 - a) A written loan application has been made;
 - b) A credit report has been obtained and reviewed by a lender;
 - c) A preliminary loan commitment has been secured from the same lender;
 - d) Financing equal to the loan amount provided in Para. 2(B) of this Agreement is available to complete the transaction by the Settlement/Signing Date subject to contingencies provided for in this Agreement and underwriting approval.

If Buyer does not obtain a Pre-Qualification Letter within the timeframe stipulated above, this Agreement shall terminate and the Earnest Money, if delivered, shall be refunded to Buyer.

- iii. If Buyer changes lender after delivery of the Pre-Qualification Letter referenced in Para. 6(A)(ii), Buyer shall have the obligation to notify Seller in writing and provide a new Pre-Qualification Letter to Seller within two (2) days of changing lender. This new Pre-Qualification Letter must include the same stipulations as the original Pre-Qualification Letter as set forth in Para. 6(A)(ii). If Buyer does not obtain and deliver a new Pre-Qualification Letter within two (2) days of changing lender, the Seller has the option to terminate this Agreement. If Seller elects to terminate this Agreement, the Earnest Money, if delivered, shall be refunded to Buyer.
- iv. Buyer shall cooperate and act in good faith in obtaining final approval for the loan as outlined in the Pre-Qualification Letter referenced in Para. 6(A)(ii). If after issuing the Pre-Qualification letter, lender makes changes to the loan conditions and/or the loan program that adversely affect Buyer’s ability to obtain the loan, increase Seller’s costs or delay closing, Buyer shall have the obligation to notify Seller in writing within two (2) days of such occurrence and to include a copy of the lender requirement(s) with the notification. In that event, within three (3) days of receipt of Buyer’s notification, Seller shall notify Buyer in writing: (a) of Seller’s approval of such changes; or (b) of Seller’s decision to terminate the Agreement. If Seller terminates the Agreement per this Sub-Para. 6(A)(iv), Earnest Money, if delivered, shall be refunded to Buyer. If Seller fails to notify Buyer of Seller’s position within three (3) days of receipt of Buyer’s notification, Seller is deemed to have **rejected** such change in lender requirement(s). In this event, the Agreement shall terminate and the Earnest Money, if delivered, shall be refunded to Buyer.
- v. In the event the lender determines Buyer does not qualify for the loan, Buyer shall provide to Seller and Seller must receive a written rejection letter from the Buyer’s lender prior to 11:59 p.m. on the day before; or _____ days before Settlement/Signing Date. In the event Seller does not receive such rejection letter within the timeframe set forth in this Sub-Para. 6(A)(v), Buyer shall forfeit his Earnest Money, if delivered, to Seller. Days are calculated as calendar days; however, for purposes of this subsection only (Para. 6(A)(v)), there shall be NO extension of time when the deadline for Seller to receive the lender’s written rejection letter falls on a weekend day or a legal holiday. The definition of "days" for all other provisions of this Agreement is as set forth in Para. 31.

B. **SELLER FINANCING.** The approximate balance of \$ _____ shall be financed by Seller and shall be secured by: Real Estate Contract Mortgage Deed of Trust Other: _____ Terms and conditions of the applicable instrument shall be attached as an addendum. For a Real Estate Contract, attach NMAR Form 2402 - Real Estate Contract Addendum to Purchase Agreement. For a Mortgage or Deed of Trust, Attach NMAR Form 2507 – Addendum to Purchase Agreement – Seller Financing, Mortgage or Deed of Trust.

C. **CASH PURCHASE:** Buyer shall purchase the subject Property for Cash. No later than _____ days after the Date of Acceptance, Buyer shall provide Seller with verification of funds and proof satisfactory to Seller that Buyer has in Buyer’s possession or control, the funds necessary to complete the transaction. This Agreement



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shall terminate in the event Buyer fails to provide timely proof of funds and Earnest Money, if delivered,
 shall shall not be refunded to Buyer.

7. **BUYER'S SALE, CLOSING AND FUNDING CONTINGENCY.** This Agreement is contingent upon the Closing and Funding of Buyer's property located at _____ on or before _____, subject to any applicable Buyer's Contingency Addendum if attached as indicated below:

- A. Buyer represents that Buyer's property is currently under contract for sale. Check if NMAR Form 2503A, Buyer's Closing and Funding Addendum is attached; OR
- B. Buyer represents that Buyer's property is NOT yet under contract for sale. Check if NMAR Form 2503, Buyer's Sale Contingency Addendum is attached.

8. **APPRAISAL.**

A. **CASH OR SELLER-FINANCED.** Buyer does does not require an appraisal. **Buyer Initials** _____.
 If Buyer is requiring an appraisal, the following applies:

- i. Buyer shall select the appraiser;
- ii. Buyer Seller shall pay for the appraisal; and

B. **APPRAISAL CONTINGENCY.** It is expressly agreed that notwithstanding any other provisions of this Agreement, the Buyer shall not be obligated to complete the purchase of the Property described herein or to incur any penalty by forfeiture of Earnest Money deposits or otherwise if the Purchase Price is greater than the Appraisal. This Appraisal Contingency applies to the following:

- i. All conventional and FHA/VA loans requiring an appraisal; and
- ii. Cash and seller-financed purchases if the Buyer requires an appraisal as indicated in Para. 8(A).

C. **OPTIONS AVAILABLE IN THE EVENT PURCHASE PRICE IS GREATER THAN APPRAISAL.**

- i. Buyer may proceed with this Agreement without regard to the amount of the appraised valuation provided Buyer delivers written notice to Seller of such election within three (3) days of receipt of said appraised valuation ("3-day Period"). If Buyer fails to notify Seller of his intent to proceed within the 3-day Period, this Agreement shall automatically terminate and Earnest Money, if delivered, shall be refunded to Buyer; OR
- ii. The parties may negotiate a new Purchase Price. If the parties cannot agree to a new Purchase Price within five (5) days of Seller's receipt of Buyer's notification of the Appraisal, this Agreement shall automatically terminate and Earnest Money, if delivered, shall be refunded to Buyer; OR
- iii. Buyer may terminate this Agreement. In this event, Earnest Money, if delivered, shall be refunded to Buyer.

9. **CLOSING.** "Closing" is defined as a series of events by which Buyer and Seller satisfy all of their obligations in the Agreement. Closing is not completed until all parties have completed all requirements as stated below, as well as all other obligations under this Agreement. Any amendment of the following dates **MUST BE** in writing and unless otherwise provided for in this Agreement, signed by both parties. The parties further acknowledge that Seller shall not receive the proceeds of sale until the Funding Date Requirements are satisfied.

A. **SETTLEMENT/SIGNING DATE:** _____ (as set forth in Para. 1) On or before the Settlement/Signing date the parties shall complete the following:

- i. Sign and deliver to the responsible closing officer all documents required to complete the transaction and to perform all other closing obligations of this Agreement; and
- ii. Provide for the delivery of all required funds, exclusive of lender funds, if any, using wired, certified or other "ready" funds acceptable to the closing officer,

B. **FUNDING DATE (Completion of Closing):** _____. On or before the Funding Date the responsible party(ies) shall make all funds available to the title officer for disbursement in accordance with this Agreement. The Funding Date Requirements have been satisfied when:

- i. the title officer has all funds available to disburse as required by this Agreement; and
- ii. the title officer has recorded with the County Clerk all required documents.

Seller shall provide all existing keys, security system/alarm codes, gate openers and garage door openers to Buyer once Funding Date Requirement are satisfied or as otherwise provided for in an Occupancy Agreement. If the Buyer is obtaining a loan for the purchase of the Property, it is the Buyer's responsibility to ensure that Buyer's lender makes available to the closing officer, wired, certified or other "ready" funds with written instructions to disburse funds, on or before the Funding Date. The failure of Buyer's lender to make funds available on or before the Funding Date, shall be deemed a default of this Agreement by the Buyer.



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10. POSSESSION DATE.

- A. Seller shall deliver possession of the Property to Buyer on the Possession Date as set forth below:
 At time Funding Date Requirements are satisfied
 Other: _____
- B. Unless otherwise agreed to in writing, upon Possession Date, or the date the Property is surrendered to Buyer per a Seller Occupancy Agreement, if applicable, Seller shall have all his personal belongings and all debris and garbage removed from the Property. In the event Seller fails to remove his personal property, Buyer shall not be responsible for storage of Seller’s personal property, may dispose of Sellers personal property in any manner Buyer deems appropriate, in Buyer’s sole discretion, and shall not be liable to Seller for the value of Seller’s personal property. In the event Seller fails to remove all debris and garbage from the Property, Seller shall be liable to Buyer for all costs associated with removal of such debris and garbage.
- C. If Possession Date is other than the time the Funding Date Requirements are satisfied, then Buyer and Seller shall execute a separate written agreement outlining the terms agreed to by the parties. (See NMAR Form 2201-Occupancy Agreement – Buyer or NMAR Form 2202 – Occupancy Agreement - Seller)
- D. Seller shall maintain homeowners and liability insurance on Property through Possession Date, unless otherwise provided for in an Occupancy Agreement.

11. COSTS TO BE PAID. Buyer or Seller, as applicable, shall pay the following marked items: **DO NOT USE THIS SECTION FOR SELLER CONCESSIONS/CREDITS TO BUYER; USE AN ADDENDUM**

LOAN RELATED COSTS AND FEES	Buyer	Seller	Not Required	TITLE COSTS	COMPANY CLOSING	Buyer	Seller	Not Required
Appraisal Fee				Closing Fee				
Appraisal Re-inspection Fee				Pro-Rata Data Search				
Credit Report				Legal Document Preparation				
Loan Assumption /Transfer				Special Assessment Search				
Origination Charge: up to <input type="checkbox"/> \$ <input type="checkbox"/> %				Buyer Recording Fees				
Points – Buydown				Seller Recording Fees				
Points - Discount				Other:				
Tax Service Fee				Other:				
Flood Zone Certification								
Other:								
Other:				POLICY PREMIUMS				
				Initial Title Commitment				
				Standard Owner’s Policy				
				Mortgagee’s Policy				
PREPAIDS REQUIRED BY LENDER				Mortgagee’s Policy Endorsements				
Flood Insurance				Other:				
Hazard Insurance								
Interest								
PMI or MIP				Any fees charged by the title company to revise the title commitment, shall be borne by the party who necessitated the revision. In the event a third-party document necessitates the revision (e.g. survey, appraisal, etc.), the parties agree to equally split any fee charged.				
Taxes								
MANUFACTURED HOME COSTS				MISCELLANEOUS				
Foundation Inspection				Survey (Para. 19)				
Foundation Repairs				Impact Fees				
Re-Inspection Fees				Transfer Fees (e.g. HOA)				
DMV Title Transfer				Certificate Fee (e.g. HOA)				
Deactivation Fees				Other:				
Other:				Other:				
Other:				Other:				

Buyer shall pay all other allowed direct loan costs.



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12. **IRS 1031 TAX-DEFERRED EXCHANGE.** Buyer Seller intends to use this Property to accomplish a 1031 Tax-Deferred Exchange. The parties shall cooperate with one another in signing and completing any documents required. The non-exchanging party shall bear no additional expense.
13. **PRORATIONS.** Seller shall be responsible for disclosing all applicable property specific fees, or lease agreements, private memberships and/or association fees or dues, taxes and contract service agreements, all of which are to be prorated through Settlement/Signing Date. Any equipment rental or contract service agreement (e.g. alarm system, satellite system, propane tank (to include any remaining propane gas therein), private refuse collection, road maintenance, etc.) shall be handled directly between the Buyer and Seller; the title or escrow company shall not be responsible for proration thereof.
14. **ASSESSMENTS.** For all bonds, impact fees and assessments other than PID assessments (collectively “assessments”), Buyer shall have _____ days after receipt of the title commitment to object in writing to the amounts of such assessments and to terminate this Agreement (“Objection Date”). In the event Buyer submits written objections by the Objection Date, the Earnest Money, if delivered, shall be refunded to the Buyer. If Buyer fails to notify Seller of Buyer’s objections by the Objection Date, Buyer shall be deemed to have accepted the amounts of any assessment and shall have waived his right to terminate this Agreement based thereon. In the event Buyer does not object, Buyer shall assume all assessments that are part of or paid with the property tax bill. If other assessments are a lien upon the Property, the current installment shall be prorated through Settlement/Signing Date. Buyer shall assume future installments. Buyer shall pay all future assessments for improvements. **NOTE:** If Property is located in a Public Improvement District (PID), Seller must provide a Public Improvement District Disclosure to Buyer PRIOR to entering into this Agreement. See Para. 18(B).
15. **EXAMINATION OF TITLE; LIENS; DEED.**
- A. BUYER SELLER shall order a title commitment from _____ (Title Company) within _____ days after the **Date Of Acceptance** **Date TOM Fee is Delivered** **Date Earnest Money is Delivered**. After receipt of the title commitment and all documents referred to therein, Buyer shall have _____ days (“Review Period”) to review and object to title exceptions. Exceptions to the title, including the Standard Exceptions, shall be deemed approved unless Buyer delivers written objections to the Seller within the Review Period. If Seller is unwilling or unable to remove such exception(s) before the Settlement/Signing Date, Seller shall provide written notice to Buyer within _____ days after receipt of Buyer’s objection and Buyer may choose to close subject to exceptions, remove the exceptions at Buyer’s expense or terminate this Agreement. If Buyer terminates this Agreement, Earnest Money, if delivered, shall be refunded to Buyer.
- B. Seller shall satisfy any judgments and liens, including but not limited to, all mechanics’ and materialmen’s liens of record on or before Funding Date and shall indemnify and hold Buyer harmless from any liens filed of record after Settlement/Signing Date and which arise out of any claim related to the providing of materials or services to improve the Property as authorized by Seller or Seller’s agents, unless otherwise agreed to in writing.
- C. Seller shall convey the Property by General Warranty Deed Special Warranty Deed Other Deed (describe) _____ subject only to any matters identified in the title commitment and not objected to by Buyer as provided in Para. 15A. The legal description contained in the deed shall be the same legal description contained in the title commitment and any survey required under Para. 19.
16. **FIRPTA.** The Foreign Investment in Real Property Tax Act of 1980 (FIRPTA) requires buyers who purchase real property from foreign sellers to withhold a portion of the amount realized from the sale of the real property for remittance to the Internal Revenue Service (IRS). In the event the seller(s) is **NOT** a foreign person, FIRPTA requires the buyer to obtain proof of the seller’s non-foreign status in order to avoid withholding requirements. Exceptions may apply. For more information, refer to NMAR Form 2304 – Information Sheet – FIRPTA & Taxation of Foreign Persons Receiving Rental Income from U.S. Property.

FIRPTA Exception (most common): The sales price of the property is not more than \$300,000 **AND** buyer warrants that buyer shall be using the property as buyer’s primary residence (“Exception”).

NOTE: BOTH MUST APPLY TO QUALIFY AS AN EXCEPTION.

Exception does does not apply _____ Buyer(s) Initials.



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In the event the above Exception to FIRPTA does not apply, then prior to or at closing, Seller(s) shall provide to Buyer or to a Qualified Substitute (generally, the Title Company) either a Non-Foreign Seller Affidavit(s) **OR** a letter from the IRS indicating Seller(s) is exempt from withholding. In the event Seller(s) fails to do so, Buyer shall have the right to withhold the applicable percentage of the amount realized from the sale of the Property for remittance to the IRS.

17. INSURANCE CONTINGENCY/ APPLICATION.

- A. APPLICATION.** Buyer shall make application for insurance within ____ days after Date of Acceptance of this Agreement. If Buyer fails to make application to the insurance company within the agreed time, this insurance contingency shall be deemed waived.
- B. CONTINGENCY.** Provided the Contingency Deadline as set forth below in Para. 17(C) is met, this Agreement is conditioned on the following:
 - i) Buyer’s ability to obtain a homeowner’s or property insurance quote on the Property at normal and customary premium rates; AND,
 - ii) Seller’s claim history having no impact on the Buyer’s insurance in the future.

Buyer understands that an insurance company may cancel or change the terms of a homeowner’s insurance policy/quote for any reason prior to close of escrow or within sixty days after issuance of the homeowner’s policy/quote (which generally occurs at close of escrow).
- C. CONTINGENCY DEADLINE.** The Insurance Contingency set forth in Para. 17(B) above shall be deemed satisfied, unless within ____ days after Date of Acceptance of this Agreement, Buyer delivers written notice to Seller that one or more of the above insurance contingencies cannot be satisfied along with documentation from the insurance provider stating the same. (“Contingency Deadline”). In the event Buyer delivers such notice and documentation to Seller by the Contingency Deadline, the Purchase Agreement shall terminate and the Earnest Money, if delivered, shall be refunded to Buyer.

18. DISCLOSURES AND DOCUMENTS.

- A. LEAD BASED PAINT (LBP).** Is any part of this Property a residence built before 1978? Yes No If the answer is “Yes”, attach NMAR Form 5112 LBP Addendum to Purchase Agreement. Property is subject to the LBP Renovation Repair and Painting Program. See NMAR Form 2315 Information Sheet LBP Renovation Repair & Painting Program.
- B. PUBLIC IMPROVEMENT DISTRICT (“PID”).** Is this Property located in a PID? Yes No If the answer is “Yes”, SELLER MAY NOT ACCEPT AN OFFER FROM BUYER UNTIL SPECIFIC DISCLOSURES REGARDING THE PID HAVE BEEN MADE TO THE BUYER.
 ____ Buyer(s) Initials. Buyer(s) hereby acknowledge receipt of the PID Disclosure on the Property. See NMAR Form 4550 - Public Improvement District Disclosure Form and NMAR Form 4500 – Information Sheet Public Improvement District.
- C. HOMEOWNERS’ OR CONDOMINIUM (UNIT) OWNERS’ ASSOCIATION (“HOA/COA”).** Is the Property located in a (HOA) or (COA)? Yes No If the answer is “Yes”, Seller shall provide Buyer with specific documents pertaining to the Property and HOA and/or COA, as applicable. For HOAs, see NMAR Form 4600 – Information Sheet HOA, NMAR Form 4650 – Seller’s Disclosure of HOA Documents and NMAR Form 4700 - HOA Request for Disclosure Certificate. For COAs, see NMAR Form 2302A – Re-Sale Certificate for COAs.
- D. PROPERTY TAX DISCLOSURE.** See NMAR Form 3275 - Information Sheet Estimated Property Tax Levy Disclosure.
 ____ Buyer(s) Initials. Buyer(s) hereby acknowledges receipt of the Estimated Property Tax Levy on the Property, attached as Exhibit ____ and understands that said Estimated Property Tax Levy is based on the LISTING price of the Property; OR
 ____ Buyer(s) Initials. Buyer(s) hereby acknowledges that the Estimated Property Tax Levy on the Property is not readily available and does hereby waive the right to receive the Estimated Property Tax Levy.
- E. SEPTIC SYSTEM.** Does the Property include an on-site liquid waste system? Yes No If the answer is “Yes”, the transfer of the Property is subject to regulations of the New Mexico Environment Department governing on-site liquid waste systems which includes the requirement that Seller have an inspection conducted by a licensed septic system inspector prior to transfer. Attach NMAR Form 5120A - Septic System Contingency Addendum. See NMAR Form 2308 – Information Sheet Septic Systems.



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- F. WELLS.** Does the Property include a well? Yes No If the answer is “Yes”, is the well Private Domestic Well Shared Domestic Well Other _____.
- Transfer of Property with a well is subject to the regulations of the New Mexico Office of the State Engineer, which includes the requirement that the State Engineer’s Office be notified when a well changes ownership. See NMAR Form 2307 – Information Sheet Water Rights & Wells.
- G. MANUFACTURED HOUSING.** Does the Property include a manufactured house? Yes No If the answer is “Yes”, attach NMAR Form 2700 - Seller’s Disclosure of Manufactured Housing.
- H. DOCUMENTS.** As used in this Sub-Para. 18(H), the Delivery Deadline is the date by which Seller shall provide and Buyer must receive any documents, reports or surveys specified.

DOCUMENTS	DELIVERY DEADLINE	OBJECTION DEADLINE	RESOLUTION DEADLINE
Property Disclosure Statement			
Road Documents			
Water Rights Documents			
Well Documents: See NMAR Form 2307 Information Sheet – Water Rights & Wells. (Including but not limited to: well permit, well log, shared well agreement and Change of Ownership Information notification.)			
Lease Agreements			
Permits			
Homeowner’s Association (HOA) Documents			
Homeowner’s Association (HOA) Disclosure Certificate OR Condominium Re-Sale Certificate Must be delivered to Buyer no less than seven (7) days before the Settlement/Signing Date.		Date _____ Buyer has no less than seven (7) days from receipt of the HOA Disclosure Certificate to object	
CCR’s – Restrictive covenants			
Solar Power System/Panels Documents – If Buyer will assume Solar Panel System Lease/Loan, use NMAR Form 5125 – DO NOT COMPLETE THIS SECTION			
Other:			
MANUFACTURED HOUSING			
Manufactured Housing Documents – See NMAR Form 2700 Seller’s Disclosure of Manufactured Housing			
Structural Engineer Inspection			
FHA Inspection			
Foundation Installation			
Manufactured Housing Division Permanent Foundation Permit			

19. SURVEYS OR IMPROVEMENT LOCATION REPORT (ILR). Buyer has the right to have performed the survey or ILR selected below or the right to accept an existing one. Unless otherwise agreed in writing, the party paying for the survey or ILR as indicated in Para. 11 shall select the surveyor and order the survey or ILR. **The party who agrees to pay for the survey or ILR is responsible for doing so, even if the transaction does not close.**

- Improvement Location Report Staked Boundary Survey American Land Title Association Survey (ALTA)
 Flood Plain Designation Other: _____

- A. DELIVERY DEADLINE:** Survey or ILR shall be delivered to Buyer(s) no later than: _____, _____ or _____ days from Date of Acceptance.
- B. OBJECTION DEADLINE:** Objections to be delivered to Seller(s) no later than: _____, _____ or _____ days from Date of Acceptance.
- C. RESOLUTION DEADLINE:** All objections to be resolved no later than: _____, _____ or _____ days from Date of Acceptance.
- D. OBJECTION/RESOLUTION:** Para. 21(H) and (I) shall further govern Buyer’s right to object to the Survey or ILR performed and resolution of Buyer’s objections.



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20. BUYER’S REPRESENTATIONS. Buyer warrants that prior to entering into this Agreement, he has thoroughly investigated the neighborhood and the areas surrounding the property, to include, but not be limited to investigation of the following: the existence of registered sex offenders or other persons convicted of crimes that may reside in the area; and the presence of any structures located, businesses operating or activities conducted in the area that, in Buyer’s opinion, affects the value and/or desirability of the property. By entering into this Agreement, Buyer represents he is satisfied with the neighborhood and surrounding areas.

21. INSPECTIONS. THE PARTIES ARE ENCOURAGED TO EMPLOY COMPETENT AND, WHERE APPROPRIATE, LICENSED PROFESSIONALS TO PERFORM ALL AGREED UPON INSPECTIONS OF THE PROPERTY.

A. BUYER DUTIES AND RIGHTS.

i. BUYER’S DILIGENCE, ATTENTION AND OBSERVATION. The Buyer has the following affirmative duties:

- a) To conduct all due diligence necessary to confirm all material facts relevant to Buyer’s purchase of the Property;
- b) To assure himself that the Property Buyer is purchasing is exactly what Buyer is intending to purchase;
- c) To make himself aware of the physical condition of the Property through his own diligent attention and observation;
- d) To investigate the legal, practical and technical implications of all disclosed, known or discovered facts regarding the Property and;
- e) To thoroughly review all written reports provided by professionals and discuss the results of such reports and inspections with the professionals who created the report and/or conducted the inspection.

ii. RIGHT TO CONDUCT INSPECTIONS. The Buyer is advised to exercise all his rights under and in accordance with this Agreement to investigate the Property. Unless otherwise waived, Buyer(s) may complete any and all inspections of the Property that he deems necessary. These inspections may include, but are not limited to the following: home, electrical, heating/air conditioning, plumbing, roof, structural, lead-based paint (including risk assessment, paint inspection or both), well equipment (pumps, pressure tanks, lines), well potability tests, well water yield tests, pool/spa/hot tub equipment, wood destroying insects, dry rot, radon, mold, square foot measurement, sewer line inspections, septic inspections, ductwork, phase one environmental and soil tests. The Buyer’s rights to object to inspections and terminate the Agreement based on inspections are set forth in Para. 21(H). Buyer is advised to thoroughly review those rights.

iii. SQUARE FOOTAGE. BUYER IS AWARE THAT ANY REFERENCE TO THE SQUARE FOOTAGE OF THE PREMISES, BOTH THE REAL PROPERTY (LAND) AND IMPROVEMENTS THEREON, IS APPROXIMATE. IF SQUARE FOOTAGE IS A MATERIAL MATTER TO THE BUYER, THE BUYER SHALL INVESTIGATE THE SQUARE FOOTAGE DURING THE INSPECTION PERIOD.

Buyer Initials.

B. SELLER’S DUTY TO DISCLOSE. Seller is required to disclose to Buyer any adverse material defects known to him about the Property. However, Seller does not have an obligation to inspect the Property for the Buyer’s benefit or to repair, correct or otherwise cure known defects that are disclosed to Buyer or previously unknown defects that are discovered by Buyer or Buyer’s inspectors. Seller shall make the Property available to Buyer for inspections.

C. AVAILABILITY OF UTILITIES FOR INSPECTIONS.

Buyer Seller shall be responsible for paying any charges required by the utility companies to have utilities turned on for inspection purposes. In no event shall Buyer be responsible for bringing the Property up to code or for paying unpaid utility bills. **If utilities are on as of Date of Acceptance, Seller shall maintain utilities through Possession Date (Para. 10) or date otherwise stated in an Occupancy Agreement.**

D. INSPECTOR SELECTION. NOTWITHSTANDING PARA. 19, UNLESS OTHERWISE AGREED TO IN WRITING, BUYER SHALL HAVE THE RIGHT TO SELECT ALL INSPECTORS AND ORDER ALL INSPECTIONS EVEN IF SELLER HAS AGREED TO PAY FOR THE INSPECTION(S).



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E. PAYMENT OF INSPECTIONS. BUYER SHALL PAY FOR ALL INSPECTIONS EXCEPT THE FOLLOWING, WHICH SHALL BE PAID BY SELLER. _____

NOTE: THE PARTY WHO AGREES TO PAY FOR THE INSPECTION IS RESPONSIBLE FOR DOING SO, EVEN IF THE TRANSACTION DOES NOT CLOSE.

F. INSPECTION DEADLINES. Unless otherwise provided for in this Agreement, the following applies:

- i. Delivery Deadline:** Inspections to be completed and reports delivered to Buyer(s) no later than: _____, _____ or _____ days from Date of Acceptance.
- ii. Objection Deadline:** Objections to be delivered to Seller(s) no later than: _____, _____ or _____ days from Date of Acceptance.
- iii. Resolution Deadline:** Written agreement for resolution of all objections to be agreed upon no later than: _____, _____ or _____ days from Date of Acceptance.

G. WAIVER OF INSPECTIONS. Buyer to initial if applicable.

- _____ Buyer waives **ALL** inspections unless required by law or Buyer’s lender.
- _____ Buyer waives **ALL** inspections.
- _____ Buyer waives the following inspections: _____

H. BUYER’S OBJECTIONS/TERMINATION.

- i.** If Buyer has reasonable objections to any issue or condition disclosed by any document (Para. 18), survey or ILR (Para. 19) and/or inspection (Para. 21), **then no later than the applicable Objection Deadline**, Buyer may **OBJECT** and request that Seller cure the issue/condition (NMAR Form 5109 – ORW Agreement) or Buyer may **TERMINATE** this Agreement (NMAR Form 5105 – Termination Agreement). Buyer's objections or termination must be in writing. If Buyer **OBJECTS AND ASKS SELLER TO CURE**, Buyer **MUST** produce with his objections a copy of the document, survey and/or SECTION of the inspection report on which Buyer's objections are based; production of such document, survey or report is **NOT** required if Buyer **TERMINATES WITHOUT ASKING SELLER TO CURE OBJECTIONS**. If Buyer timely elects to terminate, Earnest Money, if delivered, shall be refunded to Buyer. Buyer's failure to timely deliver to Seller his objection or termination shall be deemed a waiver of Buyer's right to object or terminate and of the applicable contingency.
- ii.** If Seller is responsible for ordering a report or document, and Buyer does not receive that report or document by the Delivery Deadline, Buyer and Seller may agree to extend the applicable deadlines or Buyer may terminate the Agreement. If Buyer elects to terminate, Earnest Money, if delivered, shall be refunded to Buyer.
- iii.** If Buyer is responsible for ordering a report or document, and fails to do so in a timely manner, so that Buyer does not have the report or document by the Objection Deadline, Buyer may not use the failure to receive the report or document as the rationale for terminating the Agreement.

I. RESOLUTION. If Buyer requests a cure of his objections, Seller may agree to cure Buyer's objections as requested, provide an alternative cure, or refuse to correct/address Buyer’s objections (Collectively Seller’s Response). Buyer may not withdraw his objections and terminate the Agreement prior to Seller’s Response. If in Seller's Response, Seller does not agree to cure all Buyer's objections in the manner requested by Buyer, then Buyer may terminate the Agreement or continue to negotiate with Seller. If negotiations continue, and Buyer and Seller are unable to reach a Resolution by the Resolution Deadline then **THIS AGREEMENT SHALL TERMINATE** and Earnest Money, if delivered, shall be refunded to Buyer.

J. OBJECTIONS COMPLETION. In the event Seller agrees to complete or pay for any repairs prior to closing, Seller shall complete the repairs no later than _____ days prior to Settlement/Signing Date.

K. BUYER’S ENTRY. Seller shall provide reasonable access to Buyer and Buyer’s inspectors. Buyer shall return the Property to the condition it was in prior to any entry, test and/or inspection by Buyer. Buyer shall be liable to Seller for any damages that occur to the Property as a result of any inspection conducted by Buyer, his Broker(s), agents, inspectors, contractors and/or employees (collectively “Buyer’s Representatives”) and Buyer agrees to hold Seller harmless, indemnify and defend Seller from any and all claims, liabilities, liens, losses, expenses (including reasonable attorneys’ fees and costs), and/or damages arising out of or related to any entry, inspections and/or tests conducted by Buyer or Buyer’s Representative. Buyer and Buyer’s Representative are **NOT** permitted on the Property without prior notification to and approval by Seller or Seller’s Broker.



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22. TERMINATION AND DISTRIBUTION OF EARNEST MONEY. If this Agreement terminates in accordance with the terms of this Agreement, the parties shall execute a Termination Agreement (NMAR Form 5105) and in the event Earnest Money has been delivered to a Title Company/Escrow Agent, the parties shall execute an Earnest Money Distribution Form that provides for distribution of the Earnest Money in accordance with the terms of this Agreement.
 _____ Buyer Initials. _____ Seller Initials.

23. SERVICE PROVIDER RECOMMENDATIONS. If Broker(s) recommends a builder, contractor, escrow company, title company, pest control service, appraiser, lender, home inspection company or home warranty company or any other person or entity to Seller or Buyer for any purpose, such recommendation shall be independently investigated and evaluated by Seller or Buyer, who hereby acknowledges that any decision to enter into any contractual arrangement with any such person or entity recommended by Broker shall be based solely upon such independent investigation and evaluation.

24. HOME WARRANTY CONTRACT. Buyer is advised to investigate the various home warranty plans available for purchase. The parties acknowledge that different home warranty plans have different coverage options, exclusions, limitations and service fees and most plans exclude pre-existing conditions. Neither the Seller, nor the Broker, is responsible for home warranty coverage or lack thereof. The parties acknowledge that a Home Warranty Service Contract provider may conduct an inspection of the Property but does not always do so.
 A Home Warranty Plan shall be ordered by Buyer Seller to be issued by _____ at a cost not to exceed \$ _____, to be paid for by Buyer Seller.
 Buyer declines the purchase of a Home Warranty Plan.

25. DISCLAIMER. The Property is sold in its current condition including, but not limited to, the nature, location, amount, sufficiency or suitability of the following: current or future value; future income to be derived therefrom; current or future production; condition; size; location of utility lines; location of sewer and water lines; availability of utility services or the possibility of extending improvements (paving, sewer, water, utilities, access) to the Property; easements with which the Property is burdened or benefited; lot boundaries; adjacent property zoning; physical and legal access; soil conditions; permits, zoning, or code compliance; lot size or acreage; improvements or square footage of improvements; and water rights. **Broker has not investigated and is not responsible for the forgoing aspects of the Property, among which lot size, acreage, and square footage may have been approximated, but are not warranted as accurate.** Buyer shall have had full and fair opportunity to inspect and judge all aspects of the Property with professional assistance of Buyer's choosing prior to settlement Buyer and Seller acknowledge that Brokers' only role in this transaction is to provide real estate advice to Broker's respective client and/or customer and real estate information to the parties. For all other advice or information that may affect this transaction, including but not limited to financial and legal advice, the parties shall rely on other professionals.
 _____ Buyer(s) Initials. _____ Seller(s) Initials.

26. MAINTENANCE. Until the Possession Date, Seller shall maintain the Property and all aspects thereof including, but not limited to the following: heating; air conditioning; electrical; roofs; solar; septic systems; well and well equipment; gutters and downspouts; sprinklers; plumbing systems, including the water heater; pool and spa systems; appliances; and other mechanical apparatuses. **If utilities are on as of Date of Acceptance, Seller shall maintain utilities through Possession Date (Para.10) or date otherwise stated in an Occupancy Agreement. It is the Buyer's responsibility to arrange to transfer utilities into Buyer's name on Possession Date or date otherwise stated in an Occupancy Agreement.** Seller shall deliver the Property, all of the foregoing, and all other aspects thereof to Buyer in the same condition as of the Date of Acceptance, reasonable wear and tear excepted. The following items are specifically excluded from the above: _____

27. PRE-CLOSING WALK-THROUGH. Within _____ days prior to Settlement/Signing Date, Seller shall allow reasonable access to conduct a walk-through of the Property for the purpose of satisfying Buyer that any corrections or repairs agreed to by the Seller have been completed, warranted items are in working condition and the Property is in the same condition as on the Date of Acceptance, reasonable wear and tear excepted. See NMAR Form 5110 - Walk-Through Statement.



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- 28. CONSENT TO THE ELECTRONIC TRANSMISSION OF DOCUMENTS AND TO THE USE OF ELECTRONIC SIGNATURES.** The parties do do not consent to conduct any business related to and/or required under this Agreement by electronic means, including, but not limited to the receipt of electronic records and the use of electronic signatures. Subject to applicable law, electronic signatures shall have the same legal validity and effect as original hand-written signatures. Nothing herein prohibits the parties from conducting business by non-electronic means. If a party has consented to receive records electronically and/or to the use of electronic signatures, that party may withdraw consent at any point in the transaction by delivering written notice to the other party.
- 29. ASSIGNMENT.** Buyer may may not sell, assign or transfer the Buyer’s rights or obligations under this Agreement, or any interest herein.
- 30. HEIRS AND ASSIGNS.** This Agreement shall apply to, be binding upon and enforceable against and inure to the benefit of the parties hereto and their respective representatives, successors, permitted assigns, heirs and estates.
- 31. DEFINITIONS.** The following terms as used herein shall have the following meanings:
- A. APPRAISAL** means a current estimated market value of the Property as established by a licensed real estate appraiser. In the event the Buyer is obtaining a loan, the term refers to an appraisal conducted by a real estate appraiser approved by the lender.
 - B. BROKER** includes the Buyer’s and Seller’s brokers.
 - C.** If a specific **DATE** is stated as a deadline in this Agreement, then that date **IS** the **FINAL** day for performance; and if that date falls on a Saturday, Sunday or a legal Holiday, the date **does not** extend to the next business day.
 - D. DATE OF ACCEPTANCE** is the date this Agreement is fully executed and delivered.
 - E. DAY(S)** shall be determined on a “calendar day” basis and if the **FINAL** day for performance falls on a Saturday, Sunday or legal Holiday, the time therefore shall be extended to the next business day. Legal Holidays are described as New Year’s Day, Martin Luther King Jr.’s Birthday, President’s Day, Memorial Day, Independence Day, Labor Day, Columbus Day, Veteran’s Day, Thanksgiving Day, and Christmas.
 - F. DELIVERED** means personally delivered or by any method where there is evidence of receipt. In the event the parties have agreed to electronic transmission of documents, a facsimile or e-mail transmission of a copy of this or any related document shall constitute delivery of that document. When an item is delivered to the real estate Broker who is working with or who represents the Buyer or Seller, it is considered delivered to the Buyer or Seller respectively, except if the same Broker works for or represents both Buyer and Seller, in which case, the item must be delivered to the Buyer or Seller, as applicable. **EXCEPTION: For the purposes of the TOM Fee, delivery of the TOM Fee to the Listing Broker constitutes delivery to the Seller, EVEN if the same Broker is working with both Buyer and Seller.**
 - G. DEADLINES.** Any “deadline(s)” can be expressed either as a calendar date (See Para. 31(C)) or as a number of days (See Para. 31(E)).
 - H. ELECTRONIC** means relating to technology having electrical, digital, magnetic, wireless, telephonic, optical, electromagnetic or similar capabilities and includes, but is not limited to, facsimile and e-mail.
 - I. ELECTRONIC RECORD** means a record created, generated, sent, communicated, received or stored by electronic means.
 - J. ELECTRONIC SIGNATURE** means an electronic sound, symbol or process attached to or logically associated with a record and executed or adopted by a person with the intent to sign the record.
 - K. FIXTURE** means an article which was once personal property, but which has now become a part of the Property because the article has been fastened or affixed to the Property.
 - L. MASCULINE** includes the feminine.
 - M. PERSONAL PROPERTY** means a moveable article that is NOT affixed or attached to the Property.
 - N. RESOLUTION** means the Buyer and Seller have a written agreement regarding how all Buyers’ objections shall be resolved.
 - O. SINGULAR** includes the plural.
 - P. STANDARD EXCEPTIONS** means those common risks as set forth in the title commitment for which the title insurance policy does NOT provide coverage. These printed exceptions are matters outside the Title Company’s search of the public records, and therefore special requirements must be met in order to delete them and provide the insured with the additional/extended coverage.



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- 32. RISK OF LOSS.** Prior to Funding Date, Seller shall bear the risk of fire or other casualty, and in the event of loss, Buyer shall have the option (to be exercised by written notice to Seller within **5 days** after receipt of notice of loss) of terminating this Agreement and receiving a refund of the Earnest Money, if delivered, or closing and receiving assignment of Seller's portion of the insurance proceeds, if any, at Funding Date. If Buyer fails to timely notify Seller of Buyer's election, Buyer shall be deemed to have elected to proceed to Closing.
- 33. FLOOD HAZARD ZONE.** If the Property is located in an area, which is designated as a special flood hazard area, Buyer may be required to purchase flood insurance in order to obtain a loan secured by the Property from any federally regulated financial institution or a loan insured or guaranteed by an agency of the U.S. Government.
- 34. MEDIATION.** If a dispute arises between the parties relating to this Agreement, the parties shall submit the dispute to mediation, jointly appoint a mediator and share equally the costs of the mediation. If a mediator cannot be agreed upon or mediation is unsuccessful, the parties may enforce their rights and obligations under this Agreement in any manner provided by New Mexico law. For more information, see NMAR Form 5118 - Information Sheet - Mediation Information for Clients and Customers.
- 35. EARNEST MONEY DISPUTE.** Generally, title or escrow companies will not release Earnest Money without first receiving an Earnest Money Distribution Agreement signed by all parties to this Agreement (NMAR Form 5105B). If the parties cannot come to an agreement on the how Earnest Money shall be distributed, Para. 34 shall apply. If the parties cannot reach a resolution through mediation and proceed to litigation, at the conclusion of the litigation the court shall issue a judgment setting forth how Earnest Money shall be apportioned. Either party may present this judgment to the title or escrow company for distribution of the Earnest Money in accordance with the judgment. Parties to all Earnest Money disputes are urged to review NMAR Form 2310 – Earnest Money Dispute Information Sheet, and to consult an attorney to fully understand all their rights and remedies.
- 36. DEFAULT.** Any default under this Agreement shall be treated as a material default, regardless of whether the party's action or inaction is specifically classified as a default herein. Additionally, time is of the essence and failure of a party to timely make payment, perform or satisfy any other condition of this Agreement in accordance with this Agreement shall be considered a material default. Generally, a material default relieves the non-defaulting party from further performance under this Agreement; however, the non-defaulting party may elect *not* to terminate this Agreement. If the non-defaulting party elects to terminate this Agreement, he may also elect to retain the Earnest Money, if delivered, and pursue any additional remedies allowable by law, including specific performance. In the event, however, the non-defaulting party elects to treat this Agreement as being in full force and effect, the non-defaulting party remains responsible for all obligations and retains all rights and remedies available under this Agreement.
- 37. ATTORNEY FEES AND COSTS.** Should any aspect of this Agreement result in arbitration or litigation, the prevailing party of such action shall be entitled to an award of reasonable attorneys' fees and court costs.
- 38. FAIR HOUSING.** Buyer and Seller understand that the Fair Housing Act and the New Mexico Human Rights Act prohibit discrimination in the sale or financing of housing on the basis of race, age (this covers protection for people with children under age 18 and pregnant women), color, religion, sex, sexual orientation, gender identity, familial status, spousal affiliation, physical or mental handicap, national origin or ancestry.
- 39. COUNTERPARTS.** This agreement may be executed in one or more counterparts, each of which is deemed to be an original, and all of which shall together constitute one and the same instrument.
- 40. GOVERNING LAW AND VENUE.** This Agreement is to be construed in accordance with and governed by the internal laws of the State of New Mexico without giving effect to any choice of law rule that would cause the application of the laws of any jurisdiction other than the internal laws of the State of New Mexico to the rights and duties of the parties. Each party hereby irrevocably consents to the jurisdiction and venue of the state and federal courts located in the county in which the Property or any portion of the Property is located in connection with any claim, action, suit, or proceeding relating to this Agreement and agrees that all suits or proceedings relating to this Agreement shall be brought only in such courts.
- 41. SEVERABILITY.** If any portion of this Agreement is found by any court of competent jurisdiction to be invalid or unenforceable, the remainder of this Agreement shall remain in full force and effect.
- 42. MULTIPLE BUYERS.** Each Buyer to this Agreement is jointly and severally liable for all obligations under this Agreement. In the event any buyer should be unable to perform under this Agreement (due to death or incapacity) the remaining Buyer(s) shall continue to be obligated under this Agreement.



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- 43. AUTHORITY OF SIGNORS.** If Buyer or Seller is a corporation, partnership, estate, trust, limited liability company or other entity, the person signing this Agreement on its behalf warrants his authority to do so and to bind the Buyer or Seller for which he is signing.
- 44. BUYER AND SELLER AUTHORIZATIONS.** Unless otherwise instructed in writing, with respect to the real estate transaction that is the subject of this Agreement, Seller and Buyer hereby authorize the following: the Title Company, Lender, Escrow Agent and their representatives to provide a copy of any and all loan estimates, closing disclosures, other settlement statements and title documents to the Seller’s and Buyer’s respective Brokers; the Title Company to deliver any Title Company generated settlement statement(s), in its entirety (Seller and Buyer’s information) to both the Seller and Buyer and their respective Brokers; and his respective Broker to be present for the Closing
- 45. SURVIVAL OF OBLIGATION.** The following Paragraphs will survive Closing of the Property: 5(D) and (E), 10-14, 20, 21, 23-27, 30, 34-37, 39-41 and 44.
- 46. FORCE MAJEURE.** Neither party shall be liable for delay or failure to perform any obligation under this Agreement if the delay or failure is caused by any circumstance beyond their reasonable control, including but not limited to, acts of God, war, civil unrest or industrial action.
- 47. ENTIRE AGREEMENT AND AMENDMENTS IN WRITING.** The parties understand that this offer, if accepted in writing by Seller and delivered to Buyer, constitutes a legally binding contract. This Agreement, together with the following addenda and any exhibits referred to in this Agreement, contains the entire Agreement of the parties and supersedes all prior agreements or representations with respect to the Property, which are not expressly set forth herein. **THIS AGREEMENT MAY BE MODIFIED ONLY BY WRITTEN AGREEMENT OF THE PARTIES.**

- | | |
|---|--|
| <input type="checkbox"/> Addendum No. _____ (NMAR Form 5101 or 2300) | <input type="checkbox"/> Occupancy Agreement – Buyer/Seller (NMAR Form 2201/2201) |
| <input type="checkbox"/> Buyer’s Sale Contingency Addendum (NMAR Form 2503) | <input type="checkbox"/> Real Estate Contract Addendum (NMAR Form 2402) |
| <input type="checkbox"/> Buyer’s Closing & Funding Sale Contingency (NMAR Form 2503A) | <input type="checkbox"/> Residential Resale Condominium Addendum (NMAR Form 2302) |
| <input type="checkbox"/> Estimated Property Tax Levy Exhibit _____ | <input type="checkbox"/> Septic System Contingency Addendum (NMAR Form 5120A) |
| <input type="checkbox"/> Lead-Based Paint Addendum (NMAR Form 5112) | <input type="checkbox"/> Seller’s Financing, Mortgage or Deed of Trust Addendum (NMAR Form 2507) |
| <input type="checkbox"/> Public Improvement District Disclosure (NMAR Form 4550) | |
| <input type="checkbox"/> Other _____ | <input type="checkbox"/> Other _____ |

- 48. EXPIRATION OF OFFER.** This offer shall expire unless acceptance is delivered in writing to Buyer or Buyer’s Broker on or before _____, at _____ a.m. p.m. Mountain Time. **NOTE: UNTIL SELLER ACCEPTS THIS OFFER AND DELIVERS THE AGREEMENT, BUYER MAY WITHDRAW THIS OFFER AT ANY TIME.**

OFFER BY BUYER

WIRE FRAUD ALERT. Criminals are hacking email accounts of real estate agents, title companies, settlement attorneys and others, resulting in fraudulent wire instructions being used to divert funds to the account of the criminal. The emails look legitimate, but they are not. Buyer and Seller are advised not to wire any funds without personally speaking with the intended recipient of the wire to confirm the routing number and the account number. Buyer and Seller should not send personal information such as social security numbers, bank account numbers and credit card numbers except through secured email or personal delivery to the intended recipient. Buyer _____

Buyer acknowledges that Buyer has read the entire Purchase Agreement and understands the provisions thereof.

Buyer Signature	If Entity, Title of Signatory	Offer Date	Time
Buyer Signature	If Entity, Title of Signatory	Offer Date	Time
Buyer Name (Print)	If Entity, Name of Signatory	Email Address	
Buyer Name (Print)	If Entity, Name of Signatory	Email Address	
Buyer Address	City	State	Zip Code
Buyer Home Phone	Buyer Cell Phone	Buyer Business Phone	Buyer Fax



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**Seller acknowledges that Seller has read the entire Purchase Agreement and understands the provisions thereof.
Seller (select one):**

SELLER ACCEPTS this Offer and agrees to sell the Property for the price and on the terms and conditions specified in this Agreement.

SELLER

Seller Signature	If Entity, Title of Signatory	Date	Time
Seller Signature	If Entity, Title of Signatory	Date	Time
Seller Name (Print)	If Entity, Name of Signatory	Email Address	
Seller Name (Print)	If Entity, Name of Signatory	Email Address	
Seller Address	City	State	Zip Code
Seller Home Phone	Seller Cell Phone	Seller Business Phone	Seller Fax

REJECTS & SUBMITS a Counteroffer (NMAR Form 5102).

REJECTS & SUBMITS an Invitation to Offer (NMAR Form 5103).

IF SELLER IS REJECTING THIS OFFER AND SUBMITTING EITHER A COUNTER OFFER, OR AN INVITATION TO OFFER, SELLER SHOULD NOT SIGN THIS AGREEMENT, BUT SHOULD INITIAL ALL PAGES.

INITIALS: SELLER _____

REJECTS this offer.

IF SELLER IS REJECTING THIS OFFER, SELLER SHOULD NOT SIGN THIS AGREEMENT AND DOES NOT NEED TO INITIAL ANY/ALL PAGES BUT SHOULD INITIAL BELOW.

INITIAL HERE: SELLER _____



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**THE FOLLOWING IS PROVIDED FOR INFORMATION PURPOSES ONLY.
BROKERS ARE NOT PARTIES TO THIS AGREEMENT.**

BUYER'S BROKER

Buyer's Broker Name	Buyer's Broker's NMREC License No.		
If different, Buyer's Broker's Qualifying Broker's Name	Buyer's Broker's Qualifying Broker's NMREC License No.		
Buyer's Brokerage Firm	Office Phone	Fax	
Buyer's Brokerage Address	City	State	Zip Code
Email Address	Cell Number	Broker <input type="checkbox"/> is <input type="checkbox"/> is not a REALTOR®	

SELLER'S BROKER

Seller's Broker Name	Seller's Broker's NMREC License No.		
If different, Seller's Broker's Qualifying Broker's Name	Seller's Broker's Qualifying Broker's NMREC License No.		
Seller's Brokerage Firm	Office Phone	Fax	
Seller's Brokerage Address	City	State	Zip Code
Email Address	Cell Number	Broker <input type="checkbox"/> is <input type="checkbox"/> is not a REALTOR®	