

Understanding the RPA 2009

This guide is designed to assist REALTORS® in completing the Residential Purchase Agreement (hereinafter referred to as the "RPA") published by the Greater Las Vegas Association of REALTORS®. This booklet includes brief explanations to assist in filling out the blanks, as well as to clarify any necessary information.

Please note that the RPA (2009) may be amended in the future and any such changes will be reflected in future booklets and other publications.

Specific legal questions, including interpretation of contractual language, should be directed to the Nevada Association of REALTORS® Legal Answerline at 1-800-748-6999.

For technical assistance and troubleshooting with ZipForm, contact Technical Support at 1-866-693-6767 or www.zipform.com/support.

Residential Purchase Agreement

OPENING PROVISION – Top of Page 1

- **Date:** The date inserted is the date of preparation. This date is usually, but not always, the date Buyer signs the offer and the earnest money is received.



TIP

The important date to remember is the "contract date," which is the date of Acceptance (defined in Section 23 of the RPA). **All dates and time periods in the agreement are counted from the date of Acceptance unless otherwise specified.**

- **Buyer:** List all Buyers. (All Buyers must sign the offer.) If you anticipate the agreement being assigned, include "and/or assigns."
- **Property/city/county:** Fill the address or legal description of the property to be purchased.
- **A.P.N. #:** Fill in the Assessor's Parcel Number.
- **Purchase Price:** Fill in the amount Buyer offers to pay for the property, in both numerals and words (like you write out a check).
- **Check box** to indicate whether the Buyer does or does not intend to occupy the property as a residence.

Note: At the bottom of **each page**, Buyer(s) and Seller(s) are required to initial the RPA, signifying that parties have read, understood and agreed to all the provisions on that page. The blanks for the property address and Buyer's last name must be filled in at the bottom of **every** page.

Buyer's Offer

Section 1

FINANCIAL TERMS & CONDITIONS



TIP

Make sure all blanks on the left side of the page are filled in with a number or ----- if not applicable, and use a calculator to ensure all lines add up correctly!

A. EARNEST MONEY DEPOSIT ("EMD"): The EMD, usually a check or money order, is typically made out directly to the Escrow Company and if presented with the offer, a copy is acceptable. The EMD should be in the possession of Buyer's agent if "presented with this offer" is selected. (See also, Earnest Money Receipt on page 11 of the RPA.) If EMD is not presented with the offer, check the other box and indicate when EMD will be presented.

B. ADDITIONAL DEPOSIT: Fill in the exact date that any additional deposit will be made during Escrow. Choose whether the additional deposit will or will not be made part of the EMD. Include any conditions in Section 28, Additional Terms.

C. NEW LOAN CONTINGENCY: All blanks should be filled in and appropriate boxes checked; if any of those terms is not met, the contingency has not been fulfilled and Buyer will have the right to a refund of the EMD.

D. ASSUMPTION CONTINGENCY: All blanks should be filled in and appropriate boxes checked; if any of those terms is not met, the contingency has not been fulfilled and Buyer will have the right to receive his/her deposit back.

E. SELLER FINANCING ADDENDUM: This form is available through GLVAR.

F. BALANCE OF PURCHASE PRICE: This is the amount paid at the time of Closing. In cash transactions, this number is the amount of the Purchase Price less the EMD (and additional deposit, if applicable). In transactions involving a new loan, this blank will be the balance of the down payment less the EMD and loan amount (and additional deposit, if applicable). If Buyer is receiving the EMD back in a 100% financing arrangement, then this number may be negative.

G. TOTAL PURCHASE PRICE: Fill in this line with the total sum of lines "A-F." Again, use a calculator to add up the lines correctly. This should agree with the Purchase Price filled in above.

Section 2

ADDITIONAL FINANCIAL TERMS & CONTINGENCIES

A. NEW LOAN APPLICATION: Fill in the blank to define when (the number of days) Buyer is obligated to submit (1) a completed loan application; (2) authorize ordering of the appraisal; and (3) furnish a pre-approval letter to Seller based upon a standard factual credit report and review of debt to income ratios. Check the appropriate box whether Buyer will authorize the lender to provide loan updates to the parties' brokers and the Escrow Officer.

B. CASH PURCHASE: Fill in blank to define when (the number of days) Buyer agrees to provide written evidence from a bona fide (genuine) financial institution of sufficient cash available to complete this purchase.

Section 3

SALE OF OTHER PROPERTY

A. THIS AGREEMENT: Check boxes and fill in the blanks if the transaction is contingent upon sale of Buyer's property.

B: SAID PROPERTY: If the transaction is contingent, indicate whether the property is currently listed or in escrow and, if so, include the name of the escrow company, the escrow number and the proposed closing date.

Section 4

FIXTURES AND PERSONAL PROPERTY

B. Fill in the blank with any additional items of personal property that will be transferred, free of liens, with the sale of the Property.

Section 5

ESCROW

A. OPENING OF ESCROW: Fill in the blank with the name of the title or escrow company in which the purchase of the Property will be consummated through. Fill in the blank with the name of the Escrow Officer.

C. CLOSE OF ESCROW: Fill in the blank with the close of escrow date.

Section 6

TITLE INSURANCE

- Buyer must choose the particular type of title insurance policy he/she desires.



For further information on the differences in title policies, Buyer should carefully review and discuss the differences with title insurer. A consumer guide is also available from the Division of Insurance at www.doi.state.nv.us.

Section 7

PRORATIONS, FEES AND EXPENSES

A,B,C,D. These particular items: **TITLE and ESCROW FEES, PRORATIONS, INSPECTIONS, and CERTIFICATIONS** must be checked off and a decision must be made by Buyer as to who will pay for them. One box on each line **must** be checked.



TIP

“Common Interest Community (CIC) Assessments” are those charges assessed against all unit owners, for example as a special assessment to pay for repairs to the common area, or a single unit owner over and above the monthly dues or fees. “CIC Periodic Fees” is meant to capture monthly homeowner dues. “SID/LID/Bonds/Assessments” is meant to capture charges assessed by a governmental (such as city, township or county) entity.

E. SELLER'S ADDITIONAL COSTS AND LIMIT OF LIABILITY: Buyer may specify a maximum dollar amount for Seller to pay for repairs and corrections.

F. LENDER'S FEES: Buyer may also request that Seller pay for an additional amount of money towards Buyer's lender, title and escrow fees. If Buyer makes such a request, a box must be checked whether the amount includes or excludes the amount Seller normally pays under loan program requirements.

G. HOME PROTECTION PLAN: Buyer must make a decision whether to obtain a Home Protection Plan, the plan provider and then who will pay for it and the maximum price.

Section 10

DISCLOSURES

- Check those boxes that apply in this transaction. The appropriate boxes must be checked in order to require those particular disclosures be provided.

Section 11

ADDITIONAL DISCLOSURES

A. If a party (i.e. Buyer or Seller) is a real estate licensee, this section should be completed with his/her name and the state in which he/she holds a license. This section is a reminder that a licensee's involvement as a party or a principal in a party (such as president of a buyer corporation) is required by law to disclose his status as a licensee.



TIP

A REALTOR® is also required by Article 4 of the Code of Ethics and Nevada law to disclose a family or work relationship to a party.

B. New construction may require additional disclosures under law and the “other” blank should be filled in with any other disclosures requested or required by law.

Section 12 BUYER'S DUE DILIGENCE

A. **DUE DILIGENCE PERIOD:** This blank should be filled in with the number of days Buyer wants to determine whether the property is to his/her satisfaction. This blank **must** be filled in.

Section 13 WALK-THROUGH INSPECTION OF PROPERTY

- The blank should be filled in with a number of days before Escrow is closed whereby the Buyer is allowed to inspect the property to ensure all items are as stated in the Seller Real Property Disclosure and that all repairs have been made.

Section 14 DELIVERY OF POSSESSION

- A box must be checked to indicate when the Buyer requires Seller to vacate the Property, either no later than the Close of Escrow or by some other date (specified in the blank provided).
- The other blank should be filled in with the amount, per calendar day, that the Seller is liable for if the Seller does not vacate the Property by the specified time.

Section 18 DEFAULT

- B. **IF BUYER DEFAULTS:** One box **must** be checked and only **one** box may be checked.
- If the first box is checked, it means the parties have agreed that Seller may retain the EMD should the Buyer fail to continue the transaction. There must be a **default** by the Buyer, and does not include instances where the Buyer has failed to meet a contingency.
 - If the second box is checked, it means Seller can recover only the amount of money proven as damages and this typically would require some type of judicial proceeding.

Other Matters

Section 27 ADDENDUM(S) ATTACHED

- Fill in this section with the name of any other addendum that has been attached.

Section 28 ADDITIONAL TERMS

- Fill in this blank with any other terms Buyer wants to include in the purchase.

Earnest Money Receipt

- The information in this box correlates to the money amount on page 1, paragraph 1A. Buyer's agent must have the actual earnest money in his/her possession to complete the receipt. Be sure to fill in all lines, with signatures, and check boxes.

Buyer's Acknowledgment of Offer

- This section must be filled out and signed by the Buyer.
- Be sure to include a DATE and TIME that the offer expires.
- The Buyer's agent should complete the **Confirmation of Representation** to comply with the confirmation of agency required by NAC 645.637.

Seller's Response

Seller should choose one option:

- Acceptance: This box must be checked by the Seller to indicate Seller's acceptance of Buyer's offer.
- Counteroffer: This box must be completed by the Seller if Seller does not agree to all terms of Buyer's initial offer. Seller must attach a Counter Offer indicating what terms Seller would like to modify. Note: Buyer must accept the Counter Offer in order to create a contract.
- Rejection: This box should be checked if Seller does not agree to Buyer's initial offer and does not want to counter the offer.
- The Seller's agent should complete the **Confirmation of Representation** to comply with the confirmation of agency required by NAC 645.637.