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Attorneys for the Receiver

IN THE SUPERIOR COURT OF THE STATE OF ARIZONA

IN AND FOR THE COUNTY OF MARICOPA

ARIZONA CORPORATION
COMMISSION,

Plaintiff,

v.

DENSCO INVESTMENT
CORPORATION, an Arizona
corporation,

Defendant.

Cause No. CV2016-014142

PETITION NO. 24

PETITION TO CONFIRM SALE OF
REAL PROPERTY LOCATED AT 1605
W. WINTER DRIVE, PHOENIX,
ARIZONA

(Assigned to the Honorable Lori Horn
Bustamante)

Peter S. Davis, as the court appointed Receiver, respectfully petitions the Court as follows:

1. On August 18, 2016, this Court entered its *Order Appointing Receiver*, which appointed Peter S. Davis as Receiver of DenSco Investment Corporation (“Receivership Order”).

2. On February 13, 2017, the Court entered its *Order Re: Petition No 17*, which approved procedures for the disposition of receivership interests in real property (“Order 17”).

Winter Property

3. On or about November 13, 2012, DenSco loaned \$300,000 (“Winter Loan 1”) to Yomtov Scott Menaged (“Menaged”), which was secured by a single family residence located at 1605 W. Winter Drive in Phoenix (“Property”) pursuant to a Deed of Trust and Assignment of Rents recorded with the Maricopa County Recorder on November 13, 2012, as Document Number 2012-1029407. The legal description for the Property is attached hereto as **Exhibit “1”**. Subsequently, DenSco loaned Menaged an additional \$177,352.68 (“Winter Loan 2”), which was also secured by the Property pursuant to a Deed of Trust and Assignment of Rents recorded with the Maricopa County Recorder on February 6, 2014 as Document Number 2014-0081791.

4. The Property was acquired in early 2008 by EZ Homes, Inc. at foreclosure sale and then immediately conveyed to Menaged. As the Receiver’s Status Reports demonstrate¹, following the Receiver’s appointment, the Receiver discovered that the DenSco loan portfolio included 87 loans to Menaged and his relatives and companies (“Menaged Loans”) totaling over \$43 million. Second Status Report, page 2. Even though DenSco was required to make

¹ The Receiver’s first report was filed with the Court on September 16, 2016; *See, Petition No. 3* and the *Preliminary Report of Peter S. Davis, Receiver* dated 09/16/16 attached thereto (hereafter “First Status Report”). The Receiver’s second report was filed with the Court on December 23, 2016; *See, Petition No. 15* and the *Status Report of Peter S. Davis, Receiver* dated 12/23/16 attached thereto (hereafter “Second Status Report”).

1 real estate loans secured in first position by real property, of the 87 Menaged Loans, 82 were
2 completely unsecured and of the remaining five, only one was secured in first position. The
3 Receiver's Second Status Report describes in detail some of the frauds perpetrated by
4 Menaged on DenSco. The Receiver has filed an adversary complaint in Menaged's
5 bankruptcy seeking a judgment against Menaged for DenSco's losses and a denial of
6 discharge of Menaged's debts to DenSco.

7 5. Based on the Receiver's investigation of the Property and the status of the
8 Winter Loans, the Receiver concluded that the receivership estate had equity in the Property
9 and therefore directed his foreclosure counsel to commence foreclosure of Winter Loan 1.
10 Following the foreclosure sale, a Trustee's Deed was recorded with the Maricopa County
11 Recorder on February 24, 2017, as Document Number 2017-0136163, vesting DenSco with
12 title to the Property.

13 6. Pursuant to this Court's Order 17, the Receiver engaged the services of Josephs
14 Appraisal Group to appraise the Property. Josephs Appraisal Group appraised the Property at
15 \$425,000 and submitted an invoice to the Receiver for its services in the amount of \$425.00.

16 7. Pursuant to this Court's Order 17, the Receiver engaged the services of Vincent
17 F. Zerilli PC of West USA Realty ("Broker") to market and sell the Property. The Receiver
18 agreed to pay the Broker a 6% sales commission, subject to the approval of this Court. On
19 January 23, 2017, the Receiver listed the Property for sale at \$425,000.

20 8. Following the listing, the Receiver received an offer for \$350,000 which was
21 unacceptable to the Receiver. Later, the Receiver received an offer from Joyce and Pamela

1 Fitzgerald for \$380,000 which was unacceptable to the Receiver. On March 21, 2017, the
2 Receiver received an offer of \$390,000 from Joyce and Pamela Fitzgerald. The Receiver
3 responded to this offer by submitting to Buyer Counter Offer No. One, which altered some of
4 the terms of the offer but not the purchase price. The sale of the Property under Counter
5 Offer No. One was conditioned, among other things, upon the Receiver obtaining within ten
6 days an agreement from PAJ Fund to accept \$300,000 in full satisfaction of the Senior Debt.

7 **Senior Debt and Agreement with PAJ Fund**

8 9. Shortly after the Receiver was appointed he learned that, although the Winter
9 Loan 1 to Menaged should have been in first position, there appeared of record an unreleased
10 deed of trust originally issued to Arthur Koschubs and recorded with the Maricopa County
11 Recorder on April 22, 2009, as Document Number 2009-0354620 ("Senior Debt"). The
12 Koschubs' Loan and deed of trust was subsequently assigned to PAJ Fund I, LLC ("PAJ
13 Fund"), and the assignment was recorded with the Maricopa County Recorder on May 9,
14 2016, as Document Number 2016-0313920.

15 10. PAJ Fund has provided the Receiver with a payoff statement indicating that as
16 of March 28, 2017, the amount owed under the Senior Debt totaled \$328,061.72. The
17 Receiver disputes the right of PAJ Fund to recover legal fees of \$6,323 included in the payoff
18 amount. Consistent with the Counter Offer No. One, the Receiver asked PAJ Fund to accept
19 \$300,000 in full satisfaction of the Senior Debt. PAJ Fund refused but agreed to accept
20 payment of \$310,000 in full satisfaction of the Senior Debt, provided (1) that this amount is
21 paid to PAJ Fund on or before May 17, 2017, and (b) if such payment is not made by that

1 date, that the Receiver agree to a lift of the stay so as to permit PAJ Fund to pursue the
2 foreclosure of the Senior Debt. The exact terms of the offer by PAJ Fund, which was
3 accepted by the Receiver, are set forth in the email from counsel for PAJ Fund attached
4 hereto as **Exhibit “3”**.

5 **Agreement by the Brokers**

6 11. Since PAJ Fund was unwilling to reduce its payoff demand to \$300,000 as
7 specified by the Receiver in Counter Offer No. One, the brokers for the Buyer and for the
8 Receiver agreed to reduce their commissions from 3% each to 2% each and the Buyer agreed
9 to increase the purchase price to \$392,200. Accordingly, on April 18, 2017, the Receiver and
10 the Buyer executed Counter Offer No. Two which increased the purchase price to \$392,200
11 and reduced the total commissions to 4%. Counter Offer No. Two together with the original
12 offer constitute the Purchase Agreement and are attached hereto as **Exhibit “2”**. The
13 Purchase Agreement provides for the sale of the Property for \$392,200 in cash but is
14 conditioned on the Buyer obtaining financing and the approval of this Court. The Buyer has
15 provided the Receiver with a Pre-Qualification certificate indicating that the Buyer has
16 qualified for a loan up to \$370,500.00.

17 12. Pursuant to this Court’s *Order Re Petition No. 17*, the Receiver was authorized
18 to market and sell any real property of the estate conditioned on approval of this Court.
19 Accordingly, the sale contemplated under **Exhibit “2”** is also conditioned upon, and will not
20 take place in the absence of, an order of this Court approving such sale.

21 13. In accordance with this Court’s *Order Re: Petition Number 2*, the Receiver:

1 a. Has mailed a copy of this Petition, the proposed order, to all persons on
2 the Master Service List as indicated in the Proof of Mailing filed herewith; and

3 b. Intends to publish notice of this sale in a newspaper of general
4 circulation within the county in which this action is pending and the Property is
5 located.

6 14. The Property is not occupied and the Receiver is informed and believes that the
7 Property is not encumbered by any indebtedness, other than obligations for real estate taxes
8 and assessments by the homeowners association.

9 15. The Senior Debt is accruing default interest at the rate of 30% per annum and
10 therefore it was in the best interests of the estate to accept the discounted payoff offered by
11 PAJ Fund provided the Property can be sold at a purchase price sufficient to provide a
12 recovery to the receivership estate. After payment of commissions, the discounted payoff to
13 PAJ Fund, closing costs, real property taxes and other senior liens, the Receiver estimates that
14 the estate will recover approximately \$28,000 from the sale contemplated under the Purchase
15 Agreement. Accordingly, the Receiver recommends that the Property be sold for the price
16 and under the terms set forth in the Purchase Agreement attached as **Exhibit "2"**, which the
17 Receiver believes are in the best interests of the receivership estate.

18 WHEREFORE, the Receiver respectfully requests that the Court enter an order:

19 1. Approving the sale as set forth in the Purchase Agreement attached as **Exhibit**
20 **"2"** to this Petition of the Property legally described in **Exhibit "1"**.
21

/s/Patrick M. Murphy
Patrick M. Murphy
Attorneys for the Receiver

7

The land referred to in this Commitment is situated in the City of Phoenix, County of Maricopa, State of Arizona and is described as follows:

Lot 9, of THE COURTYARDS AT NORTHERN, according to the plat of record in the Office of the County Recorder of Maricopa County, Arizona in Book 721 of Maps, Page 31 and Certificate of Correction recorded in 2005-0336550 of Official Records. .

Arizona Realty One Group

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RESIDENTIAL RESALE REAL ESTATE PURCHASE CONTRACT

Document updated:
February 2017

The pre-printed portion of this form has been drafted by the Arizona Association of REALTORS®. Any change in the pre-printed language of this form must be made in a prominent manner. No representations are made as to the legal validity, adequacy and/or effects of any provision, including tax consequences thereof. If you desire legal, tax or other professional advice, please consult your attorney, tax advisor or professional consultant.



1. PROPERTY

1a. 1. BUYER: Joyce Fitzgerald, Pamela Fitzgerald

BUYER'S NAME(S)

2. SELLER: Peter S. Davis

SELLER'S NAME(S)

or ☐ as identified in section 9c.

3. Buyer agrees to buy and Seller agrees to sell the real property with all improvements, fixtures, and appurtenances thereon
4. or incidental thereto, plus the personal property described herein (collectively the "Premises").

1b. 5. Premises Address: 1605 W Winter Dr Assessor's #: 157-03-0886. City: Phoenix County: Maricopa AZ, Zip Code: 850217. Legal Description: LOT 9 COURTYARDS AT NORTHERN MCR 072131

8.

9.

1c. 10. \$ 390,000.00 Full Purchase Price, paid as outlined below11. \$ 2,000.00 Earnest money12. \$ 17,500.00 5% Down Payment13. \$ 370,500.00 New Conventional loan

14.

15.

16.

17. Earnest Money is in the form of: ☒ Personal Check ☐ Wire Transfer ☐ Other18. Upon acceptance of this offer, the Earnest Money, if any, will be deposited with: ☒ Escrow Company ☐ Broker's Trust Account.

19. IF THIS IS AN ALL CASH SALE: A Letter of Credit or a source of funds from a financial institution documenting the availability of
20. funds to close escrow is attached hereto.

1d. 21. Close of Escrow: Close of Escrow ("COE") shall occur when the deed is recorded at the appropriate county recorder's office.

22. Buyer and Seller shall comply with all terms and conditions of this Contract, execute and deliver to Escrow Company all closing
23. documents, and perform all other acts necessary in sufficient time to allow COE to occur on

24. May 12th, 2017 ("COE Date"). If Escrow Company or recorder's office is closed on the COE Date,
MONTH DAY YEAR

25. COE shall occur on the next day that both are open for business.

26. Buyer shall deliver to Escrow Company a cashier's check, wired funds or other immediately available funds to pay any down

27. payment, additional deposits or Buyer's closing costs, and instruct the lender, if applicable, to deliver immediately available funds to
28. Escrow Company, in a sufficient amount and in sufficient time to allow COE to occur on COE Date.

29. Buyer acknowledges that failure to pay the required closing funds by the scheduled COE, if not cured after a cure notice is delivered
30. pursuant to Section 7a, shall be construed as a material breach of this Contract and the Earnest Money shall be subject to forfeiture.

31. All funds are to be in U.S. currency.

1e. 32. Possession: Seller shall deliver possession, occupancy, existing keys and/or means to operate all locks, mailbox, security

33. system/alarms, and all common area facilities to Buyer at COE or ☐

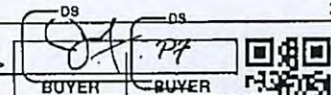
34. Broker(s) recommend that the parties seek independent counsel from insurance, legal, tax, and accounting professionals regarding
35. the risks of pre-possession or post-possession of the Premises.

1f. 36. Addenda Incorporated: ☒ Additional Clause ☐ Buyer Contingency ☐ Domestic Water Well ☒ H.O.A.37. ☐ Lead-Based Paint Disclosure ☐ Loan Assumption ☐ On-site Wastewater Treatment Facility ☐ Seller Financing ☐ Short Sale38. ☒ Other: As-Is

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- 1g. 39. **Fixtures and Personal Property:** For purposes of this Contract, fixtures shall mean property attached/affixed to the Premises.
40. Seller agrees that all existing: fixtures on the Premises, personal property specified herein, and means to operate fixtures and
41. property (i.e. - remote controls) shall convey in this sale. Including the following:
- | | | |
|---|---|---|
| 42. • built-in appliances | • light fixtures | • storm windows and doors |
| 43. • ceiling fans and remote controls | • mailbox | • stoves: gas-log, pellet, wood-burning |
| 44. • central vacuum, hose, and attachments | • media antennas/satellite dishes (affixed) | • timers (affixed) |
| 45. • draperies and other window coverings | • outdoor fountains and lighting | • towel, curtain and drapery rods |
| 46. • fireplace equipment (affixed) | • outdoor landscaping (i.e. - shrubbery, trees and unpotted plants) | • wall mounted TV brackets and hardware (excluding TVs) |
| 47. • floor coverings (affixed) | • shutters and awnings | • water-misting systems |
| 48. • free-standing range/oven | • speakers (flush-mounted) | • window and door screens, sun shades |
| 49. • garage door openers and remote controls | • storage sheds | |
51. If owned by Seller, the following items also are included in this sale:
52. • affixed alternate power systems serving • in-ground pool and spa/hot tub equipment • security and/or fire systems and/or alarms
53. the Premises (i.e. - solar) and covers (including any mechanical or • water purification systems
54. other cleaning systems) • water softeners
55. **Additional existing personal property included in this sale (if checked):**
56. ☐ refrigerator (description): _____
57. ☐ washer (description): _____
58. ☐ dryer (description): _____
59. ☐ above-ground spa/hot tub including equipment, covers, and any mechanical or other cleaning systems (description): _____
60. _____
61. ☐ other personal property not otherwise addressed (description): _____
62. ☐ other personal property not otherwise addressed (description): _____
63. **Additional existing personal property included shall not be considered part of the Premises and shall be transferred with no**
64. **monetary value, and free and clear of all liens or encumbrances.**
65. Leased items shall **NOT** be included in this sale. Seller shall deliver notice of all leased items within three (3) days after Contract
66. acceptance. Buyer shall provide notice of any leased items disapproved within the Inspection Period or five (5) days after receipt of
67. the notice, whichever is later.
68. **IF THIS IS AN ALL CASH SALE:** Section 2 does not apply - go to Section 3.

2. FINANCING

- 2a. 69. **Pre-Qualification:** An AAR Pre-Qualification Form *is* attached hereto and incorporated herein by reference.
- 2b. 70. **Loan Contingency:** Buyer's obligation to complete this sale is contingent upon Buyer obtaining loan approval without Prior to
71. Document ("PTD") conditions no later than three (3) days prior to the COE Date for the loan described in the AAR Loan Status
72. Update ("LSU") form or the AAR Pre-Qualification Form, whichever is delivered later. **No later than three (3) days prior to the**
73. **COE Date, Buyer shall either: (i) sign all loan documents; or (ii) deliver to Seller or Escrow Company notice of loan**
74. **approval without PTD conditions AND date(s) of receipt of Closing Disclosure(s) from Lender; or (iii) deliver to Seller or**
75. **Escrow Company notice of inability to obtain loan approval without PTD conditions.**
- 2c. 76. **Unfulfilled Loan Contingency:** This Contract shall be cancelled and Buyer shall be entitled to a return of the Earnest Money if
77. after diligent and good faith effort, Buyer is unable to obtain loan approval without PTD conditions and delivers notice of inability
78. to obtain loan approval no later than three (3) days prior to the COE Date. If Buyer fails to deliver such notice, Seller may issue a
79. cure notice to Buyer as required by Section 7a and, in the event of Buyer's breach, Seller shall be entitled to the Earnest Money
80. pursuant to Section 7b. If, prior to expiration of any Cure Period, Buyer delivers notice of inability to obtain loan approval, Buyer
81. shall be entitled to a return of the Earnest Money. Buyer acknowledges that prepaid items paid separately from the Earnest Money
82. are not refundable.
- 2d. 83. **Interest Rate / Necessary Funds:** Buyer agrees that (i) the inability to obtain loan approval due to the failure to lock the interest
84. rate and "points" by separate written agreement with the lender; or (ii) the failure to have the down payment or other funds
85. due from Buyer necessary to obtain the loan approval without conditions and close this transaction is not an unfulfilled loan
86. contingency.
- 2e. 87. **Loan Status Update:** Buyer shall deliver to Seller the LSU, with at a minimum lines 1-40 completed, describing the current status
88. of the Buyer's proposed loan within ten (10) days after Contract acceptance and instruct lender to provide an updated LSU to
89. Broker(s) and Seller upon request.

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<i>[Signature]</i>	<i>[Signature]</i>
BUYER	BUYER



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- 2f. 90. **Loan Application:** Unless previously completed, within three (3) days after Contract acceptance Buyer shall (i) provide lender
91. with Buyer's name, income, social security number, Premises address, estimate of value of the Premises, and mortgage loan
92. amount sought; and (ii) grant lender permission to access Buyer's Trimerged Residential Credit Report.
- 2g. 93. **Loan Processing During Escrow:** Within ten (10) days after receipt of the **Loan Estimate** Buyer shall (i) provide lender with
94. notice of intent to proceed with the loan transaction in a manner satisfactory to lender; and (ii) provide to lender all requested
95. signed disclosures and the documentation listed in the LSU at lines 32-35. Buyer agrees to diligently work to obtain the loan and
96. will promptly provide the lender with all additional documentation requested.
- 2h. 97. **Type of Financing:** ☒ Conventional ☐ FHA ☐ VA ☐ USDA ☐ Assumption ☐ Seller Carryback ☐
98. (If financing is to be other than new financing, see attached addendum.)
- 2i. 99. **Loan Costs:** All costs of obtaining the loan shall be paid by Buyer, unless otherwise provided for herein.
- 2j. 100. **Seller Concessions (If any):** In addition to the other costs Seller has agreed to pay herein, Seller agrees to pay up to _____%
101. of the Purchase Price OR up to \$_____ to be used only for Buyer's loan costs, impounds, Title/Escrow Company costs,
102. recording fees, and, if applicable, VA loan costs not permitted to be paid by Buyer.
- 2k. 103. **Changes:** Buyer shall immediately notify Seller of any changes in the loan program, financing terms, or lender described in the
104. Pre-Qualification Form attached hereto or LSU provided within ten (10) days after Contract acceptance and shall only make any
105. such changes without the prior written consent of Seller if such changes do not adversely affect Buyer's ability to obtain loan
106. approval without PTD conditions, increase Seller's closing costs, or delay COE.
- 2l. 107. **Appraisal Contingency:** Buyer's obligation to complete this sale is contingent upon an appraisal of the Premises acceptable to
108. lender for at least the purchase price. If the Premises fail to appraise for the purchase price in any appraisal required by lender,
109. Buyer has five (5) days after notice of the appraised value to cancel this Contract and receive a refund of the Earnest Money or
110. the appraisal contingency shall be waived, unless otherwise prohibited by federal law.
- 2m. 111. **Appraisal Cost(s):** Initial appraisal fee shall be paid by ☒ Buyer ☐ Seller ☐ Other _____
112. at the time payment is required by lender and is non-refundable. If Seller is paying the initial appraisal fee, the fee ☐ will ☐ will not
113. be applied against Seller's Concessions at COE, if applicable. If Buyer's lender requires an updated appraisal prior to COE, it will be
114. performed at Buyer's expense. Any appraiser/lender required inspection cost(s) shall be paid for by Buyer.

3. TITLE AND ESCROW

- 3a. 115. **Escrow:** This Contract shall be used as escrow instructions. The Escrow Company employed by the parties to carry out the
116. terms of this Contract shall be:
117. **Great American Title agency** **Donna Walt.**
ESCROW/TITLE COMPANY
118. **7720 N 16th St** **Phoenix** **Az** **85020**
ADDRESS CITY STATE ZIP
119. **dwalt@azgat.com** **(602) 324-2100**
EMAIL PHONE FAX
- 3b. 120. **Title and Vesting:** Buyer will take title as determined before COE. If Buyer is married and intends to take title as his/her sole
121. and separate property, a disclaimer deed may be required. Taking title may have significant legal, estate planning and tax
122. consequences. Buyer should obtain independent legal and tax advice.
- 3c. 123. **Title Commitment and Title Insurance:** Escrow Company is hereby instructed to obtain and deliver to Buyer and Seller directly,
124. addressed pursuant to 8s and 9c or as otherwise provided, a Commitment for Title Insurance together with complete and legible copies
125. of all documents that will remain as exceptions to Buyer's policy of Title Insurance ("Title Commitment"), including but not limited to
126. Conditions, Covenants and Restrictions ("CC&Rs"); deed restrictions; and easements. Buyer shall have five (5) days after receipt of the
127. Title Commitment and after receipt of notice of any subsequent exceptions to provide notice to Seller of any items disapproved. Seller
128. shall convey title by warranty deed, subject to existing taxes, assessments, covenants, conditions, restrictions, rights of way, easements
129. and all other matters of record. Buyer shall be provided at Seller's expense an American Land Title Association ("ALTA") Homeowner's
130. Title Insurance Policy or, if not available, a Standard Owner's Title Insurance Policy, showing title vested in Buyer. Buyer may acquire
131. extended coverage at Buyer's own additional expense. If applicable, Buyer shall pay the cost of obtaining the ALTA Lender Title
132. Insurance Policy.

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- 3d. 133. Additional Instructions:** (i) Escrow Company shall promptly furnish notice of pending sale that contains the name and address of Buyer to any homeowner's association(s) in which the Premises are located. (ii) If Escrow Company is also acting as the title agency but is not the title insurer issuing the title insurance policy, Escrow Company shall deliver to Buyer and Seller, upon deposit of funds, a closing protection letter from the title insurer indemnifying Buyer and Seller for any losses due to fraudulent acts or breach of escrow instructions by Escrow Company. (iii) All documents necessary to close this transaction shall be executed promptly by Seller and Buyer in the standard form used by Escrow Company. Escrow Company shall modify such documents to the extent necessary to be consistent with this Contract. (iv) Escrow Company fees, unless otherwise stated herein, shall be allocated equally between Seller and Buyer. (v) Escrow Company shall send to all parties and Broker(s) copies of all notices and communications directed to Seller, Buyer and Broker(s). (vi) Escrow Company shall provide Broker(s) access to escrowed materials and information regarding the escrow. (vii) If an Affidavit of Disclosure is provided, Escrow Company shall record the Affidavit at COE.
- 3e. 143. Tax Prorations:** Real property taxes payable by Seller shall be prorated to COE based upon the latest tax information available.
- 3f. 144. Release of Earnest Money:** In the event of a dispute between Buyer and Seller regarding any Earnest Money deposited with Escrow Company, Buyer and Seller authorize Escrow Company to release the Earnest Money pursuant to the terms and conditions of this Contract in its sole and absolute discretion. Buyer and Seller agree to hold harmless and indemnify Escrow Company against any claim, action or lawsuit of any kind, and from any loss, judgment, or expense, including costs and attorney fees, arising from or relating in any way to the release of Earnest Money.
- 3g. 149. Prorations of Assessments and Fees:** All assessments and fees that are not a lien as of COE, including homeowner's association fees, rents, irrigation fees, and, if assumed, insurance premiums, interest on assessments, interest on encumbrances, and service contracts, shall be prorated as of COE or ☐ Other: _____
- 3h. 152. Assessment Liens:** The amount of any assessment lien or bond including those charged by a special taxing district, such as a Community Facilities District, shall be prorated as of COE.

4. DISCLOSURE

- 4a. 154. Seller's Property Disclosure Statement ("SPDS"):** Seller shall deliver a completed AAR Residential SPDS form to Buyer within three (3) days after Contract acceptance. Buyer shall provide notice of any SPDS items disapproved within the Inspection Period or five (5) days after receipt of the SPDS, whichever is later.
- 4b. 157. Insurance Claims History:** Seller shall deliver to Buyer a written five (5) year insurance claims history regarding the Premises (or a claims history for the length of time Seller has owned the Premises if less than five (5) years) from Seller's insurance company or an insurance support organization or consumer reporting agency, or if unavailable from these sources, from Seller, within five (5) days after Contract acceptance. Buyer shall provide notice of any items disapproved within the Inspection Period or five (5) days after receipt of the claims history, whichever is later.
- 4c. 162. Foreign Sellers:** The Foreign Investment in Real Property Tax Act ("FIRPTA") is applicable if Seller is a non-resident alien individual, foreign corporation, foreign partnership, foreign trust, or foreign estate ("Foreign Person"). Seller agrees to complete, sign, and deliver to Escrow Company a certificate indicating whether Seller is a Foreign Person. FIRPTA requires that a foreign seller may have federal income taxes up to 15% of the purchase price withheld, unless an exception applies. Seller is responsible for obtaining independent legal and tax advice.
- 4d. 167. Lead-Based Paint Disclosure:** If the Premises were built prior to 1978, Seller shall: (i) notify Buyer of any known lead-based paint ("LBP") or LBP hazards in the Premises; (ii) provide Buyer with any LBP risk assessments or inspections of the Premises in Seller's possession; (iii) provide Buyer with the Disclosure of Information on Lead-Based Paint and Lead-Based Paint Hazards, and any report, records, pamphlets, and/or other materials referenced therein, including the pamphlet "Protect Your Family from Lead in Your Home" (collectively "LBP Information"). Buyer shall return a signed copy of the Disclosure of Information on Lead-Based Paint and Lead-Based Paint Hazards to Seller prior to COE.
173. ☐ LBP Information was provided prior to Contract acceptance and Buyer acknowledges the opportunity to conduct LBP risk assessments or inspections during Inspection Period.
175. ☐ Seller shall provide LBP Information within five (5) days after Contract acceptance. Buyer may within ten (10) days or _____ days after receipt of the LBP Information conduct or obtain a risk assessment or inspection of the Premises for the presence of LBP or LBP hazards ("Assessment Period"). Buyer may within five (5) days after receipt of the LBP Information or five (5) days after expiration of the Assessment Period cancel this Contract.
179. Buyer is further advised to use certified contractors to perform renovation, repair or painting projects that disturb lead-based paint in residential properties built before 1978 and to follow specific work practices to prevent lead contamination.
181. If Premises were constructed prior to 1978, (BUYER'S INITIALS REQUIRED)
182. If Premises were constructed in 1978 or later, (BUYER'S INITIALS REQUIRED)

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- 4e. 183. **Affidavit of Disclosure:** If the Premises are located in an unincorporated area of the county, and five (5) or fewer parcels of
 184. property other than subdivided property are being transferred, Seller shall deliver a completed Affidavit of Disclosure in the form
 185. required by law to Buyer within five (5) days after Contract acceptance. Buyer shall provide notice of any Affidavit of Disclosure items
 186. disapproved within the Inspection Period or five (5) days after receipt of the Affidavit of Disclosure, whichever is later.
- 4f. 187. **Changes During Escrow:** Seller shall immediately notify Buyer of any changes in the Premises or disclosures made herein,
 188. in the SPDS, or otherwise. Such notice shall be considered an update of the SPDS. Unless Seller is already obligated by this
 189. Contract or any amendments hereto, to correct or repair the changed item disclosed, Buyer shall be allowed five (5) days after
 190. delivery of such notice to provide notice of disapproval to Seller.

5. WARRANTIES

- 5a. 191. **Condition of Premises: BUYER AND SELLER AGREE THE PREMISES ARE BEING SOLD IN ITS PRESENT PHYSICAL**
 192. **CONDITION AS OF THE DATE OF CONTRACT ACCEPTANCE.** Seller makes no warranty to Buyer, either express or implied, as
 193. to the condition, zoning, or fitness for any particular use or purpose of the Premises. However, Seller shall maintain and repair the
 194. Premises so that at the earlier of possession or COE: (i) the Premises, including all personal property included in the sale, will be in
 195. substantially the same condition as on the date of Contract acceptance; and (ii) all personal property not included in the sale and
 196. debris will be removed from the Premises. Buyer is advised to conduct independent inspections and investigations regarding the
 197. Premises within the Inspection Period as specified in Section 6a. Buyer and Seller acknowledge and understand they may, but are
 198. not obligated to, engage in negotiations for repairs/improvements to the Premises. Any/all agreed upon repairs/improvements will be
 199. addressed pursuant to Section 6j.
- 5b. 200. **Warranties that Survive Closing:** Seller warrants that Seller has disclosed to Buyer and Broker(s) all material latent defects and
 201. any information concerning the Premises known to Seller, excluding opinions of value, which materially and adversely affect the
 202. consideration to be paid by Buyer. Prior to COE, Seller warrants that payment in full will have been made for all labor, professional
 203. services, materials, machinery, fixtures, or tools furnished within the 150 days immediately preceding COE in connection with the
 204. construction, alteration, or repair of any structure on or improvement to the Premises. Seller warrants that the information regarding
 205. connection to a sewer system or on-site wastewater treatment facility (conventional septic or alternative) is correct to the best of
 206. Seller's knowledge.
- 5c. 207. **Buyer Warranties:** Buyer warrants that Buyer has disclosed to Seller any information that may materially and adversely affect
 208. Buyer's ability to close escrow or complete the obligations of this Contract. At the earlier of possession of the Premises or COE,
 209. Buyer warrants to Seller that Buyer has conducted all desired independent inspections and investigations and accepts the Premises.
 210. **Buyer warrants that Buyer is not relying on any verbal representations concerning the Premises except disclosed as follows:**
 211. _____
 212. _____

6. DUE DILIGENCE

- 6a. 213. **Inspection Period:** Buyer's Inspection Period shall be ten (10) days or _____ days after Contract acceptance. During the
 214. Inspection Period Buyer, at Buyer's expense, shall: (i) conduct all desired physical, environmental, and other types of inspections
 215. and investigations to determine the value and condition of the Premises; (ii) make inquiries and consult government agencies,
 216. lenders, insurance agents, architects, and other appropriate persons and entities concerning the suitability of the Premises and
 217. the surrounding area; (iii) investigate applicable building, zoning, fire, health, and safety codes to determine any potential hazards,
 218. violations or defects in the Premises; and (iv) verify any material multiple listing service ("MLS") information. If the presence of
 219. sex offenders in the vicinity or the occurrence of a disease, natural death, suicide, homicide or other crime on or in the vicinity is
 220. a material matter to Buyer, it must be investigated by Buyer during the Inspection Period. Buyer shall keep the Premises free and
 221. clear of liens, shall indemnify and hold Seller harmless from all liability, claims, demands, damages, and costs, and shall repair all
 222. damages arising from the inspections. Buyer shall provide Seller and Broker(s) upon receipt, at no cost, copies of all inspection
 223. reports concerning the Premises obtained by Buyer. Buyer is advised to consult the Arizona Department of Real Estate Buyer
 224. Advisory to assist in Buyer's due diligence inspections and investigations.
- 6b. 225. **Square Footage: BUYER IS AWARE THAT ANY REFERENCE TO THE SQUARE FOOTAGE OF THE PREMISES, BOTH THE**
 226. **REAL PROPERTY (LAND) AND IMPROVEMENTS THEREON, IS APPROXIMATE. IF SQUARE FOOTAGE IS A MATERIAL**
 227. **MATTER TO THE BUYER, IT MUST BE INVESTIGATED DURING THE INSPECTION PERIOD.**
- 6c. 228. **Wood-Destroying Organism or Insect Inspection: IF CURRENT OR PAST WOOD-DESTROYING ORGANISMS OR INSECTS**
 229. **(SUCH AS TERMITES) ARE A MATERIAL MATTER TO BUYER, THESE ISSUES MUST BE INVESTIGATED DURING THE**
 230. **INSPECTION PERIOD.** Buyer shall order and pay for all wood-destroying organism or insect inspections performed during the
 231. Inspection Period. If the lender requires an updated Wood-Destroying Organism or Insect Inspection Report prior to COE, it will be
 232. performed at Buyer's expense.
- 6d. 233. **Flood Hazard: FLOOD HAZARD DESIGNATIONS OR THE COST OF FLOOD HAZARD INSURANCE SHALL BE**
 234. **DETERMINED BY BUYER DURING THE INSPECTION PERIOD.** If the Premises are situated in an area identified as having
 235. any special flood hazards by any governmental entity, **THE LENDER MAY REQUIRE THE PURCHASE OF FLOOD HAZARD**
 236. **INSURANCE.** Special flood hazards may also affect the ability to encumber or improve the Premises.

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6e. 237. **Insurance:** IF HOMEOWNER'S INSURANCE IS A MATERIAL MATTER TO BUYER, BUYER SHALL APPLY FOR AND
 238. OBTAIN WRITTEN CONFIRMATION OF THE AVAILABILITY AND COST OF HOMEOWNER'S INSURANCE FOR THE
 239. PREMISES FROM BUYER'S INSURANCE COMPANY DURING THE INSPECTION PERIOD. Buyer understands that any
 240. homeowner's, fire, casualty, flood or other insurance desired by Buyer or required by lender should be in place at COE.

6f. 241. **Sewer or On-site Wastewater Treatment System:** The Premises are connected to a:

242. ☒ sewer system ☐ conventional septic system ☐ alternative system

243. IF A SEWER CONNECTION IS A MATERIAL MATTER TO BUYER, IT MUST BE INVESTIGATED DURING THE INSPECTION
 244. PERIOD. If the Premises are served by a conventional septic or alternative system, the AAR On-site Wastewater Treatment Facility
 245. Addendum is incorporated herein by reference.

246.

(BUYER'S INITIALS REQUIRED)

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6g. 247. **Swimming Pool Barrier Regulations:** During the Inspection Period, Buyer agrees to investigate all applicable state, county, and
 248. municipal Swimming Pool barrier regulations and agrees to comply with and pay all costs of compliance with said regulations prior to
 249. occupying the Premises, unless otherwise agreed in writing. If the Premises contains a Swimming Pool, Buyer acknowledges receipt
 250. of the Arizona Department of Health Services approved private pool safety notice.

251.

(BUYER'S INITIALS REQUIRED)

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6h. 252. **BUYER ACKNOWLEDGMENT:** BUYER RECOGNIZES, ACKNOWLEDGES, AND AGREES THAT BROKER(S) ARE NOT
 253. QUALIFIED, NOR LICENSED, TO CONDUCT DUE DILIGENCE WITH RESPECT TO THE PREMISES OR THE SURROUNDING
 254. AREA. BUYER IS INSTRUCTED TO CONSULT WITH QUALIFIED LICENSED PROFESSIONALS TO ASSIST IN BUYER'S
 255. DUE DILIGENCE EFFORTS. BECAUSE CONDUCTING DUE DILIGENCE WITH RESPECT TO THE PREMISES AND THE
 256. SURROUNDING AREA IS BEYOND THE SCOPE OF THE BROKER'S EXPERTISE AND LICENSING, BUYER EXPRESSLY
 257. RELEASES AND HOLDS HARMLESS BROKER(S) FROM LIABILITY FOR ANY DEFECTS OR CONDITIONS THAT COULD
 258. HAVE BEEN DISCOVERED BY INSPECTION OR INVESTIGATION.

259.

(BUYER'S INITIALS REQUIRED)

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6i. 260. **Inspection Period Notice:** Prior to expiration of the Inspection Period, Buyer shall deliver to Seller a signed notice of any items
 261. disapproved. AAR's Buyer's Inspection Notice and Seller's Response form is available for this purpose. Buyer shall conduct all
 262. desired inspections and investigations prior to delivering such notice to Seller and all Inspection Period items disapproved shall be
 263. provided in a single notice.

6j. 264. **Buyer Disapproval:** If Buyer, in Buyer's sole discretion, disapproves of items as allowed herein, Buyer shall deliver to Seller a
 265. signed notice of the items disapproved and state in the notice that Buyer elects to either:

266. (1) Immediately cancel this Contract, in which case:

267. (a) If Buyer's notice specifies disapproval of items as allowed herein, the Earnest Money shall be released to Buyer.

268. (b) If Buyer's notice fails to specify items disapproved as allowed herein, the cancellation will remain in effect but Buyer has
 269. failed to comply with a provision of this Contract and Seller may deliver to Buyer a cure notice as required by Section 7a.
 270. If Buyer fails to cure their non-compliance within three (3) days after delivery of such notice, Buyer shall be in breach and
 271. Seller shall be entitled to the Earnest Money. If, prior to expiration of the Cure Period, Buyer delivers notice specifying
 272. items disapproved as allowed herein, Buyer shall be entitled to a return of the Earnest Money.

273. OR

274. (2) Provide Seller an opportunity to correct the items disapproved, in which case:

275. (a) Seller shall respond in writing within five (5) days or _____ days after delivery to Seller of Buyer's notice of items
 276. disapproved. Seller's failure to respond to Buyer in writing within the specified time period shall conclusively be deemed
 277. Seller's refusal to correct any of the items disapproved.

278. (b) If Seller agrees in writing to correct items disapproved, Seller shall correct the items, complete any repairs in a
 279. workmanlike manner and deliver any paid receipts evidencing the corrections and repairs to Buyer three (3) days
 280. or _____ days prior to COE Date.

281. (c) If Seller is unwilling or unable to correct any of the items disapproved, Buyer may cancel this Contract within five (5) days
 282. after delivery of Seller's response or after expiration of the time for Seller's response, whichever occurs first, and the
 283. Earnest Money shall be released to Buyer. If Buyer does not cancel this Contract within the five (5) days as provided,
 284. Buyer shall close escrow without correction of those items that Seller has not agreed in writing to correct.

285. VERBAL DISCUSSIONS WILL NOT EXTEND THESE TIME PERIODS. Only a written agreement signed by both parties will extend
 286. response times or cancellation rights.

287. BUYER'S FAILURE TO GIVE NOTICE OF DISAPPROVAL OF ITEMS OR CANCELLATION OF THIS CONTRACT WITHIN
 288. THE SPECIFIED TIME PERIOD SHALL CONCLUSIVELY BE DEEMED BUYER'S ELECTION TO PROCEED WITH THE
 289. TRANSACTION WITHOUT CORRECTION OF ANY DISAPPROVED ITEMS.

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6k. 290. **Home Warranty Plan:** Buyer and Seller are advised to investigate the various home warranty plans available for purchase. The
 291. parties acknowledge that different home warranty plans have different coverage options, exclusions, limitations, service fees and
 292. most plans exclude pre-existing conditions.

293. ☐ A Home Warranty Plan will be ordered by ☐ Buyer or ☐ Seller with the following optional coverage

294. _____, to be issued by _____ at a cost

295. not to exceed \$ _____, to be paid for by ☐ Buyer ☐ Seller ☐ Split evenly between Buyer and Seller

296. ☒ Buyer declines the purchase of a Home Warranty Plan.

297.

(BUYER'S INITIALS REQUIRED)

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6l. 298. **Walkthrough(s):** Seller grants Buyer and Buyer's inspector(s) reasonable access to conduct walkthrough(s) of the Premises for
 299. the purpose of satisfying Buyer that any corrections or repairs agreed to by Seller have been completed, and the Premises are
 300. in substantially the same condition as of the date of Contract acceptance. If Buyer does not conduct such walkthrough(s), Buyer
 301. releases Seller and Broker(s) from liability for any defects that could have been discovered.

6m. 302. **Seller's Responsibility Regarding Inspections and Walkthrough(s):** Seller shall make the Premises available for all inspections
 303. and walkthrough(s) upon reasonable notice by Buyer. Seller shall, at Seller's expense, have all utilities on, including any propane,
 304. until COE to enable Buyer to conduct these inspections and walkthrough(s).

6n. 305. **IRS and FIRPTA Reporting:** The Foreign Investment in Real Property Tax Act ("FIRPTA") provides that, if a seller is a Foreign
 306. Person, a buyer of residential real property must withhold federal income taxes up to 15% of the purchase price, unless an exception
 307. applies. If FIRPTA is applicable and Buyer fails to withhold, Buyer may be held liable for the tax. Buyer agrees to perform any acts
 308. reasonable or necessary to comply with FIRPTA and IRS reporting requirements and Buyer is responsible for obtaining independent
 309. legal and tax advice.

7. REMEDIES

7a. 310. **Cure Period:** A party shall have an opportunity to cure a potential breach of this Contract. If a party fails to comply with any
 311. provision of this Contract, the other party shall deliver a notice to the non-complying party specifying the non-compliance. If the
 312. non-compliance is not cured within three (3) days after delivery of such notice ("Cure Period"), the failure to comply shall become a
 313. breach of Contract. If Escrow Company or recorder's office is closed on the last day of the Cure Period, and COE must occur
 314. to cure a potential breach, COE shall occur on the next day that both are open for business.

7b. 315. **Breach:** In the event of a breach of Contract, the non-breaching party may cancel this Contract and/or proceed against the
 316. breaching party in any claim or remedy that the non-breaching party may have in law or equity, subject to the Alternative Dispute
 317. Resolution obligations set forth herein. In the case of the Seller, because it would be difficult to fix actual damages in the event of
 318. Buyer's breach, the Earnest Money may be deemed a reasonable estimate of damages and Seller may, at Seller's option, accept
 319. the Earnest Money as Seller's sole right to damages; and in the event of Buyer's breach arising from Buyer's failure to deliver the
 320. notice required by Section 2b, or Buyer's inability to obtain loan approval due to the waiver of the appraisal contingency pursuant
 321. to Section 2l, Seller shall exercise this option and accept the Earnest Money as Seller's sole right to damages. An unfulfilled
 322. contingency is not a breach of Contract. The parties expressly agree that the failure of any party to comply with the terms and
 323. conditions of Section 1d to allow COE to occur on the COE Date, if not cured after a cure notice is delivered pursuant to Section 7a,
 324. will constitute a material breach of this Contract, rendering the Contract subject to cancellation.

7c. 325. **Alternative Dispute Resolution ("ADR"):** Buyer and Seller agree to mediate any dispute or claim arising out of or relating to this
 326. Contract in accordance with the REALTORS® Dispute Resolution System, or as otherwise agreed. All mediation costs shall be paid
 327. equally by the parties. In the event that mediation does not resolve all disputes or claims, the unresolved disputes or claims shall
 328. be submitted for binding arbitration. In such event, the parties shall agree upon an arbitrator and cooperate in the scheduling of
 329. an arbitration hearing. If the parties are unable to agree on an arbitrator, the dispute shall be submitted to the American Arbitration
 330. Association ("AAA") in accordance with the AAA Arbitration Rules for the Real Estate Industry. The decision of the arbitrator shall be
 331. final and nonappealable. Judgment on the award rendered by the arbitrator may be entered in any court of competent jurisdiction.
 332. Notwithstanding the foregoing, either party may opt out of binding arbitration within thirty (30) days after the conclusion of the
 333. mediation conference by notice to the other and, in such event, either party shall have the right to resort to court action.

7d. 334. **Exclusions from ADR:** The following matters are excluded from the requirement for ADR hereunder: (i) any action brought in the
 335. Small Claims Division of an Arizona Justice Court (up to \$3,500) so long as the matter is not thereafter transferred or removed from
 336. the small claims division; (ii) judicial or nonjudicial foreclosure or other action or proceeding to enforce a deed of trust, mortgage, or
 337. agreement for sale; (iii) an unlawful entry or detainer action; (iv) the filing or enforcement of a mechanic's lien; or (v) any matter that
 338. is within the jurisdiction of a probate court. Further, the filing of a judicial action to enable the recording of a notice of pending action
 339. ("lis pendens"), or order of attachment, receivership, injunction, or other provisional remedies shall not constitute a waiver of the
 340. obligation to submit the claim to ADR, nor shall such action constitute a breach of the duty to mediate or arbitrate.

7e. 341. **Attorney Fees and Costs:** The prevailing party in any dispute or claim between Buyer and Seller arising out of or relating to this
 342. Contract shall be awarded their reasonable attorney fees and costs. Costs shall include, without limitation, attorney fees, expert
 343. witness fees, fees paid to investigators, and arbitration costs.

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Residential Resale Real Estate Purchase Contract >>**8. ADDITIONAL TERMS AND CONDITIONS**8a. 344. Buyer to waive SPDS Report

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<i>[Signature]</i>	<i>[Signature]</i>
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- 8b. 390. **Risk of Loss:** If there is any loss or damage to the Premises between the date of Contract acceptance and COE or possession, 391. whichever is earlier, by reason of fire, vandalism, flood, earthquake, or act of God, the risk of loss shall be on Seller, provided, 392. however, that if the cost of repairing such loss or damage would exceed ten percent (10%) of the purchase price, either Seller or 393. Buyer may elect to cancel the Contract.
- 8c. 394. **Permission:** Buyer and Seller grant Broker(s) permission to advise the public of this Contract.
- 8d. 395. **Arizona Law:** This Contract shall be governed by Arizona law and jurisdiction is exclusively conferred on the State of Arizona.
- 8e. 396. **Time is of the Essence:** The parties acknowledge that time is of the essence in the performance of the obligations described 397. herein.
- 8f. 398. **Compensation:** Seller and Buyer acknowledge that Broker(s) shall be compensated for services rendered as previously agreed by 399. separate written agreement(s), which shall be delivered by Broker(s) to Escrow Company for payment at COE, if not previously paid. 400. If Seller is obligated to pay Broker(s), this Contract shall constitute an irrevocable assignment of Seller's proceeds at COE. If Buyer 401. is obligated to pay Broker(s), payment shall be collected from Buyer as a condition of COE. COMMISSIONS PAYABLE FOR THE 402. SALE, LEASING, OR MANAGEMENT OF PROPERTY ARE NOT SET BY ANY BOARD OR ASSOCIATION OF REALTORS®, OR 403. MULTIPLE LISTING SERVICE, OR IN ANY MANNER OTHER THAN BETWEEN BROKER AND CLIENT.
- 8g. 404. **Copies and Counterparts:** A fully executed facsimile or electronic copy of the Contract shall be treated as an original Contract. 405. This Contract and any other documents required by this Contract may be executed by facsimile or other electronic means and in any 406. number of counterparts, which shall become effective upon delivery as provided for herein, except that the Disclosure of Information 407. on Lead-Based Paint and Lead-Based Paint Hazards may not be signed in counterpart. All counterparts shall be deemed to 408. constitute one instrument, and each counterpart shall be deemed an original.
- 8h. 409. **Days:** All references to days in this Contract shall be construed as calendar days and a day shall begin at 12:00 a.m. and 410. end at 11:59 p.m.
- 8i. 411. **Calculating Time Periods:** In computing any time period prescribed or allowed by this Contract, the day of the act or event from 412. which the time period begins to run is not included and the last day of the time period is included. Contract acceptance occurs on the 413. date that the signed Contract (and any incorporated counter offer) is delivered to and received by the appropriate Broker. Acts that 414. must be performed three (3) days prior to the COE Date must be performed three (3) full days prior (i.e. – if the COE Date is Friday 415. the act must be performed by 11:59 p.m. on Monday).
- 8j. 416. **Entire Agreement:** This Contract, and any addenda and attachments, shall constitute the entire agreement between Seller and 417. Buyer, shall supersede any other written or oral agreements between Seller and Buyer and can be modified only by a writing signed 418. by Seller and Buyer. The failure to initial any page of this Contract shall not affect the validity or terms of this Contract.
- 8k. 419. **Subsequent Offers:** Buyer acknowledges that Seller has the right to accept subsequent offers until COE. Seller understands that 420. any subsequent offer accepted by Seller must be a backup offer contingent on the cancellation of this Contract.
- 8l. 421. **Cancellation:** A party who wishes to exercise the right of cancellation as allowed herein may cancel this Contract by delivering 422. notice stating the reason for cancellation to the other party or to Escrow Company. Cancellation shall become effective immediately 423. upon delivery of the cancellation notice.
- 8m. 424. **Notice:** Unless otherwise provided, delivery of all notices and documentation required or permitted hereunder shall be in writing 425. and deemed delivered and received when: (i) hand-delivered; (ii) sent via facsimile transmission; (iii) sent via electronic mail, if email 426. addresses are provided herein; or (iv) sent by recognized overnight courier service, and addressed to Buyer as indicated in 427. Section 8q, to Seller as indicated in Section 9a and to the Escrow Company indicated in Section 3a.
- 8n. 428. **Release of Broker(s):** Seller and Buyer hereby expressly release, hold harmless and indemnify Broker(s) in this 429. transaction from any and all liability and responsibility regarding financing, the condition, square footage, lot lines, 430. boundaries, value, rent rolls, environmental problems, sanitation systems, roof, wood infestation, building codes, 431. governmental regulations, insurance, price and terms of sale, return on investment or any other matter relating to the value 432. or condition of the Premises. The parties understand and agree that the Broker(s) do not provide advice on property as an 433. investment and are not qualified to provide financial, legal, or tax advice regarding this real estate transaction.
434. (SELLER'S INITIALS REQUIRED) **PSD** (BUYER'S INITIALS REQUIRED) **PS**
- 8o. 435. **Terms of Acceptance:** This offer will become a binding Contract when acceptance is signed by Seller and a signed copy delivered 436. in person, by mail, facsimile or electronically, and received by Broker named in Section 8q 437. by March 24, 2017 at 5 ☐ a.m./☒ p.m., Mountain Standard Time. 438. Buyer may withdraw this offer at any time prior to receipt of Seller's signed acceptance. If no signed acceptance is received by this 439. date and time, this offer shall be deemed withdrawn and the Buyer's Earnest Money shall be returned.
- 8p. 440. THIS CONTRACT CONTAINS TEN (10) PAGES EXCLUSIVE OF ANY ADDENDA AND ATTACHMENTS. PLEASE ENSURE 441. THAT YOU HAVE RECEIVED AND READ ALL TEN (10) PAGES OF THIS OFFER AS WELL AS ANY ADDENDA AND 442. ATTACHMENTS.

Residential Resale Real Estate Purchase Contract >>**8q. 443. Broker on behalf of Buyer:**

444. Manuel Valente MV361 SA561779000
 PRINT AGENT'S NAME AGENT MLS CODE AGENT STATE LICENSE NO.
 445. _____ AGENT MLS CODE AGENT STATE LICENSE NO.
 PRINT AGENT'S NAME
 446. Realty One Group ROG08
 PRINT FIRM NAME FIRM MLS CODE
 447. 11211N Tatum BLVD STE 200 Phoenix Az 85028 CO578024000
 FIRM ADDRESS STATE ZIP CODE FIRM STATE LICENSE NO.
 448. 602-708-4653
 PREFERRED TELEPHONE FAX EMAIL

8r. 449. Agency Confirmation: Broker named in Section 8q above is the agent of (check one):450. ☒ Buyer; ☐ Seller; or ☐ both Buyer and Seller**8s. 451. The undersigned agree to purchase the Premises on the terms and conditions herein stated and acknowledge receipt of a copy hereof including the Buyer Attachment.**

453. Joyce Fitzgerald 03/21/2017 Pamela Fitzgerald 03/21/2017
 ^ BUYER'S SIGNATURE MO/DA/YR ^ BUYER'S SIGNATURE MO/DA/YR
 454. Joyce Fitzgerald Pamela Fitzgerald
 ^ BUYER'S NAME PRINTED ^ BUYER'S NAME PRINTED
 455. _____ ADDRESS
 456. _____ CITY, STATE, ZIP CODE

9. SELLER ACCEPTANCE**9a. 457. Broker on behalf of Seller:**

458. Vincent F Zerilli vz006 SA517570000
 PRINT AGENT'S NAME AGENT MLS CODE AGENT STATE LICENSE NO.
 459. _____ AGENT MLS CODE AGENT STATE LICENSE NO.
 PRINT AGENT'S NAME
 460. West USA Realty wusa02 wusa02
 PRINT FIRM NAME FIRM MLS CODE
 461. 7017 E Mar, lynn RD #130 Scottsdale AZ 85254 CO001154001
 FIRM ADDRESS STATE ZIP CODE FIRM STATE LICENSE NO.
 462. (602) 363-6207 realtorvince@cox.net
 PREFERRED TELEPHONE FAX EMAIL

9b. 463. Agency Confirmation: Broker named in Section 9a above is the agent of (check one):464. ☒ Seller; or ☐ both Buyer and Seller**9c. 465. The undersigned agree to sell the Premises on the terms and conditions herein stated, acknowledge receipt of a copy hereof and grant permission to Broker named on Section 9a to deliver a copy to Buyer.**

467. ☒ Counter Offer is attached, and is incorporated herein by reference. Seller must sign and deliver both this offer and the Counter Offer.
 468. ☒ If there is a conflict between this offer and the Counter Offer, the provisions of the Counter Offer shall be controlling.

469. Peter S. Davis 03/24/17 _____
 ^ SELLER'S SIGNATURE MO/DA/YR ^ SELLER'S SIGNATURE MO/DA/YR
 470. Peter S. Davis _____
 ^ SELLER'S NAME PRINTED ^ SELLER'S NAME PRINTED
 471. _____ ADDRESS
 472. _____ CITY, STATE, ZIP CODE

473. ☐ OFFER REJECTED BY SELLER: _____
 MONTH DAY YEAR (SELLER'S INITIALS)

For Broker Use Only:

Brokerage File/Log No. _____ Manager's Initials _____ Broker's Initials _____ Date _____
 MO/DA/YR

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February 2015

H.O.A. CONDOMINIUM / PLANNED COMMUNITY ADDENDUM



The pre-printed portion of this form has been drafted by the Arizona Association of REALTORS®. Any change in the pre-printed language of this form must be made in a prominent manner. No representations are made as to the legal validity, adequacy and/or effects of any provision, including tax consequences thereof. If you desire legal, tax or other professional advice, please consult your attorney, tax adviser or professional consultant.



SELLER'S NOTICE OF H.O.A. INFORMATION

1. Seller: Peter S. Davis, Court Receiver
2. Premises Address: 1605 W Winter Dr, Phoenix, AZ 85021
3. Date: _____
4. INSTRUCTIONS: (1) Homeowner's association ("H.O.A.") information to be completed by Seller at the time of listing the Premises for sale.
5. (2) Upon completion, this Addendum shall be uploaded to the multiple listing service, if available, or delivered to prospective buyers upon request prior to prospective buyer's submission of a Purchase Contract to Seller.

ASSOCIATION(S) GOVERNING THE PREMISES

8. H.O.A.: Courtyard at Northern Contact Info: 480-396-4867
9. Management Company (if any): _____ Contact Info: _____
10. Amount of Dues: \$ 175.00 How often?: Monthly
11. Amount of special assessments (if any): \$ _____ How often?: _____ Start Date: _____ End Date: _____
MO/DAYR MO/DAYR
12. Master Association (if any): _____ Contact Info: _____
13. Management Company (if any): _____ Contact Info: _____
14. Amount of Dues: \$ _____ How often?: _____
15. Amount of special assessments (if any): \$ _____ How often?: _____ Start Date: _____ End Date: _____
MO/DAYR MO/DAYR
16. Other: _____ Contact Info: _____
17. Amount of Dues: \$ _____ How often?: _____

FEES PAYABLE UPON CLOSE OF ESCROW

19. Transfer Fees: Association(s) fees related to the transfer of title. H.O.A. \$ 400.00 Master Association \$ _____
20. Capital Improvement Fees, including, but not limited to, those fees labeled as community reserve, asset preservation, capital reserve, working capital, community enhancement, future improvement fees, or payments. H.O.A. \$ _____ Master Association \$ _____
21. Prepaid Association(s) Fees: Dues, assessments, and any other association(s) fees paid in advance of their due date. H.O.A. \$ _____
22. Master Association \$ _____
24. Disclosure Fees: Association(s) Management/Company(ies) costs incurred in the preparation of a statement or other documents furnished by the association(s) pursuant to the resale of the Premises for purposes of resale disclosure, lien estoppels and any other services related to the transfer or use of the property. Pursuant to Arizona law, Disclosure Fees cannot be more than an aggregate of \$400.00 per association.
27. As part of the Disclosure Fees, each association may charge a statement or other documents update fee of no more than \$50.00 if thirty (30) days or more have passed since the date of the original disclosure statement or the date the documents were delivered. Additionally, each association may charge a rush fee of no more than \$100.00 if rush services are required to be performed within seventy-two (72) hours after the request. H.O.A. \$ _____ Master Association \$ _____
31. Other Fees: \$ _____ Explain: _____
32. SELLER CERTIFICATION: By signing below, Seller certifies that the information contained above is true and complete to the best of Seller's actual knowledge as of the date signed. Broker(s) did not verify any of the information contained herein.

34. Peter S. Davis 01/23/17
35. * SELLER'S SIGNATURE MO/DAYR * SELLER'S SIGNATURE MO/DAYR
Peter S. Davis, Court Receiver

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WEST USA REALTY, 7077 E Marilyn Rd Building 4 Ste 130 Scottsdale, AZ 85254
Phone: 602-363-6207 Fax: 602-863-4662 Vince Zerilli

1605 W Winter Dr

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ADDITIONAL OBLIGATIONS

36. If the homeowner's association has less than 50 units, no later than ten (10) days after Contract acceptance, the Seller shall provide in writing to Buyer the information described below as required by Arizona law.
37. If the homeowner's association has 50 or more units, Seller shall furnish notice of pending sale that contains the name and address of the Buyer to the homeowner's association within five (5) days after Contract acceptance and pursuant to Section 3d of the Contract. Escrow Company is instructed to provide such notice on Seller's behalf. The association is obligated by Arizona law to provide information described below to Buyer within ten (10) days after receipt of Seller's notice.
40. BUYER IS ALLOWED FIVE (5) DAYS AFTER RECEIPT OF THE INFORMATION FROM THE SELLER(S) OR HOMEOWNER'S ASSOCIATION TO PROVIDE WRITTEN NOTICE TO SELLER OF ANY ITEMS DISAPPROVED.

INFORMATION REQUIRED BY LAW TO BE PROVIDED TO BUYER:

44. 1. A copy of the bylaws and the rules of the association.
45. 2. A copy of the declaration of Covenants, Conditions and Restrictions ("CC&Rs").
46. 3. A dated statement containing:
47. (a) The telephone number and address of a principal contact for the association, which may be an association manager, an association management company, an officer of the association or any other person designated by the board of directors.
48. (b) The amount of the common expense assessment and the unpaid common expense assessment, special assessment or other assessment, fee or charge currently due and payable from the Seller.
49. (c) A statement as to whether a portion of the unit is covered by insurance maintained by the association.
50. (d) The total amount of money held by the association as reserves.
51. (e) If the statement is being furnished by the association, a statement as to whether the records of the association reflect any alterations or improvements to the unit that violate the declaration. The association is not obligated to provide information regarding alterations or improvements that occurred more than six years before the proposed sale. Seller remains obligated to disclose alterations or improvements to the Premises that violate the declaration. The association may take action against the Buyer for violations apparent at the time of purchase that are not reflected in the association's records.
52. (f) If the statement is being furnished by the Seller, a statement as to whether the Seller has any knowledge of any alterations or improvements to the unit that violate the declaration.
53. (g) A statement of case names and case numbers for pending litigation with respect to the Premises or the association, including the amount of any money claimed.
54. 4. A copy of the current operating budget of the association.
55. 5. A copy of the most recent annual financial report of the association. If the report is more than ten pages, the association may provide a summary of the report in lieu of the entire report.
56. 6. A copy of the most recent reserve study of the association, if any.
57. 7. Any other information required by law.
58. 8. A statement for Buyer acknowledgment and signature as required by Arizona law.



H.O.A. Condominium / Planned Community Addendum >>

BUYER'S ACKNOWLEDGMENT AND TERMS

69. Buyer: Pamela Fitzgerald & Joyce Fitzgerald

70. Seller: Peter S. Davis, Court Receiver

71. Premises Address: 1605 W Winter Dr, Phoenix, AZ 85021

72. Date: 3/21/17

73. The following additional terms and conditions are hereby included as part of the Contract between Seller and Buyer for the above referenced Premises.

74.

75. Transfer Fees shall be paid by: ☒ Buyer ☐ Seller ☐ Other: _____

76. Capital Improvement Fees shall be paid by: ☒ Buyer ☐ Seller ☐ Other: _____

77. Buyer shall pay all Prepaid Association Fees.

78. Seller shall pay all Disclosure Fees as required by Arizona law.

79. In a financed purchase, Buyer shall be responsible for all lender fees charged to obtain Association(s)/Management Company(ies) documents.

80. Other fees: _____

81.

82. **BUYER VERIFICATION:** Buyer may contact the Association(s)/Management Company(ies) for verbal verification of association FEES

83. **PAYABLE UPON CLOSE OF ESCROW.**

84. **ASSESSMENTS:** Any current homeowner's association assessment which is a lien as of Close of Escrow shall be paid in full by Seller.

85. Any assessment that becomes a lien after Close of Escrow is Buyer's responsibility.

86. **ADDITIONAL TERMS AND CONDITIONS**

87. _____

88. _____

89. _____

90. _____

91. **BUYER ACKNOWLEDGMENT:** By signing below, Buyer acknowledges receipt of all three (3) pages of this addendum and acknowledges that although Seller has used best efforts to identify the amount of the fees stated herein, the precise amount of the fees may not be known until written disclosure documents are furnished by the Association(s)/Management Company(ies) per Arizona law (A.R.S. § 33-1260 and § 33-1806). Buyer further acknowledges that Broker(s) did not verify any of the information contained therein. Buyer therefore agrees to hold Seller and Broker(s) harmless should the FEES PAYABLE UPON CLOSE OF ESCROW prove incorrect or incomplete.

92.

93.

94.

95.

96. The undersigned agrees to the additional terms and conditions set forth above and acknowledges receipt of a copy hereof.

97. [Signature] 3/21/2017 Pamela Fitzgerald 3/21/2017

98. * BUYER'S SIGNATURE MO/DAY/YR * BUYER'S SIGNATURE MO/DAY/YR

99. **SELLER'S ACCEPTANCE:**

100. [Signature] 01/23/17 Peter S. Davis, Court Receiver MO/DAY/YR

101. * SELLER'S SIGNATURE MO/DAY/YR * SELLER'S SIGNATURE MO/DAY/YR

For Broker Use Only:

Brokerage File/Log No.: _____ Manager's Initials: _____ Broker's Initials: _____ Date: _____ MO/DAY/YR

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WEST USA REALTY

"AS IS" ADDENDUMDocument updated:
September 2016

The pre-printed portion of this form has been drafted by the Arizona Association of REALTORS. Any change in the pre-printed language of this form must be made in a prominent manner. No representations are made as to the legal validity, adequacy and/or effects of any provision, including tax consequences thereof, if you desire legal, tax or other professional advice, please consult your attorney, tax advisor or professional consultant.



1. Seller: Peter S. Davis, Court Receiver
2. Buyer: Pamela Fitzgerald & Joyce Fitzgerald
3. Premises Address: 1605 W Winter Dr, Phoenix, AZ 85021
4. Date: 3/21/2017

5. The following additional terms and conditions are hereby included as a part of the Contract between Seller and Buyer for
6. the above referenced Premises. All terms and conditions of the Contract are hereby included herein and delivery of all
7. notices and documentation shall be deemed delivered and received when sent as required by Section 8m of the Contract.
8. A. Seller and Buyer agree that the Premises is being sold in its existing condition ("AS IS") and Seller makes no warranty
9. to Buyer, either express or implied, as to the (1) condition of the Premises, including, but not limited to, Seller's
10. Warranties in Lines 172-174 of Section 8a, which Buyer hereby waives; (2) zoning of the Premises; or (3) Premises'
11. fitness for any particular use or purpose. However, Seller warrants and shall maintain and repair the Premises so that,
12. pursuant to lines 175-176, at the earlier of possession or COE, the Premises, including all additional existing personal
13. property included in the sale, will be in substantially the same condition as on the date of Contract acceptance and all
14. personal property not included in the sale and all debris will be removed from the Premises.
15. B. Buyer is advised to conduct independent inspection(s) and investigations regarding the Premises within the
16. inspection period as specified in Section 8a. Buyer retains the rights pursuant to Section 8j. Seller shall not
17. be obligated to correct any defects that may be discovered during Buyer's inspection(s) and
18. investigations or otherwise.
19. C. Notwithstanding the foregoing, if an On-Site Wastewater Treatment Facility (conventional septic or alternative
20. system) ("Facility") has been installed on the Premises, Seller and Buyer agree to complete and execute the AAR
21. On-Site Wastewater Treatment Facility Addendum and Seller agrees to pay for the Facility inspections, fees or
22. repairs as set forth therein.
23. D. Seller acknowledges that selling the Premises "AS IS" does not relieve Seller of the legal obligation to disclose all
24. known material latent defects to Buyer.
25. E. In the event that any provision contained in this Addendum conflicts in whole or in part with any of the terms
26. contained in the Contract, the provisions of this Addendum shall prevail and the conflicting terms are hereby
27. considered deleted and expressly waived by both Buyer and Seller.
28. F. Other Terms and Conditions:
29. _____
30. _____
31. **BUYER ACKNOWLEDGES THAT BUYER IS HEREBY ADVISED TO SEEK APPROPRIATE COUNSEL REGARDING**
32. **THE RISKS OF BUYING A PROPERTY IN "AS IS" CONDITION.**
33. Buyer recognizes, acknowledges, and agrees that Broker(s) are not qualified, nor licensed, to conduct due diligence with respect
34. to the premises or the surrounding area. Buyer is instructed to consult with qualified licensed professionals to assist in Buyer's due
35. diligence efforts. Because conducting due diligence with respect to the premises and the surrounding area is beyond the scope of the
36. Broker's expertise and licensing, Buyer expressly releases and holds harmless Broker(s) from liability for any defects or conditions
37. that could have been discovered by inspection or investigation. Seller and Buyer hereby expressly release, hold harmless and
38. indemnify Broker(s) in this transaction from any and all liability and responsibility regarding financing, the condition,
39. square footage, lot lines, boundaries, value, rent rolls, environmental problems, sanitation systems, roof, wood infestation,
40. building codes, governmental regulations, insurance or any other matter relating to the value or condition of the Premises.
41. [Signature] 3/21/2017 Pamela Fitzgerald 3/21/2017
42. [Signature] 01/24/17 [Signature]

For Broker Use Only:

Brokerage File/Log No. _____ Manager's Initials _____ Broker's Initials _____ Date _____

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 WEST USA REALTY, 7077 E Marilyn Rd Building 4 Ste 130 Scottsdale, AZ 85254
 Phone: 602-363-6207 Fax: 602-363-4662 Vince Zorilli

1605 W Winter Dr

Produced with eSignature by eSignature 16070 Niven Mile Road, Fraser, Michigan 48026 www.eSignature.com





Sebonic Financial | A New Kind of Home Lending

March 22, 2017

Pamela Fitzgerald
4643 E. Kathleen Rd.
Phoenix, AZ 85032

Congratulations Pamela,

You've been preapproved to borrow \$ 370,500.00 on a Conforming 30 Year Fixed Rate. Based on a review of the information you provided, you are pre-approved for:

Issued Date: 3/22/2017
Sales Price: \$ 390,000.00
Loan Amount: \$ 370,500.00
Down Payment: \$ 19,500.00
Loan Use: Purchase
Loan Type: Conventional
Product: Conforming 30 Year Fixed
Amortization: Fixed
Property Use: Primary Residence
Property Type: Detached



This pre approval is subject to the verification of all information provided by you, and the satisfaction of conditions including, but not limited to:

- A valid sales contract on the subject property
- A satisfactory appraisal of the property to support sales price
- A satisfactory preliminary title commitment issued on the property
- Proof of funds to close
- Final underwriting decision

This pre-approval (expiring //) is not a commitment for a loan or for a specific rate. Any rates quoted are only an indication of current rates at the time of this Pre-Approval Letter. This is a preliminary determination that you qualify for a mortgage loan under our lending standards and guidelines. Any documentation submitted by you to our Company prior to receiving this preapproval was done so on a voluntary basis. If final approval is granted for your loan, the terms, loan amount, and conditions may be different than what is described here.*

We want to make this process as smooth as possible, so let me know if anything changes (e.g: missed payment, different job, new accounts, etc.) as this can affect your pre-approved status. When you are ready to apply, make sure you can verify all large deposits to your bank account and have a detailed two-year history of income sources.

Please contact me if you or your Realtor have any questions about this pre-approval. Our best wishes to you in your home purchase process and we thank you for choosing Cardinal Financial for your home loan.

Thank you,

Pat Anderson, Loan Officer
Cardinal Financial Company, Limited Partnership
State License # 930209 | NMLS # 869069
704-815-6296
pat.anderson@sebonic.com



Cardinal Financial Company, LP • 3701 Arco Corporate Drive • Suite 200 • Charlotte, NC 28273 • P: 877.721.6866 • F: 866.666.6654 • NMLS ID 66247

* Terms and conditions subject to underwriting approval.

PRE-APPROVAL DISCLOSURE

Date: March 22, 2017	Loan Number: 1000136367
Borrower(s): Pamela Fitzgerald Joyce Fitzgerald	Lender/Broker Name and Address: Cardinal Financial Company, Limited Partnership 3701 Arco Corporate Drive Suite 200 Charlotte, NC 28273

The term "Pre-Approval" means that based on the information you have provided thus far in the loan process, you appear to meet the requirements for the program in which you have applied. This information has not been independently verified by us; therefore, the approval is preliminarily based only upon the information we have received to date. Any documentation submitted by you to our Company prior to receiving this preapproval was done so on a voluntary basis. All information must be verified prior to the issuance of a formal loan approval. This means that your loan request is not formally approved and is subject to change, or may be declined once the information has been verified and loan underwriting has been performed. A formal loan approval cannot be provided at this time.

This preapproval is not a final loan approval or a commitment to lend. A written loan commitment has not been issued at this time and the preliminary approval can be revoked if the information cannot be verified or if verifications of the information indicates any discrepancies. This preapproval is contingent on an approved loan application which will include verification and approval of the information we received to issue this preapproval as well as your credit, income, employment status, debt, property, insurance, appraisal and a satisfactory title report/search. Not all properties are eligible for financing. If this preapproval is for a primary residence it may be contingent on the sale of your current home.

This preapproval is valid for 90 days from the date of credit pulled. If we do not receive an executed purchase agreement within 90 days, we will regrettably be unable to give further consideration to your credit request. Any rates quoted are only an indication of current rates at the time of this Pre-Approval Letter. Interest rates are used for qualifying purposes only and do not constitute a rate lock commitment. Rates and terms are subject to change without notice. Restrictions may apply.

Cardinal Financial Company, Limited Partnership dba Sebonic Financial is an Equal Housing Lender. Cardinal Financial Company, Limited Partnership dba Sebonic Financial is a licensed mortgage lender. Please visit nmlsconsumeraccess.org for list of our approved licenses.



Counter Offer No. One

This is a Counter Offer by the Seller, Peter S. Davis, Receiver, to the Offer by the Buyer dated March 21, 2017 ("Buyer's Offer"). In consideration of the mutual promises and covenants set forth in this Counter Offer, Seller agrees to sell and Buyer agrees to buy the Property described below on the terms and conditions set forth in this Counter Offer, and to the extent not inconsistent herewith, the terms and conditions set forth in the Buyer's Offer.

1. Property. The real property which is the subject of this Counter Offer is located at 1605 W. Winter Drive, Phoenix, AZ 85021, APN: 157-03-088. ("Property").

2. Seller. The Seller is Peter S. Davis, in his capacity as the Receiver appointed by the Arizona Superior Court for Maricopa County in the action entitled Arizona Corporation Commission v. Densco Investment Corporation, an Arizona Corporation, Cause No. CV2016-014142 ("Receivership Court").

3. Buyer. The Buyers are Joyce and Pamela Fitzgerald.

4. Purchase Price. The Purchase Price which Buyer agrees to pay for the Property is \$390,000.00. The Purchase Price shall not be adjusted by any overage or shortage in area of the Property. The Purchase Price shall be paid as follows:

(a) Buyer shall deposit with Escrow Agent within 2 days a total of \$2,000.00 cash earnest money deposit (the "Earnest Money") which shall become non-refundable, except as otherwise provided in Paragraphs 11 and 12 below. If Buyer does not so cancel this Agreement, and if Seller does not so cancel this Agreement, and, provided further, if Seller does not otherwise default hereunder, the Earnest Money shall be credited towards the Sales Price if Buyer purchases the Property; and

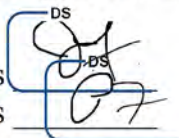
(b) An additional \$388,000.00 to be paid by Buyer on or before the Close of Escrow.

5. Deed. At the Close of Escrow, Seller shall convey title to the Property to Buyer by Receiver's Deed (the "Deed"), subject to taxes and assessments not delinquent, reservations in patents, all easements, rights-of-way, covenants, conditions, restrictions, declarations, all matters that an accurate survey or a physical inspection of the Property would disclose and all matters to which Buyer has agreed.

6. Disbursements. Upon the Close of Escrow, the full amount of the Purchase Price, less any closing costs which the Seller has expressly agreed to pay, shall be disbursed to Seller.

7. Property Sold "As Is." The Property is being sold "AS IS" and the Seller is not providing any warranties. Buyer expressly acknowledges that there may be present on the Property asbestos in friable form, aluminum wiring, mold, or other conditions that might affect the Buyers decision to purchase the Property. Buyer further acknowledges that Buyer has not relied on any warranties, promises, projections, calculations, understandings or representations, express or implied, of Seller or of any agent or representative of Seller, relating to the Property, and, Buyer is acquiring the Property in its present condition and state of repair, "AS IS", with all defects, latent or apparent. Buyer further acknowledges that any information of any type which

Buyer's Initials
Buyer's Initials



Seller's Initials PSD

Page 1 of 5 Pages

Buyer has received or may receive from Seller or Seller's agents is furnished on the express condition that Buyer shall make an independent verification of the accuracy (including without limitation calculations) of such information, all such information being furnished without any warranty or liability whatsoever. The Seller has acquired possession of the Property pursuant to Court order and has not occupied the Property and therefore Seller cannot and will not provide a Seller Property Disclosure Statement ("SPDS"), CLUE Report or any other disclosure statements.

8. Additional Terms. There will be NO repairs done to the Property.

9. Receivership Court. The Buyer understands and acknowledges that the Seller was duly appointed the Receiver of the Property by the Receivership Court; that the Property and this transaction is under the jurisdiction of the Receivership Court; and that the Buyer has received, read, and understands the order of the Receivership Court appointing the Receiver, and Order Re: Petition No. 2 Governing the Administration of the Receivership. The parties further understand and acknowledge that this Agreement is contingent on the approval of the Receivership Court and that the Receivership Court could decline to approve the Agreement for various reasons, including without limitation that the sale price is not fair or that a sale of the Property is not in the best interests of the estate.

10. Sellers Additional Condition: The Buyer further understands and acknowledges that this Agreement is further conditioned upon Seller obtaining from the holder of the first deed of trust secured by the Property, a reduction of payoff amount on the first deed of trust and note to an amount of not more than \$300,000.00.

11. Cancellation. In the event Seller is unable, within sixty (60) days of the Buyer's the acceptance of this Counter Offer, to obtain the approval of the Receivership Court, additional conditions as provided under Paragraph 10 above, the Buyer or the Seller may elect in writing to cancel this Agreement and any Escrow and receive a full refund of the Earnest Money. Upon a cancellation in accordance with the provisions of this Paragraph, all documents deposited in Escrow by Seller and Buyer shall be returned to the party depositing the document, and this Agreement shall terminate.

12. Inspection. Buyer shall have ten (10) days from the completion or waiver of the condition set forth in paragraph 10 to complete the Buyer's inspection of the Property, and Seller grants Buyer reasonable access to the Property for that purpose. If Buyer does not disapprove of the condition of the property within this period, Buyer shall be deemed to have accepted the condition of the Property. If Buyer timely disapproves of the condition of the Property in writing, then, upon notice to Seller of Buyer's objections, Seller shall have until Close of Escrow to eliminate the objectionable items; or, Seller may, within ten (10) days from Buyer's notice, notify Buyer that Seller does not intend to eliminate the objectionable items, and Buyer's sole and exclusive remedy shall be to either waive his objection (in which case Close of Escrow shall occur subject to such matters) or to cancel this Agreement and receive a full refund of the Earnest Money.

13. Insurance. This sale is contingent upon the Buyer's ability to obtain a commitment for the issuance of homeowner's insurance pertaining to the Property which is satisfactory to the Buyer during the specified inspection period under Paragraph 12 above. Failure of the Buyer to give written disapproval based on this contingency within the specified inspection period shall be deemed a waiver by the Buyer of this contingency.

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14. Condition of Title and Title Insurance. The condition of title and issuance of title insurance on the Property shall be governed by this Paragraph:

(a) Seller shall cause to be delivered to Buyer a preliminary title report for insurance on the Property ("Title Report"). Buyer shall have the right to approve or disapprove the condition of title within ten days from receipt of the Title Report, which disapproval must be itemized in writing and provided to the Seller, the Seller's agent and the Escrow Agent.

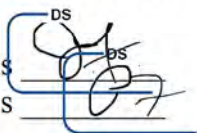
(b) If the Title Insurer issues a supplemental or amended title report on or before the Close of Escrow ("Amended Title Report") showing additional title exceptions or requirements not caused or to be satisfied by Buyer, Buyer shall have a period of time equal to three business days from the date of receipt of any Amended Title Report within which to give Seller and Escrow Agent specific written disapproval as to any additional exceptions or requirements.

(c) If Buyer disapproves of any title exception in the Title Report or disapproves of any new exception to title or requirement as shown in an Amended Title Report in accordance with this Paragraph, Seller shall have until the Close of Escrow to eliminate the disapproved matter(s) from the Title Report or the Amended Title Report, or obtain title insurance endorsements against such matter(s). Notwithstanding the foregoing, it is understood and agreed that Seller shall have no duty whatsoever to eliminate, or to secure a title endorsement against any matter disapproved by Buyer pursuant to this Paragraph. If Seller does not eliminate the disapproved matters or if Seller does not obtain title insurance endorsements against such matters on or before the Close of Escrow, Seller shall so notify Buyer that it does not intend or has failed to eliminate such disapproved matters, whereupon Buyer's sole and exclusive remedy shall be to either waive Buyer's objection with respect to such disapproved matters (in which event Close of Escrow shall occur and Buyer shall take title to the Property subject to such matters) or to cancel this Agreement by giving written notice of cancellation to Seller and Escrow Agent on or before the Close of Escrow and receive his Earnest Money, less one-half of any cancellation fees. Upon a cancellation in accordance with the provisions of this Sub-Paragraph, all documents deposited in Escrow by Seller and Buyer shall be returned to the party depositing the document, and this Agreement shall terminate.

(d) If Buyer does not object to any exceptions to title or requirements as disclosed by the Title Report or an Amended Title Report within the applicable time period, such exceptions or requirements shall be deemed to have been approved by Buyer.

(e) At or before the Close of Escrow, Seller shall provide to Buyer, at Seller's cost, a standard coverage owner's policy of Title Insurance (or an unconditional commitment of the Title Insurer to issue such policy) issued by a licensed Title Insurer, in the full amount of the Purchase Price of the Property, effective as of the Close of Escrow, insuring Buyer that fee simple title to the Property is vested in Buyer, subject only to the usual printed exceptions and exclusions contained in such title insurance policies, to the matters shown on the

Buyer's Initials
Buyer's Initials



Seller's Initials PSD

Page 3 of 5 Pages

Title Report or any Amended Title Report approved or deemed approved by Buyer as provided in this Paragraph, and to any other matters set forth in Paragraph 5.

(f) The policy of Title Insurance required to be provided by Seller shall be a standard coverage owner's policy, and Seller shall only pay the premium for a standard coverage owner's policy. If Buyer elects to obtain extended coverage title insurance, such election shall not be a condition to Buyer's obligations hereunder. Seller and Buyer agree that Buyer shall be responsible for satisfying, at its sole cost and expense, all of Title Insurer's requirements for extended coverage before the Close of Escrow and Buyer shall pay the difference between the premium for such a policy and the premium for a standard coverage owner's policy. Further, Buyer shall be responsible for any endorsements required by Buyer. In no event shall the Close of Escrow be conditional upon or extended because of Buyer obtaining extended coverage or because of the issuance of any endorsements requested by Buyer.

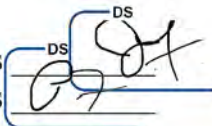
15. Possession. Possession of the Property shall be delivered to Buyer at Close of Escrow.

16. Release and Indemnity. Seller is hereby released from all responsibility and liability regarding the condition (including, without limitation, the presence of asbestos or environmental hazards or substances) or valuation or utility of the Property. Buyer agrees that Buyer will not attempt to assert any claims of liability against Seller for furnishing such information, nor shall Buyer assert any claims of liability against Seller for the existence of or damages arising out of the existence of asbestos, and Buyer agrees to indemnify and hold Seller free and harmless for, from and against any and all such claims of liability. Buyer agrees to indemnify Seller and hold Seller harmless for, from and against all claims, damages, costs and expenses (including attorneys' fees) attributable, directly or indirectly, to Buyer's inspection of the Property or to the breach by Buyer of any obligation hereunder or the inaccuracy of any representation or warranty made by Buyer or in any instrument delivered pursuant hereto or in connection with the transactions contemplated hereby. This indemnity shall survive the Closing.

17. Assignment and Nomination. Buyer may not assign or otherwise transfer Buyer's rights under this Agreement without the prior written consent of Seller, which consent may be withheld in Seller's sole discretion. Any such assignee shall accept in writing the terms and conditions of this Agreement and of any supplements or Escrow Instructions that may have been entered into as of the time of the assignment. In no event shall any assignment extend the Close of Escrow.

18. No Liability. Buyer agrees that no receivers, directors, officers, employees or agents of Seller have any personal obligation hereunder, and that such party shall not seek to assert any claim or enforce any rights against such receivers, directors, officers, employees or agents.

19. Further Documentation. Each party agrees in good faith to execute such further or additional documents as may be necessary or appropriate to fully carry out the intent and purpose of this Agreement.

Buyer's Initials 
Buyer's Initials

Seller's Initials PSD


20. Exclusive Jurisdiction of the Receivership Court. The Receivership Court shall have exclusive jurisdiction to resolve any dispute arising under this Agreement.

21. Close of Escrow. The sale shall close within ten (10) days of completion of the last of the requirements set forth in Paragraphs 9 and 10 above.

22. Time of the Essence. Time is of the essence and unless the Buyer's acceptance of this Counter Offer is signed by the Buyer or an authorized representative and a signed copy of this Counter Offer delivered by email to Vincent Zerilli, of West USA Realty, at realtorvince@cox.net, or by facsimile at (602) 863-4662, on or before March 27, 2017 at 5:00 PM, Mountain Standard time, or unless the Counter Offer has been previously withdrawn by the Receiver, this Counter Offer shall be considered withdrawn on the date and time set forth in this paragraph above. Until this Counter Offer has been accepted as provided above, the Parties understand that the Property can be sold or leased to someone else or either Party may withdraw the offer to buy or sell the Property. The undersigned acknowledge receipt of a copy hereof.

23. Signed Original. In order to facilitate the filing of appropriate pleadings with the courts identified above, the parties agree to execute one original of this Counter Offer and all other contract documents and to provide such originals to the Seller.

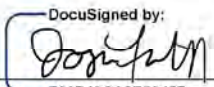
Dated: 03/24/17


Peter S. Davis, Receiver
SELLER

Acceptance

The Buyer accepts the above Counter Offer and agrees to the modified or additional terms and conditions in the above Counter Offer and acknowledges receipt of a copy hereof.

Dated: 3/26/2017

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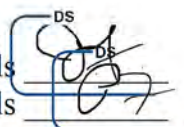
Dated: 3/27/2017

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Counter Offer No. Two

This is a Counter Offer by the Seller, Peter S. Davis, Receiver, to the Offer by the Buyer dated March 21, 2017 ("Buyer's Offer"). In consideration of the mutual promises and covenants set forth in this Counter Offer, Seller agrees to sell and Buyer agrees to buy the Property described below on the terms and conditions set forth in this Counter Offer No. Two, and to the extent not inconsistent herewith, the terms and conditions set forth in the Buyer's Offer. Seller's Counter Offer No. One is superseded by this Counter Offer No. Two.

1. Property. The real property which is the subject of this Counter Offer is located at 1605 W. Winter Drive, Phoenix, AZ 85021, APN: 157-03-088. ("Property").

2. Seller. The Seller is Peter S. Davis, in his capacity as the Receiver appointed by the Arizona Superior Court for Maricopa County in the action entitled Arizona Corporation Commission v. Densco Investment Corporation, an Arizona Corporation, Cause No. CV2016-014142 ("Receivership Court").

3. Buyer. The Buyers are Joyce and Pamela Fitzgerald.

4. Purchase Price. The Purchase Price which Buyer agrees to pay for the Property is \$392,200.00. The Purchase Price shall not be adjusted by any overage or shortage in area of the Property. The Purchase Price shall be paid as follows:

(a) Buyer shall deposit with Escrow Agent within 2 days a total of \$5,000.00 cash earnest money deposit (the "Earnest Money") which shall become non-refundable, except as otherwise provided in Paragraphs Cancellation. In the event Seller is unable, within thirty (30) days of the Buyer's the acceptance of this Counter Offer, to obtain the approval of the Receivership Court or obtain the additional conditions as provided under Paragraph 10 above, the Buyer or the Seller may elect in writing to cancel this Agreement and any Escrow and receive a full refund of the Earnest Money. Upon a cancellation in accordance with the provisions of this Paragraph, all documents deposited in Escrow by Seller and Buyer shall be returned to the party depositing the document, and this Agreement shall terminate, and Inspection. Buyer acknowledges that they have completed their inspection of the Property and agree to accept the Property "As Is". below. If Buyer does not so cancel this Agreement, and if Seller does not so cancel this Agreement, and, provided further, if Seller does not otherwise default hereunder, the Earnest Money shall be credited towards the Sales Price if Buyer purchases the Property; and

(b) An additional \$387,200.00 to be paid by Buyer on or before the Close of Escrow.

5. Deed. At the Close of Escrow, Seller shall convey title to the Property to Buyer by Receiver's Deed (the "Deed"), subject to taxes and assessments not delinquent, reservations in patents, all easements, rights-of-way, covenants, conditions, restrictions, declarations, all matters that an accurate survey or a physical inspection of the Property would disclose and all matters to which Buyer has agreed.

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6. Disbursements. Upon the Close of Escrow, the full amount of the Purchase Price, less any closing costs which the Seller has expressly agreed to pay, shall be disbursed to Seller.

7. Property Sold "As Is." The Property is being sold "AS IS" and the Seller is not providing any warranties. Buyer expressly acknowledges that there may be present on the Property asbestos in friable form, aluminum wiring, mold, or other conditions that might affect the Buyers decision to purchase the Property. Buyer further acknowledges that Buyer has not relied on any warranties, promises, projections, calculations, understandings or representations, express or implied, of Seller or of any agent or representative of Seller, relating to the Property, and, Buyer is acquiring the Property in its present condition and state of repair, "AS IS", with all defects, latent or apparent. Buyer further acknowledges that any information of any type which Buyer has received or may receive from Seller or Seller's agents is furnished on the express condition that Buyer shall make an independent verification of the accuracy (including without limitation calculations) of such information, all such information being furnished without any warranty or liability whatsoever. The Seller has acquired possession of the Property pursuant to Court order and has not occupied the Property and therefore Seller cannot and will not provide a Seller Property Disclosure Statement ("SPDS"), CLUE Report or any other disclosure statements.

8. Additional Terms. There will be NO repairs done to the Property.

9. Receivership Court. The Buyer understands and acknowledges that the Seller was duly appointed the Receiver of the Property by the Receivership Court; that the Property and this transaction is under the jurisdiction of the Receivership Court; and that the Buyer has received, read, and understands the order of the Receivership Court appointing the Receiver, and Order Re: Petition No. 2 Governing the Administration of the Receivership. The parties further understand and acknowledge that this Agreement is contingent on the approval of the Receivership Court and that the Receivership Court could decline to approve the Agreement for various reasons, including without limitation that the sale price is not fair or that a sale of the Property is not in the best interests of the estate.

10. Sellers Additional Condition: The Buyer further understands and acknowledges that this Agreement is further conditioned upon Seller (a) obtaining from the holder of the first deed of trust secured by the Property, a reduction of payoff amount on the first deed of trust and note to an amount of not more than \$310,000.00, and (b) an agreement of the Brokers for both Seller and Buyer to accept commissions of not more than 2% each.

11. Cancellation. In the event Seller is unable, within thirty (30) days of the Buyer's the acceptance of this Counter Offer, to obtain the approval of the Receivership Court or obtain the additional conditions as provided under Paragraph 10 above, the Buyer or the Seller may elect in writing to cancel this Agreement and any Escrow and receive a full refund of the Earnest Money. Upon a cancellation in accordance with the provisions of this Paragraph, all documents deposited in Escrow by Seller and Buyer shall be returned to the party depositing the document, and this Agreement shall terminate.

12. Inspection. Buyer acknowledges that they have completed their inspection of the Property and agree to accept the Property "As Is".

13. Insurance. The Buyer acknowledges that is has obtained a commitment for the issuance of homeowner's insurance pertaining to the Property which is satisfactory to the Buyer.

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14. Condition of Title and Title Insurance. The condition of title and issuance of title insurance on the Property shall be governed by this Paragraph:

(a) Buyer has obtained and approved the preliminary title report for insurance on the Property ("Title Report").

(b) At or before the Close of Escrow, Seller shall provide to Buyer, at Seller's cost, a standard coverage owner's policy of Title Insurance (or an unconditional commitment of the Title Insurer to issue such policy) issued by a licensed Title Insurer, in the full amount of the Purchase Price of the Property, effective as of the Close of Escrow, insuring Buyer that fee simple title to the Property is vested in Buyer, subject only to the usual printed exceptions and exclusions contained in such title insurance policies, to the matters shown on the Title Report or any Amended Title Report approved or deemed approved by Buyer as provided in this Paragraph, and to any other matters set forth in Paragraph Deed. At the Close of Escrow, Seller shall convey title to the Property to Buyer by Receiver's Deed (the "Deed"), subject to taxes and assessments not delinquent, reservations in patents, all easements, rights-of-way, covenants, conditions, restrictions, declarations, all matters that an accurate survey or a physical inspection of the Property would disclose and all matters to which Buyer has agreed..

(c) The policy of Title Insurance required to be provided by Seller shall be a standard coverage owner's policy, and Seller shall only pay the premium for a standard coverage owner's policy. If Buyer elects to obtain extended coverage title insurance, such election shall not be a condition to Buyer's obligations hereunder. Seller and Buyer agree that Buyer shall be responsible for satisfying, at their sole cost and expense, all of Title Insurer's requirements for extended coverage before the Close of Escrow and Buyer shall pay the difference between the premium for such a policy and the premium for a standard coverage owner's policy. Further, Buyer shall be responsible for any endorsements required by Buyer. In no event shall the Close of Escrow be conditional upon or extended because of Buyer obtaining extended coverage or because of the issuance of any endorsements requested by Buyer.

15. Possession. Possession of the Property shall be delivered to Buyer at Close of Escrow.

16. Release and Indemnity. Seller is hereby released from all responsibility and liability regarding the condition (including, without limitation, the presence of asbestos or environmental hazards or substances) or valuation or utility of the Property. Buyer agrees that Buyer will not attempt to assert any claims of liability against Seller for furnishing such information, nor shall Buyer assert any claims of liability against Seller for the existence of or damages arising out of the existence of asbestos, and Buyer agrees to indemnify and hold Seller free and harmless for, from and against any and all such claims of liability. Buyer agrees to indemnify Seller and hold Seller harmless for, from and against all claims, damages, costs and expenses (including attorneys' fees) attributable, directly or indirectly, to Buyer's inspection of the Property or to the breach by Buyer of any obligation hereunder or the inaccuracy of any

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representation or warranty made by Buyer or in any instrument delivered pursuant hereto or in connection with the transactions contemplated hereby. This indemnity shall survive the Closing.

17. Assignment and Nomination. Buyer may not assign or otherwise transfer Buyer's rights under this Agreement without the prior written consent of Seller, which consent may be withheld in Seller's sole discretion. Any such assignee shall accept in writing the terms and conditions of this Agreement and of any supplements or Escrow Instructions that may have been entered into as of the time of the assignment. In no event shall any assignment extend the Close of Escrow.

18. No Liability. Buyer agrees that no receivers, directors, officers, employees or agents of Seller have any personal obligation hereunder, and that such party shall not seek to assert any claim or enforce any rights against such receivers, directors, officers, employees or agents.

19. Further Documentation. Each party agrees in good faith to execute such further or additional documents as may be necessary or appropriate to fully carry out the intent and purpose of this Agreement.

20. Exclusive Jurisdiction of the Receivership Court. The Receivership Court shall have exclusive jurisdiction to resolve any dispute arising under this Agreement.

21. Close of Escrow. The sale shall close within three (3) days of completion of the last of the requirements set forth in Paragraphs Receivership Court. The Buyer understands and acknowledges that the Seller was duly appointed the Receiver of the Property by the Receivership Court; that the Property and this transaction is under the jurisdiction of the Receivership Court; and that the Buyer has received, read, and understands the order of the Receivership Court appointing the Receiver, and Order Re: Petition No. 2 Governing the Administration of the Receivership. The parties further understand and acknowledge that this Agreement is contingent on the approval of the Receivership Court and that the Receivership Court could decline to approve the Agreement for various reasons, including without limitation that the sale price is not fair or that a sale of the Property is not in the best interests of the estate. and Sellers Additional Condition: The Buyer further understands and acknowledges above.

22. Time of the Essence. Time is of the essence and unless the Buyer's acceptance of this Counter Offer is signed by the Buyer or an authorized representative and a signed copy of this Counter Offer delivered by email to Vincent Zerilli, of West USA Realty, at realtorvince@cox.net, or by facsimile at (602) 863-4662, on or before April 18, 2017 at 5:00 PM, Mountain Standard time, or unless the Counter Offer has been previously withdrawn by the Receiver, this Counter Offer shall be considered withdrawn on the date and time set forth in this paragraph above. Until this Counter Offer has been accepted as provided above, the Parties understand that the Property can be sold or leased to someone else or either Party may withdraw the offer to buy or sell the Property. The undersigned acknowledge receipt of a copy hereof.

23. Signed Original. In order to facilitate the filing of appropriate pleadings with the courts identified above, the parties agree to execute one original of this Counter Offer and all other contract documents and to provide such originals to the Seller.

Dated: 04/18/17

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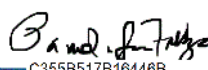
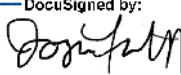
Peter S. Davis, Receiver
SELLER

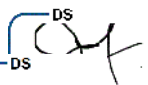
Acceptance

The Buyer accepts the above Counter Offer and agrees to the modified or additional terms and conditions in the above Counter Offer and acknowledges receipt of a copy hereof.

Dated: 4/18/2017

Dated: 4/18/2017

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Agreement to Reduced Commissions

The Brokers for the Buyer and for the Seller, notwithstanding their respective previous agreements with the Buyer and the Seller, agree to accept a commission of 2% each in connection with the sale of the Property as provided herein.

Realty One Group

Buyer's Broker

DocuSigned by:

Manuel Valente



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By Manuel Valente

Dated: 4/18/2017

West USA Realty

Seller's Broker

Vince
By Vince Zerrilli

Dated: 4-18-17

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Pat Murphy

From: Alan Meda <ameda@bcattorneys.com>
Sent: Monday, April 17, 2017 9:18 AM
To: Pat Murphy
Cc: Andy Abraham
Subject: RE: Winter

Pat-

I have conferred with my client and we are agreeable to the following proposal:

We will accept \$310,000 if we are paid within 30 days. If the sale closes and we receive our money, that is great. If the sale doesn't close and we don't otherwise receive our payoff within 30 days, then our agreement to accept \$310,000 is no longer applicable and we are free to pursue and complete our trustee's/foreclosure sale. In this respect, we understand that the Receiver may continue to try to sell the property but the \$310,000 discounted payoff amount will no longer be applicable and we will be entitled to full payment of all amounts due and owing including principal, default interest, late fees, foreclosure fees and attorneys' fees and costs. The Receiver also agrees not to seek an injunction or otherwise attempt to enjoin, stay, continue, otherwise postpone the trustee's/foreclosure sale.

Please confirm the Receiver's acceptance of this proposal. Of course, feel free to call me anytime if you would like to discuss. Thanks again for your assistance on this matter.

-Alan

Alan A. Meda

Direct: 602.234.8797
Fax: 602.850.9797

