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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. 23

PETITION TO CONFIRM SALE OF
REAL PROPERTY LOCATED AT 707 E.
POTTER 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”).

3. On or about September 25, 2013, DenSco loaned \$170,000 (“Potter Loan”) to Arizona Home Foreclosures, LLC (“AHF”) which was to finance AHF’s purchase of a residential property located at 707 E. Potter Drive in Phoenix (“Property”). The legal description for the Property is attached hereto as **Exhibit “1”**.

4. As security for the Potter Loan, AHF gave DenSco a Mortgage, which was recorded on September 25, 2013, with the Maricopa County Recorder at Document Number 2013-0857843. AHF, however, did not have title to the Property at the time of the execution and recording of this Mortgage. Subsequently, on May 1, 2015, AHF obtained title to the Property pursuant to a *Trustee’s Deed Upon Sale*, which was recorded on May 1, 2015, with the Maricopa County Recorder at Document Number 2015-0309209. In order to perfect DenSco’s security interest in the Property for the Potter Loan, AHF executed a *Deed of Trust and Assignment of Rents*, which was recorded on June 19, 2015, with the Maricopa County Recorder at Document Number 2015-0437867 (“Potter DOT”).

5. AHF was formed, controlled, and wholly owned by Yomtov Scott Menaged (“Menaged”). Menaged filed Chapter 7 Bankruptcy Petition on April 20, 2016. Once the Receiver had determined that AHF was in default under the Potter Loan, the Receiver filed a motion to lift the automatic bankruptcy stay as to the Potter Property imposed under U.S. Bankruptcy Code 362(a). On November 30, 2016, the United States Bankruptcy Court for

1 the District of Arizona entered an order lifting the automatic stay with respect to the Property.
2 Subsequently, the Receiver noticed a trustee sale of the Property pursuant to the terms of the
3 Potter DOT, which sale was conducted on April 4, 2017. On April 5, 2017, a Trustee's Deed
4 was recorded with the Maricopa County Recorder as Document Number 2017-0241707
5 vesting DenSco with title to the Property.

6 6. 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 7. Pursuant to this Court's Order 17, the Receiver engaged the services of Vincent
9 F. Zerilli PC of West USA Realty ("Broker") to market and sell the Property. The Receiver
10 agreed to pay the Broker a 6% sales commission, subject to the approval of this Court. The
11 Broker provided the Receiver with an opinion of value based on comparable sales which
12 indicated a fair market value in the range of \$270,000 to \$275,000. Accordingly, on or about
13 March 15, 2016, the Receiver listed the Property for sale at \$270,000.

14 8. On March 28, 2017, the Receiver received an offer of \$245,000 and the
15 following day the Receiver received an offer of \$250,000, both of which were rejected. On
16 April 3, 2017, the Receiver received an offer of \$270,000 and the following day received
17 another offer of \$272,000. The Broker advised the latest offerors to make their final and best
18 offer, and on April 5, 2017, the Receiver received a final offer from Craig Sanderson
19 ("Buyer") to purchase the Property for \$273,000. The Receiver thereafter submitted to Buyer
20 a counter offer which altered some of the terms of the offer but not the purchase price. The
21 Buyer accepted the Receiver's counter offer and these documents constitute the Purchase

1 Agreement and are attached hereto as Exhibit "2". The Purchase Agreement provides for the
2 sale of the Property for \$273,000 in cash but is conditioned on the Buyer obtaining financing.
3 The Buyer has provided the Receiver with a Pre-Qualification certificate indicating that the
4 Buyer has qualified for a loan up to \$275,653.

5 9. Pursuant to this Court's *Order Re Petition No. 17*, the Receiver was authorized
6 to market and sell any real property of the estate conditioned on approval of this Court.
7 Accordingly, the sale contemplated under Exhibit "2" is also conditioned upon, and will not
8 take place in the absence of, an order of this Court approving such sale.

9 10. In accordance with this Court's Order Re: Petition Number 2, the Receiver:

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

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

16 11. The Receiver recommends that the Property be sold for the price and under the
17 terms set forth in the Purchase Agreement attached as Exhibit "2", which the Receiver
18 believes are in the best interests of the receivership estate.

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

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

1 2. Authorizing Peter S. Davis, as Receiver, to execute all necessary documents in
2 connection with the sale of the Property confirmed by the Court.

3 Respectfully submitted this 14th day of April, 2017.

4 GUTTILLA MURPHY ANDERSON, P.C.

5 /s/Patrick M. Murphy
6 Patrick M. Murphy
7 Attorneys for the Receiver

8 2359-001(281778)
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Legal Description

Lot 19, subdivision Arroyo Rojo, according to the Plat of Record in the Office of the County Recorder of Maricopa County, in Book 424, of Maps, Page 13

APN: 213-05-499

RESIDENTIAL RESALE REAL ESTATE PURCHASE CONTRACT

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Document updated:
February 2017



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1. PROPERTY

1a. 1. BUYER: Craig A Sanderson

BUYER'S NAME(S)

2. SELLER: Peter S. Davis, Court Receiver or ☒ as identified in section 9c.

SELLER'S NAME(S)

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: 707 E Potter Dr Assessor's #: 213-05-499

6. City: Phoenix County: Maricopa AZ, Zip Code: 85024

7. Legal Description: LOT 19 ARROYO ROJO MCR 042413

8.

9.

1c. 10. \$ 273,000.00 Full Purchase Price, paid as outlined below

11. \$ 3,000.00 Earnest money Towards Down Payment

12. \$ 6,555.00 Down Payment due on or before close of escrow

13. \$ 263,445.00 New FHA Loan

14.

15.

16.

17. Earnest Money is in the form of: ☒ Personal Check ☐ Wire Transfer ☐ Other

18. 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 Sale

38. ☒ Other: As-Is Addendum, Agency Disclosure

PJ
SELLER SELLER

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West USA Realty - 02, 7077 E. Marilyn Road Scottsdale, AZ 85254
Phone: 602-882-2033

Fax:

Duncan Satterlee

707 E Potter DR

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Electronically Signed using eSignOnline™ [Session ID : 7ca15860-3e5e-4759-b8b8-cd179c9da838]

Exhibit 2

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 unpotting 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 the Premises (i.e. - solar) | • In-ground pool and spa/hot tub equipment and covers (including any mechanical or other cleaning systems) | • security and/or fire systems and/or alarms |
| 53. | | • water purification systems |
| 54. | | • 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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- 2f. 90. Loan Application: Unless previously completed, within three (3) days after Contract acceptance Buyer shall (i) provide lender with Buyer's name, income, social security number, Premises address, estimate of value of the Premises, and mortgage loan 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 notice of intent to proceed with the loan transaction in a manner satisfactory to lender; and (ii) provide to lender all requested signed disclosures and the documentation listed in the LSU at lines 32-35. Buyer agrees to diligently work to obtain the loan and 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 _____% of the Purchase Price OR up to \$ _____ to be used only for Buyer's loan costs, impounds, Title/Escrow Company costs, 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 Pre-Qualification Form attached hereto or LSU provided within ten (10) days after Contract acceptance and shall only make any such changes without the prior written consent of Seller if such changes do not adversely affect Buyer's ability to obtain loan 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 lender for at least the purchase price. If the Premises fail to appraise for the purchase price in any appraisal required by lender, Buyer has five (5) days after notice of the appraised value to cancel this Contract and receive a refund of the Earnest Money or 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 be applied against Seller's Concessions at COE, if applicable. If Buyer's lender requires an updated appraisal prior to COE, it will be 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 terms of this Contract shall be:
117. Great American Title Agency
ESCROW/TITLE COMPANY
118. 7720 N 16th St Phoenix AZ 85020-4492
ADDRESS CITY STATE ZIP
119. dwalt@azgat.com (602) 324-2100 (602) 324-2109
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 and separate property, a disclaimer deed may be required. Taking title may have significant legal, estate planning and tax 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, addressed pursuant to 8s and 9c or as otherwise provided, a Commitment for Title Insurance together with complete and legible copies of all documents that will remain as exceptions to Buyer's policy of Title Insurance ("Title Commitment"), including but not limited to Conditions, Covenants and Restrictions ("CC&Rs"); deed restrictions; and easements. Buyer shall have five (5) days after receipt of the Title Commitment and after receipt of notice of any subsequent exceptions to provide notice to Seller of any items disapproved. Seller shall convey title by warranty deed, subject to existing taxes, assessments, covenants, conditions, restrictions, rights of way, easements and all other matters of record. Buyer shall be provided at Seller's expense an American Land Title Association ("ALTA") Homeowner's Title Insurance Policy or, if not available, a Standard Owner's Title Insurance Policy, showing title vested in Buyer. Buyer may acquire extended coverage at Buyer's own additional expense. If applicable, Buyer shall pay the cost of obtaining the ALTA Lender Title 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
134. Buyer to any homeowner's association(s) in which the Premises are located. (ii) If Escrow Company is also acting as the title agency
135. but is not the title insurer issuing the title insurance policy, Escrow Company shall deliver to Buyer and Seller, upon deposit of funds, a
136. closing protection letter from the title insurer indemnifying Buyer and Seller for any losses due to fraudulent acts or breach of escrow
137. instructions by Escrow Company. (iii) All documents necessary to close this transaction shall be executed promptly by Seller and
138. Buyer in the standard form used by Escrow Company. Escrow Company shall modify such documents to the extent necessary to be
139. consistent with this Contract. (iv) Escrow Company fees, unless otherwise stated herein, shall be allocated equally between Seller and
140. Buyer. (v) Escrow Company shall send to all parties and Broker(s) copies of all notices and communications directed to Seller, Buyer
141. and Broker(s). (vi) Escrow Company shall provide Broker(s) access to escrowed materials and information regarding the escrow. (vii)
142. 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
145. Escrow Company, Buyer and Seller authorize Escrow Company to release the Earnest Money pursuant to the terms and conditions
146. of this Contract in its sole and absolute discretion. Buyer and Seller agree to hold harmless and indemnify Escrow Company against
147. any claim, action or lawsuit of any kind, and from any loss, judgment, or expense, including costs and attorney fees, arising from or
148. 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
150. association fees, rents, irrigation fees, and, if assumed, insurance premiums, interest on assessments, interest on encumbrances,
151. 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
153. 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
155. within three (3) days after Contract acceptance. Buyer shall provide notice of any SPDS items disapproved within the Inspection
156. 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
158. 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
159. insurance support organization or consumer reporting agency, or if unavailable from these sources, from Seller, within five (5) days
160. after Contract acceptance. Buyer shall provide notice of any items disapproved within the Inspection Period or five (5) days after
161. 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
163. individual, foreign corporation, foreign partnership, foreign trust, or foreign estate ("Foreign Person"). Seller agrees to complete,
164. sign, and deliver to Escrow Company a certificate indicating whether Seller is a Foreign Person. FIRPTA requires that a foreign
165. seller may have federal income taxes up to 15% of the purchase price withheld, unless an exception applies. Seller is responsible
166. 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
168. ("LBP") or LBP hazards in the Premises; (ii) provide Buyer with any LBP risk assessments or inspections of the Premises in Seller's
169. possession; (iii) provide Buyer with the Disclosure of Information on Lead-Based Paint and Lead-Based Paint Hazards, and any
170. report, records, pamphlets, and/or other materials referenced therein, including the pamphlet "Protect Your Family from Lead in Your
171. Home" (collectively "LBP Information"). Buyer shall return a signed copy of the Disclosure of Information on Lead-Based Paint and
172. 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
174. 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
176. or _____ days after receipt of the LBP information conduct or obtain a risk assessment or inspection of the Premises for the
177. presence of LBP or LBP hazards ("Assessment Period"). Buyer may within five (5) days after receipt of the LBP information or five
178. (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
180. 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 parties acknowledge that different home warranty plans have different coverage options, exclusions, limitations, service fees and most plans exclude pre-existing conditions.

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

294. pool and spa, to be issued by TBD at a cost

295. not to exceed \$ 550.00, 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 the purpose of satisfying Buyer that any corrections or repairs agreed to by Seller have been completed, and the Premises are in substantially the same condition as of the date of Contract acceptance. If Buyer does not conduct such walkthrough(s), Buyer 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 and walkthrough(s) upon reasonable notice by Buyer. Seller shall, at Seller's expense, have all utilities on, including any propane, 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 Person, a buyer of residential real property must withhold federal income taxes up to 15% of the purchase price, unless an exception applies. If FIRPTA is applicable and Buyer fails to withhold, Buyer may be held liable for the tax. Buyer agrees to perform any acts reasonable or necessary to comply with FIRPTA and IRS reporting requirements and Buyer is responsible for obtaining independent 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 provision of this Contract, the other party shall deliver a notice to the non-complying party specifying the non-compliance. If the non-compliance is not cured within three (3) days after delivery of such notice ("Cure Period"), the failure to comply shall become a breach of Contract. If Escrow Company or recorder's office is closed on the last day of the Cure Period, and COE must occur 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 breaching party in any claim or remedy that the non-breaching party may have in law or equity, subject to the Alternative Dispute Resolution obligations set forth herein. In the case of the Seller, because it would be difficult to fix actual damages in the event of Buyer's breach, the Earnest Money may be deemed a reasonable estimate of damages and Seller may, at Seller's option, accept 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 notice required by Section 2b, or Buyer's inability to obtain loan approval due to the waiver of the appraisal contingency pursuant to Section 2l, Seller shall exercise this option and accept the Earnest Money as Seller's sole right to damages. An unfulfilled contingency is not a breach of Contract. The parties expressly agree that the failure of any party to comply with the terms and 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, 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 Contract in accordance with the REALTORS® Dispute Resolution System, or as otherwise agreed. All mediation costs shall be paid equally by the parties. In the event that mediation does not resolve all disputes or claims, the unresolved disputes or claims shall be submitted for binding arbitration. In such event, the parties shall agree upon an arbitrator and cooperate in the scheduling of an arbitration hearing. If the parties are unable to agree on an arbitrator, the dispute shall be submitted to the American Arbitration Association ("AAA") in accordance with the AAA Arbitration Rules for the Real Estate Industry. The decision of the arbitrator shall be final and nonappealable. Judgment on the award rendered by the arbitrator may be entered in any court of competent jurisdiction. Notwithstanding the foregoing, either party may opt out of binding arbitration within thirty (30) days after the conclusion of the 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 Small Claims Division of an Arizona Justice Court (up to \$3,500) so long as the matter is not thereafter transferred or removed from the small claims division; (ii) judicial or nonjudicial foreclosure or other action or proceeding to enforce a deed of trust, mortgage, or 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 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 ("lis pendens"), or order of attachment, receivership, injunction, or other provisional remedies shall not constitute a waiver of the 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 Contract shall be awarded their reasonable attorney fees and costs. Costs shall include, without limitation, attorney fees, expert witness fees, fees paid to investigators, and arbitration costs.

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8. ADDITIONAL TERMS AND CONDITIONS8a. 344. There will be no Seller Property Disclosure Statement provided by Seller345. There will be no Insurance Claims History Report provided by the Seller

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Electronically Signed using eSignOnline™ [Session ID : 02f6f2f9-914b-4c79-8f95-35a2821f5cf0]

Exhibit 2

- 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) CAS
 SELLER SELLER BUYER BUYER
- 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 April 5, 2017 at 7 ☐ 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.

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8q. 443. Broker on behalf of Buyer:

444. Duncan Satterlee ds955 SA665336000
 PRINT AGENT'S NAME AGENT MLS CODE AGENT STATE LICENSE NO.
 445. _____
 PRINT AGENT'S NAME AGENT MLS CODE AGENT STATE LICENSE NO.
 446. WestUSA Realty WUSA02
 PRINT FIRM NAME FIRM MLS CODE
 447. 7077 E Marilyn Rd Scottsdale AZ 85254-278 CO001154001
 FIRM ADDRESS STATE ZIP CODE FIRM STATE LICENSE NO.
 448. (602) 882-2033 Duncan.SatterleeAZ@gmail.com
 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 452. a copy hereof including the Buyer Attachment.

453. Craig A Sanderson 04/03/2017
 *BUYER'S SIGNATURE MO/DAYR *BUYER'S SIGNATURE MO/DAYR
 454. Craig A Sanderson
 *BUYER'S NAME PRINTED *BUYER'S NAME PRINTED
 455. 1133 E Monona Dr
 ADDRESS ADDRESS
 456. Phoenix, AZ 85024-4124
 CITY, STATE, ZIP CODE CITY, STATE, ZIP CODE

9. SELLER ACCEPTANCE

9a. 457. Broker on behalf of Seller:

458. _____
 PRINT AGENT'S NAME AGENT MLS CODE AGENT STATE LICENSE NO.
 459. _____
 PRINT AGENT'S NAME AGENT MLS CODE AGENT STATE LICENSE NO.
 460. _____
 PRINT FIRM NAME FIRM MLS CODE
 461. _____
 FIRM ADDRESS STATE ZIP CODE FIRM STATE LICENSE NO.
 462. _____
 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 466. 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. 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 04/04/17
 *SELLER'S SIGNATURE MO/DAYR *SELLER'S SIGNATURE MO/DAYR
 470. Peter S. Davis, Court Receiver
 *SELLER'S NAME PRINTED *SELLER'S NAME PRINTED
 471. _____
 ADDRESS ADDRESS
 472. _____
 CITY, STATE, ZIP CODE 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/DAYR



WEST USA REALTY

"AS IS" ADDENDUM

Document updated:
September 2015



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: Craig A Sanderson
3. Premises Address: 707 E Potter Dr. Phoenix, AZ 85024
4. Date: _____

5. The following additional terms and conditions are hereby included as a part of the Contract between Seller and Buyer for the above referenced Premises. All terms and conditions of the Contract are hereby included herein and delivery of all notices and documentation shall be deemed delivered and received when sent as required by Section 8m of the Contract.
6. A. Seller and Buyer agree that the Premises is being sold in its existing condition ("AS IS") and Seller makes no warranty to Buyer, either express or implied, as to the (1) condition of the Premises, including, but not limited to, Seller's Warranties in Lines 172-174 of Section 6a, which Buyer hereby waives; (2) zoning of the Premises; or (3) Premises' fitness for any particular use or purpose. However, Seller warrants and shall maintain and repair the Premises so that, pursuant to lines 175-178, at the earlier of possession or COE, the Premises, including all additional existing personal property included in the sale, will be in substantially the same condition as on the date of Contract acceptance and all personal property not included in the sale and all debris will be removed from the Premises.
7. B. Buyer is advised to conduct independent inspection(s) and investigations regarding the Premises within the Inspection Period as specified in Section 6a. Buyer retains the rights pursuant to Section 6j. Seller shall not be obligated to correct any defects that may be discovered during Buyer's inspection(s) and investigations or otherwise.
8. C. Notwithstanding the foregoing, if an On-Site Wastewater Treatment Facility (conventional septic or alternative system) ("Facility") has been installed on the Premises, Seller and Buyer agree to complete and execute the AAR On-Site Wastewater Treatment Facility Addendum and Seller agrees to pay for the Facility inspections, fees or repairs as set forth therein.
9. D. Seller acknowledges that selling the Premises "AS IS" does not relieve Seller of the legal obligation to disclose all known material latent defects to Buyer.
10. E. In the event that any provision contained in this Addendum conflicts in whole or in part with any of the terms contained in the Contract, the provisions of this Addendum shall prevail and the conflicting terms are hereby considered deleted and expressly waived by both Buyer and Seller.
11. F. Other Terms and Conditions:
12. _____
13. _____
14. _____
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16. _____
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31. BUYER ACKNOWLEDGES THAT BUYER IS HEREBY ADVISED TO SEEK APPROPRIATE COUNSEL REGARDING THE RISKS OF BUYING A PROPERTY IN "AS IS" CONDITION.
32. Buyer recognizes, acknowledges, and agrees that Broker(s) are not qualified, nor licensed, to conduct due diligence with respect to the premises or the surrounding area. Buyer is instructed to consult with qualified licensed professionals to assist in Buyer's due diligence efforts. Because conducting due diligence with respect to the premises and the surrounding area is beyond the scope of the Broker's expertise and licensing, Buyer expressly releases and holds harmless Broker(s) from liability for any defects or conditions that could have been discovered by inspection or investigation. Seller and Buyer hereby expressly release, hold harmless and indemnify Broker(s) in this transaction from any and all liability and responsibility regarding financing, the condition, square footage, lot lines, boundaries, value, rent rolls, environmental problems, sanitation systems, roof, wood infestation, building codes, governmental regulations, insurance or any other matter relating to the value or condition of the Premises.

41. Craig A Sanderson 04/03/2017
* BUYER'S SIGNATURE _____ MOD/AYR

42. Peter S. Davis Court Receiver 3/27/17
* SELLER'S SIGNATURE _____ MOD/AYR

For Broker Use Only:

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

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Phone: 602-363-6707 Fax: 602-363-6663 Video: 602-363-6663

707 E Potter Dr

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H.O.A. CONDOMINIUM / PLANNED COMMUNITY ADDENDUM



ARIZONA
Association of
REALTORS

The pre-printed portion of this form has been drafted by the Arizona Association of REALTORS®. Any changes 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 but not limited to those stated herein. If you desire legal, tax or other professional advice, please consult your attorney, tax advisor or other professional consultant.



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

1. Seller: Peter G. Davis Court Receiver
2. Premises Address: 707 N Potter Dr., Phoenix, AZ 85024
3. Date: March 13, 2017
4. (INSTRUCTIONS) (1) Homeowner's association ("H.O.A.") information to be completed by Seller at the time of listing the Premises for sale.
(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

7. H.O.A.: Arroyo Ridge 400-942-3977
 8. Management Company (if any): _____ Contact Info: _____
 9. Amount of Dues: \$ 39.50 How often?: Monthly Contact Info: _____
 10. Amount of special assessments (if any): \$ _____ How often?: _____ Start Date: _____ End Date: _____
 11. _____
 12. Master Association (if any): _____ Contact Info: _____
 13. Management Company (if any): _____ Contact Info: _____
 14. Amount of Dues: \$ _____ How often?: _____ Start Date: _____ End Date: _____
 15. Amount of special assessments (if any): \$ _____ How often?: _____ Start Date: NO DAYR End Date: NO DAYR
 16. _____ Contact Info: _____
 17. Amount of Dues: \$ _____ How often?: _____

FEES PAYABLE UPON CLOSE OF ESCROW

19. Transfer Fees/Association fee(s) related to the transfer of title. H.O.A. \$ 250.00 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 fee: Dues, assessments, and any other association fee paid in advance of their due date. H.O.A. \$
22. Master Association \$
23. Disclosure Fees/Association Management/Company fee(s) costs incurred in the preparation of a statement or other documents furnished by the association(s) pursuant to the resale of the Promises for purposes of resale disclosure, non estoppel 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.
24. 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 \$
25. Other Fees: \$ Explain:
26. 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. *[Signature]*
35. *SELLER'S SIGNATURE
Peter G. Davis Court Receiver

4. SELLER'S SIGNATURE

MODA NY

SLCA Condominium/Planned Community Addendum • February 2015 Copyright © 2015 Arizona Association of REALTORS®. All rights reserved.

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WEST USA REALTY, 7077 E Marilyn Rd Building 4 Ste 130 Scottsdale, AZ 85254
Phone: 602-363-6207 Fax: 602-363-1663 Vince Zetlin

707 B Potter Dr

Produced with support by Telogis 14070 Fifteen Mile Road, Foster, Michigan 48320 www.telogis.com



ADDITIONAL OBLIGATIONS

35. 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.
36. 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 6d 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.
42. **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&R").
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: Craig A Sanderson
70. Seller: Peter S. Davis Court Receiver
71. Premises Address: 707 E Potter Dr, Phoenix, AZ 85024
72. Date: 04/03/2017
73. The following additional terms and conditions are hereby included as part of the Contract between Seller and Buyer for the
74. above referenced Premises.
75. Transfer Fee shall be paid by: ☒ Buyer ☐ Seller ☐ Other: _____
76. Capital Improvement Fee 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
92. 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
93. until written disclosure documents are furnished by the Association(s)/Management Company(ies) per Arizona law (A.R.S. § 33-1250 and
94. § 33-1608). Buyer further acknowledges that Broker(s) did not verify any of the information contained therein. Buyer therefore agrees to hold
95. Seller and Broker(s) harmless should the FEES PAYABLE UPON CLOSE OF ESCROW prove incorrect or incomplete.
96. The undersigned agrees to the additional terms and conditions set forth above and acknowledges receipt of a copy hereof.

97. Craig A Sanderson 04/03/2017
98. *BUYER'S SIGNATURE MO DAYR *BUYER'S SIGNATURE MO DAYR

99. SELLER'S ACCEPTANCE:

100. Peter S. Davis MO DAYR
101. *SELLER'S SIGNATURE MO DAYR *SELLER'S SIGNATURE MO DAYR

For Broker Use Only:			
Brokerage FEO Log No.:	Manager's Initials:	Broker's Initials:	Date: <u>MO DAYR</u>



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CONSENT TO LIMITED REPRESENTATION ("CONSENT") **BROKER REPRESENTS BOTH SELLER AND BUYER OR BOTH LANDLORD AND TENANT**

Document updated:
December 2002

 <p>ARIZONA association of REALTORS® REAL SOLUTIONS. REALTOR SUCCESS</p>	<p>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.</p>	
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1. Buyer/Tenant ("Buyer"): Craig A Sanderson
 2. Seller/Landlord ("Seller"): Peter S. Davis, Court Receiver
 3. Subject Property: 707 E Potter Dr. Phoenix. 85024
 4. Firm Name ("Broker"): WestUSA Realty

5. Consent: Buyer and Seller consent that Broker, acting through the Licensee(s) named below, will represent both parties in the transaction.

6. ☐ One Licensee: _____ (NAME)
 7. ☒ Two Licensees: Duncan Satterlee (NAME), who, through the Broker, has been representing the Buyer;
 and Vincent Raxilla (NAME), who, through the Broker, has been representing the Seller.

8. Duties and Limitations: The Broker now represents both Buyer and Seller and both parties understand that neither Broker nor Broker's Licensee(s) can represent the interests of one party to the exclusion or detriment of the other party. The parties understand and further consent to the following:

9. a) The Licensee or each Licensee represents both the Buyer and the Seller with limitations of the duties owed to the Buyer and the Seller, such as:
- 1) The Licensee(s) will not, without written authorization, disclose to the other party that the Seller will accept a price or terms other than stated in the listing or that the Buyer will accept a price or terms other than offered;
 - 2) There will be conflicts in the duties of loyalty, obedience, disclosure and confidentiality. Disclosure of confidential information may be made only with written authorization. This does not relieve each Licensee of any legal obligation to disclose all known facts which materially and adversely affect the consideration to be paid by any party to the transaction.
 - 3) Pursuant to A.R.S. §32-2188, Sellers, Lessors and Broker/Licensee(s) are not obligated to disclose that the Subject Property is or has been: (1) the site of a natural death, suicide, homicide, or any crime classified as a felony; (2) owned or occupied by a person exposed to HIV, or diagnosed as having AIDS or any other disease not known to be transmitted through common occupancy of real estate; or (3) located in the vicinity of a sex offender.
- b) The Licensee(s) shall exercise reasonable skill and care in the performance of their duties.
 c) The Licensee(s) shall be obligated at all times to deal honestly with all parties.
 d) The duties of the Licensee(s) in this transaction do not relieve the Seller or the Buyer from the responsibility to protect their own interests.

26. Compensation: Compensation to the Broker shall be paid pursuant to separate agreement(s).

27. Prior Agreements: Seller and Buyer understand this Consent does not replace prior agreements entered into with Broker and such agreements shall remain in effect. However, to the extent that the terms of this Consent contradict or conflict with the terms of prior agreements, this Consent shall supersede.

30. Termination: If the Seller and Buyer do not enter into a contract relating to the Subject Property or if the transaction between the Seller and the Buyer fails to close, the parties agree that this Consent is terminated, and the parties shall have no further rights or obligations pursuant to this Consent.

33. Indemnification: Seller and Buyer agree to indemnify and hold Broker harmless against any and all claims, damages, losses, expenses or liabilities including attorneys' fees and costs incurred by Broker in any defense thereof arising from Broker's role of limited representation.

36. THE UNDERSIGNED PARTIES ACKNOWLEDGE THAT THEY HAVE THOROUGHLY READ, UNDERSTOOD AND APPROVED THIS CONSENT AND ACKNOWLEDGE RECEIPT OF A COPY.

38. Craig A Sanderson 04/03/2017
 * BUYER'S SIGNATURE M/DAYR * BUYER'S SIGNATURE M/DAYR
 39. Peter S. Davis 04/06/17
 * SELLER'S SIGNATURE M/DAYR * SELLER'S SIGNATURE M/DAYR
 Peter S. Davis, Court Receiver



PRE-QUALIFICATION FORM

Document updated:
February 2018



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Your actual rate, payment, and costs could be higher. Get an official Loan Estimate before choosing a loan.

PRE-QUALIFICATION INFORMATION

1. Purpose: This Pre-Qualification Form is to be used in conjunction with an AAR Residential Resale Real Estate Purchase Contract or
2. Vacant Land/Lot Purchase Contract ("Contract").
3. ☐ Buyer HAS NOT consulted with a lender. (If Buyer marks the box on line 3, Buyer is to complete only lines 4 and 5.)
4. **CRAIG A SANDERSON**
PRINT BUYER'S NAME
5. **CRAIG A SANDERSON**
PRINT BUYER'S NAME
6. ☒ Lender indicated on lines 36 and 37 has consulted with **CRAIG A SANDERSON** ("Buyer") and submits the following:
7. Buyer is: ☒ Married ☐ Unmarried ☐ Legally Separated
8. Buyer ☐ is ☐ is not relying on the sale or lease of a property to qualify for this loan.
9. Buyer ☐ is ☐ is not relying on Seller Concessions for Buyer's loan costs including pre-paids, impounds, appraisal fees and Buyer's title and escrow fees. (Note: The amount that the Seller agrees to contribute, if any, shall be established in the Contract).
10. Type of Loan: ☐ Conventional ☒ FHA ☐ VA ☐ USDA ☐ Other: _____
11. Occupancy Type: ☐ Primary ☐ Secondary ☐ Non-Owner Occupied
12. Property Type: ☒ Single Family Residence ☐ Condominium ☐ Planned Unit Development ☐ Manufactured Home
13. ☐ Mobile Home ☐ Vacant Land/Lot ☐ Other: _____
14. YES NO N/A Lender has provided Buyer with the HUD form "For Your Protection: Get a Home Inspection" (FHA loans only).
15. YES NO N/A Lender has completed a verbal discussion with Buyer including a discussion of income, assets and debts.
16. YES NO N/A Lender has obtained a Tri-Merged Residential Credit Report.
17. Based on the information provided, Buyer can pre-qualify for a loan amount of: \$ **275,653.00**
18. assuming a monthly principal and interest loan payment of \$ **1,335.95**, provided that the total monthly
19. payment (which includes principal, interest, mortgage insurance, property taxes, insurance, HOA fees, and flood insurance,
20. if applicable) does not exceed: \$ **1,725.38**
21. Interest rate not to exceed: **4.125** %, ☒ Fixed Interest Rate ☐ Adjustable Interest Rate ☐ Pre-Payment Penalty
22. Initial Documentation Received: Lender received the following information from Buyer (additional documentation may be requested):
23. YES NO N/A Paystubs YES NO N/A Down Payment/Reserves Documentation
24. YES NO N/A W-2s YES NO N/A Gift Documentation
25. YES NO N/A Personal Tax Returns YES NO N/A Credit/Liability Documentation
26. YES NO N/A Corporate Tax Returns YES NO N/A Other: _____
27. Additional comments: _____
28. Buyer has instructed, and Lender agrees to provide loan status updates on the AAR Loan Status Update form to Seller and Broker(s)
29. within ten (10) days of Contract acceptance pursuant to Section 2e of the Contract and upon request thereafter.
30. **LENDER INFORMATION**
31. The lender identified below has prepared the information listed above with Buyer(s) and has completed the above action points noted.
32. This information does not constitute loan approval. All information provided must be approved by an underwriter, and any material
33. change in Buyer's credit or financial profile will render this pre-qualification null and void.
34. The above pre-qualification expires on: **4/11/2017**
35. Lender: **Homeowners Financial Group USA, LLC** **0906222** **93718**
36. **Carla Mittelmann** **LO-09125225** **320030**
37. **16427 North Scottsdale Road Suite 145** **Scottsdale** **AZ** **85254**
38. **cmittelmann@homeownersfg.com** **480-305-8500** **480-305-8501**
39. **cmittelmann@homeownersfg.com** **480-305-8500** **480-305-8501**
40. **cmittelmann@homeownersfg.com** **480-305-8500** **480-305-8501**
41. **cmittelmann@homeownersfg.com** **480-305-8500** **480-305-8501**
42. **cmittelmann@homeownersfg.com** **480-305-8500** **480-305-8501**

Pre-Qualification Form • Updated: February 2018 • Copyright © 2018 Arizona Association of REALTORS. All rights reserved.

Counter Offer No. One

This is a Counter Offer by the Seller, Peter S. Davis, Receiver, to the Offer by the Buyer dated April 3, 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 707 E. Potter Dr., Phoenix AZ 85024, APN: 213-05-499 ("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, Cause No. CV2016-014142 ("Receivership Court"). The Taxpayer Identification Number for the Seller is 86-1027265.

3. Buyer. The Buyer is Craig A. Sanderson.

4. Purchase Price. The Purchase Price which Buyer agrees to pay for the Property is \$273,000.00. 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 \$3,000.00 cash earnest money deposit (the "Earnest Money") which shall become non-refundable, except as otherwise provided in Paragraphs 8, 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 \$270,000.00 in cash and financing 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 CAS
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 can not and will not provide any seller disclosure statements.

8. Additional Terms. The Buyer's obligations to complete this sale is contingent upon the Buyer obtaining financing as set forth in lines 69-114 of the Buyer's Offer.

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. Additional Approvals. None.

11. Cancellation. In the event Seller is unable, within sixty (60) days of the Buyer's acceptance of this Counter Offer, to obtain the approval of the Receivership Court and any additional approvals as provided under Paragraphs 9 and 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 date of the Buyer's acceptance of this Counter Offer 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.

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:

Buyer's Initials CAS
Buyer's Initials _____

Seller's Initials PSJ

Page 2 of 5 Pages

(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 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.

Buyer's Initials CAS
Buyer's Initials _____

Seller's Initials PSD

Page 3 of 5 Pages

(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.

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.

Buyer's Initials CAS
Buyer's Initials _____


Seller's Initials JSJ

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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 7, 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: 4/5/17


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: 04/07/2017

Craig A Sanderson
BUYER

2359-004.05 (281256)

Buyer's Initials CAS
Buyer's Initials _____

Seller's Initials PSD

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Exhibit 2