

1 Guttilla Murphy Anderson, P.C.  
2 **Patrick M. Murphy** (Ariz. No. 002964)  
3 5415 E. High St., Suite 200  
4 Phoenix, Arizona 85054  
5 Email: pmurphy@gamlaw.com  
6 Phone: (480) 304-8300  
7 Fax: (480) 304-8301

8 Attorneys for the Receiver

9  
10 IN THE SUPERIOR COURT OF THE STATE OF ARIZONA

11 IN AND FOR THE COUNTY OF MARICOPA

12 ARIZONA CORPORATION )  
13 COMMISSION, )

14 Plaintiff, )

15 v. )

16 DENSCO INVESTMENT )  
17 CORPORATION, an Arizona )  
18 corporation, )

19 Defendant. )

Cause No. CV2016-014142

PETITION NO. 28

PETITION TO CONFIRM SALE OF  
REAL PROPERTY LOCATED AT 707 E.  
POTTER DRIVE, PHOENIX, ARIZONA

(Assigned to the Honorable Lori Horn  
Bustamante)

20  
21 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”).

1           2.       On February 13, 2017, the Court entered its *Order Re: Petition No 17*, which  
2 approved procedures for the disposition of receivership interests in real property (“Order  
3 17”).

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

8           4.       As security for the Potter Loan, AHF gave DenSco a Mortgage, which was  
9 recorded on September 25, 2013, with the Maricopa County Recorder at Document Number  
10 2013-0857843. AHF, however, did not have title to the Property at the time of the execution  
11 and recording of this Mortgage. Subsequently, on May 1, 2015, AHF obtained title to the  
12 Property pursuant to a *Trustee’s Deed Upon Sale*, which was recorded on May 1, 2015, with  
13 the Maricopa County Recorder at Document Number 2015-0309209. In order to perfect  
14 DenSco’s security interest in the Property for the Potter Loan, AHF executed a *Deed of Trust*  
15 *and Assignment of Rents*, which was recorded on June 19, 2015, with the Maricopa County  
16 Recorder at Document Number 2015-0437867 (“Potter DOT”).

17           5.       AHF was formed, controlled, and wholly owned by Yomtov Scott Menaged  
18 (“Menaged”). Menaged filed Chapter 7 Bankruptcy Petition on April 20, 2016. Once the  
19 Receiver had determined that AHF was in default under the Potter Loan, the Receiver filed a  
20 motion to lift the automatic bankruptcy stay as to the Potter Property imposed under U.S.  
21 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. The Receiver previously accepted an offer for purchase of this property from  
15 Craig Sanderson for \$273,000.00. The Court previously approved this Purchase Agreement  
16 and sale of the property as reflected in the Court's *Order Re: Petition No. 23*. The Purchase  
17 Agreement was conditioned on the Buyer obtaining financing. Consequently, the Buyer was  
18 not able to obtain FHA Financing for the property and the property was re-listed for sale.

19 9. On May 23, 2017, the Receiver received an offer from Aaron Valencia  
20 ("Buyer") of \$270,000. The Receiver thereafter submitted to Buyer a counter offer which  
21 altered some of the terms of the offer but not the purchase price. The Buyer accepted the

Receiver's counter offer May 30, 2017 and these documents constitute the Purchase Agreement and are attached hereto as **Exhibit "2"**. The Purchase Agreement provides for the sale of the Property for \$270,000 in cash but is conditioned on the Buyer obtaining financing. The Buyer has provided the Receiver with a Pre-Qualification certificate indicating that the Buyer has qualified for a loan up to \$225,000.00. The Purchase Agreement provides that the Buyer has provided \$2,000.00 in earnest money to open escrow, the amount of \$52,000.00 in cash will be provided at close of escrow and the remaining \$216,000 will be provided by conventional financing.

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

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

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

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

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

1. Approving the sale as set forth in the Purchase Agreement attached as **Exhibit “2”** to this Petition of the Property legally described in **Exhibit “1”**.

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

Respectfully submitted this 15<sup>th</sup> day of June, 2017.

GUTTILLA MURPHY ANDERSON, P.C.

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

### **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

Document updated:  
February 2017



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



## 1. PROPERTY

1a. 1. BUYER: Aaron Valencia

BUYER'S NAME(S)

2. SELLER: Peter S. Davis

SELLER'S NAME(S)

or ☐ as identified in section 9c.

3. Buyer agrees to buy and Seller agrees to sell the real property with all improvements, fixtures, and appurtenances thereon

4. or incidental thereto; plus the personal property described herein (collectively the "Premises").

1b. 5. Premises Address: 707 E Potter Dr

Assessor's #: 213-05-499

6. City: Phoenix

County: Maricopa

AZ, Zip Code: 85024

7. Legal Description: ARROYO ROJO

8.

9.

10. 10. \$ 270,000.00 Full Purchase Price, paid as outlined below

11. \$ 2,000.00 Earnest money

12. \$ 52,000.00 down payment at close of escrow

13. \$ 216,000.00 Conventional Financing

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 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 documents, and perform all other acts necessary in sufficient time to allow COE to occur on

24. June 30th 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:

SELLER SELLER

Initials

Residential Resale Real Estate Purchase Contract • Updated: February 2017  
Copyright ©2017 Arizona Association of REALTORS®. All rights reserved.

Page 1 of 10

Initials

BUYER BUYER



HomeSmart, 10601 N Hayden Rd #1-100 Scottsdale, AZ 85260  
Phone: 602-791-0059 Fax: 800-953-0135

Aaron Valencia

Aaron Valencia

Produced with zipForms by zipLogix 18070 Fulton Mills Road, Fraser, Michigan 48028 www.ziplogix.com



**Residential Resale Real Estate Purchase Contract >>**

- 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 potted plants) | • wall mounted TV brackets and hardware (excluding TVs) |
| 47. • floor coverings (affixed)               | • shutters and awnings   | • water-metering systems                                |
| 48. • free-standing range/oven                | • speakers (flush-mounted)                                       | • window and door screens, sun shades                   |
| 49. • garage door openers and remote controls | • storage sheds  |   |
61. If owned by Seller, the following items also are included in this sale:
62. • affixed alternate power systems serving: in-ground pool and spa/hot tub equipment. • security and/or fire systems and/or alarms
63. the Premises (i.e., solar) and covers (including any mechanical or water purification systems
64. other cleaning systems) • water softeners
65. Additional existing personal property included in this sale (if checked):
66. ☐ refrigerator (description): \_\_\_\_\_
67. ☐ washer (description): \_\_\_\_\_
68. ☐ dryer (description): \_\_\_\_\_
69. ☐ above-ground spa/hot tub including equipment, covers, and any mechanical or other cleaning systems (description): \_\_\_\_\_
70. \_\_\_\_\_
71. ☐ other personal property not otherwise addressed (description): \_\_\_\_\_
72. ☐ other personal property not otherwise addressed (description): \_\_\_\_\_
73. Additional existing personal property included shall not be considered part of the Premises and shall be transferred with no monetary value, and free and clear of all liens or encumbrances.
74. Leased items shall NOT be included in this sale. Seller shall deliver notice of all leased items within three (3) days after Contract acceptance. Buyer shall provide notice of any leased items disapproved within the Inspection Period or five (5) days after receipt of the notice, whichever is later.
75. 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 of 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.

WM	Initials
SELLER	SELLER

Residential Resale Real Estate Purchase Contract • Updated: February 2017  
Copyright ©2017 Arizona Association of REALTORS®. All rights reserved.

Page 2 of 10

DB	Initials
BUYER	BUYER



**Residential Resale Real Estate Purchase Contract >>**

- 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 \$5,000.00 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. Kathleen Veglia Driggs Title  
Escrow/Title Company
118. \_\_\_\_\_  
Address City State ZIP
118. kathleenv@driggstitle.com (480) 212-1203  
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 126. Conditions, Covenants and Restrictions ("CC&Rs"); deed restrictions; and easements. Buyer shall have five (5) days after receipt of the 127. Title Commitment and after receipt of notice of any subsequent exceptions to provide notice to Seller of any items disapproved. Seller 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 130. Title Insurance Policy or, if not available, a Standard Owner's Title Insurance Policy, showing title vested in Buyer; Buyer may acquire 131. extended coverage at Buyer's own additional expense. If applicable, Buyer shall pay the cost of obtaining the ALTA Lender Title 132. Insurance Policy.

Residential Resale Real Estate Purchase Contract - Updated: February 2017  
Copyright ©2017 Arizona Association of REALTORS®. All rights reserved.

Page 3 of 10

Produced with zipForm® by zipLogix 16070 Fifteen Mile Road, Fraser, Michigan 48026 [www.zipLogix.com](http://www.zipLogix.com)

Aaron Valencia



**Residential Resale Real Estate Purchase Contract >>**

- 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. 164. 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. 167. 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)                      BUYER
182. If Premises were constructed in 1978 or later, (BUYER'S INITIALS REQUIRED)                      BUYER

SELLER SELLER

Initials

Residential Resale Real Estate Purchase Contract • Updated: February 2017  
Copyright ©2017 Arizona Association of REALTORS®. All rights reserved.

Page 4 of 10

Initials

BUYER BUYER





**Residential Resale Real Estate Purchase Contract >>**

- 4a. 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**

- 6a. 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. debts 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.
- 6b. 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.
- 6c. 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. None 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.

Residential Resale Real Estate Purchase Contract • Updated: February 2017  
Copyright ©2017 Arizona Association of REALTORS®, All rights reserved.

16d  
SELLER SELLER

Initials

Page 5 of 10

Initials

BUYER BUYER





**Residential Resale Real Estate Purchase Contract >>**

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)

BUYER

BUYER

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 agree 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)

BUYER

BUYER

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)

BUYER

BUYER

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.

Residential Resale Real Estate Purchase Contract - Updated: February 2017  
 Copyright ©2017 Arizona Association of REALTORS®. All rights reserved.

SELLER SELLER

Initials

Page 8 of 10

Initials

BUYER

BUYER



**Residential Resale Real Estate Purchase Contract >>**

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

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

294. \_\_\_\_\_, to be issued by \_\_\_\_\_ Choice \_\_\_\_\_ at a cost  
 295. not to exceed \$ 650.00, to be paid for by ☐ Buyer ☒ Seller ☐ Split evenly between Buyer and Seller

298. ☐ Buyer declines the purchase of a Home Warranty Plan.

297.

(BUYER'S INITIALS REQUIRED)

BUYER BUYER

- 6l. 298. Walkthrough(s): Seller grants Buyer and Buyer's inspector(s) reasonable access to conduct walkthrough(s) of the Premises for  
 299. the purpose of satisfying Buyer that any corrections or repairs agreed to by Seller have been completed, and the Premises are  
 300. in substantially the same condition as of the date of Contract acceptance. If Buyer does not conduct such walkthrough(s), Buyer  
 301. releases Seller and Broker(s) from liability for any defects that could have been discovered.
- 6m. 302. Seller's Responsibility Regarding Inspections and Walkthrough(s): Seller shall make the Premises available for all inspections  
 303. and walkthrough(s) upon reasonable notice by Buyer. Seller shall, at Seller's expense, have all utilities on, including any propane,  
 304. until COE to enable Buyer to conduct these inspections and walkthrough(s).
- 6n. 308. IRS and FIRPTA Reporting: The Foreign Investment in Real Property Tax Act ("FIRPTA") provides that, if a seller is a Foreign  
 308. Person, a buyer of residential real property must withhold federal income taxes up to 15% of the purchase price, unless an exception  
 307. applies. If FIRPTA is applicable and Buyer fails to withhold, Buyer may be held liable for the tax. Buyer agrees to perform any acts  
 308. reasonable or necessary to comply with FIRPTA and IRS reporting requirements and Buyer is responsible for obtaining independent  
 309. legal and tax advice.

**7. REMEDIES**

- 7a. 310. Cure Period: A party shall have an opportunity to cure a potential breach of this Contract. If a party fails to comply with any  
 311. provision of this Contract, the other party shall deliver a notice to the non-complying party specifying the non-compliance. If the  
 312. non-compliance is not cured within three (3) days after delivery of such notice ("Cure Period"), the failure to comply shall become a  
 313. breach of Contract. If Escrow Company or recorder's office is closed on the last day of the Cure Period, and COE must occur  
 314. to cure a potential breach, COE shall occur on the next day that both are open for business.
- 7b. 315. Breach: In the event of a breach of Contract, the non-breaching party may cancel this Contract and/or proceed against the  
 316. breaching party in any claim or remedy that the non-breaching party may have in law or equity, subject to the Alternative Dispute  
 317. Resolution obligations set forth herein. In the case of the Seller, because it would be difficult to fix actual damages in the event of  
 318. Buyer's breach, the Earnest Money may be deemed a reasonable estimate of damages and Seller may, at Seller's option, accept  
 319. the Earnest Money as Seller's sole right to damages; and in the event of Buyer's breach arising from Buyer's failure to deliver the  
 320. notice required by Section 2b, or Buyer's inability to obtain loan approval due to the waiver of the appraisal contingency pursuant  
 321. to Section 21, Seller shall exercise this option and accept the Earnest Money as Seller's sole right to damages. An unfulfilled  
 322. contingency is not a breach of Contract. The parties expressly agree that the failure of any party to comply with the terms and  
 323. conditions of Section 1d to allow COE to occur on the COE Date, if not cured after a cure notice is delivered pursuant to Section 7a,  
 324. will constitute a material breach of this Contract, rendering the Contract subject to cancellation.
- 7c. 325. Alternative Dispute Resolution ("ADR"): Buyer and Seller agree to mediate any dispute or claim arising out of or relating to this  
 326. Contract in accordance with the REALTORS® Dispute Resolution System, or as otherwise agreed. All mediation costs shall be paid  
 327. equally by the parties. In the event that mediation does not resolve all disputes or claims, the unresolved disputes or claims shall  
 328. be submitted for binding arbitration. In such event, the parties shall agree upon an arbitrator and cooperate in the scheduling of  
 329. an arbitration hearing. If the parties are unable to agree on an arbitrator, the dispute shall be submitted to the American Arbitration  
 330. Association ("AAA") in accordance with the AAA Arbitration Rules for the Real Estate Industry. The decision of the arbitrator shall be  
 331. final and nonappealable. Judgment on the award rendered by the arbitrator may be entered in any court of competent jurisdiction.  
 332. Notwithstanding the foregoing, either party may opt out of binding arbitration within thirty (30) days after the conclusion of the  
 333. mediation conference by notice to the other and, in such event, either party shall have the right to resort to court action.
- 7d. 334. Exclusions from ADR: The following matters are excluded from the requirement for ADR hereunder: (i) any action brought in the  
 335. Small Claims Division of an Arizona Justice Court (up to \$3,500) so long as the matter is not thereafter transferred or removed from  
 336. the small claims division; (ii) judicial or nonjudicial foreclosure or other action or proceeding to enforce a deed of trust, mortgage, or  
 337. agreement for sale; (iii) an unlawful entry or detainer action; (iv) the filing or enforcement of a mechanic's lien; or (v) any matter that  
 338. is within the jurisdiction of a probate court. Further, the filing of a judicial action to enable the recording of a notice of pending action  
 339. ("lis pendens"), or order of attachment, receivership, injunction, or other provisional remedies shall not constitute a waiver of the  
 340. obligation to submit the claim to ADR, nor shall such action constitute a breach of the duty to mediate or arbitrate.
- 7e. 341. Attorney Fees and Costs: The prevailing party in any dispute or claim between Buyer and Seller arising out of or relating to this  
 342. Contract shall be awarded their reasonable attorney fees and costs. Costs shall include, without limitation, attorney fees, expert  
 343. witness fees, fees paid to investigators, and arbitration costs.

Residential Resale Real Estate Purchase Contract, Updated: February 2017  
 Copyright ©2017 Arizona Association of REALTORS®, All rights reserved.

SELLER SELLER  
 Initials

Initials

BUYER BUYER

Page 7 of 10

Produced with zipForm® by zipLogix 16070 Filicon Mile Road, Premier, Michigan 48869 www.zipLogix.com

Aaron Valencia



Residential Resale Real Estate Purchase Contract >>**8. ADDITIONAL TERMS AND CONDITIONS**8a. 344. Buyer waives SPDS And clue history.

346.

348. Property AS IS

347.

348. Buyer is a licensed realtor in the state of AZ.

349.

350.

351.

352.

353.

354.

355.

356.

357.

358.

359.

360.

361.

362.

363.

364.

365.

366.

367.

368.

369.

370.

371.

372.

373.

374.

375.

376.

377.

378.

379.

380.

381.

382.

383.

384.

385.

386.

387.

388.

389.

	SELLER
	SELLER



Initials

Residential Resale Real Estate Purchase Contract • Updated February 2017  
Copyright ©2017 Arizona Association of REALTORS®. All rights reserved.

Page 8 of 10

Produced with zipForm® by zipLogic 10070 Fifteen Mile Road, Fraser, Michigan 48020 [www.ziplogic.com](http://www.ziplogic.com)

Initials

	BUYER
	BUYER



Aaron Valonela



## Residential Resale Real Estate Purchase Contract &gt;&gt;

- bb. 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 8g, to Seller as indicated in Section 8a 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) \_\_\_\_\_ (BUYER'S INITIALS REQUIRED) \_\_\_\_\_
- 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 8g 437. by May 25, 2017 at 10 ☒ a.m./ ☐ p.m., Mountain Standard Time. 438. Buyer may withdraw this offer at any time prior to receipt of Seller's signed acceptance. If no signed acceptance is received by this 439. date and time, this offer shall be deemed withdrawn and the Buyer's Earnest Money shall be returned.
- 8p. 440. THIS CONTRACT CONTAINS TEN (10) PAGES EXCLUSIVE OF ANY ADDENDA AND ATTACHMENTS. PLEASE ENSURE 441. THAT YOU HAVE RECEIVED AND READ ALL TEN (10) PAGES OF THIS OFFER AS WELL AS ANY ADDENDA AND 442. ATTACHMENTS.



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

444. Aaron Valencia av156 SA550201000  
 PRINT AGENT'S NAME AGENT MLS CODE AGENT STATE LICENSE NO.  
 445. \_\_\_\_\_  
 PRINT AGENT'S NAME AGENT MLS CODE AGENT STATE LICENSE NO.  
 446. HomeSmart CRIL02  
 PRINT FIRM NAME FIRM MLS CODE  
 447. 10601 N Hayden RD I-100 Scottsdale AZ 85260 LC506032003  
 FIRM ADDRESS STATE ZIP CODE FIRM STATE LICENSE NO.  
 448. (602) 791-0059 aaron.valencia@cox.net  
 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. 5/23/2017**

453. DAASDOOEC14192 MO/DAVR BUYER'S SIGNATURE MO/DAVR  
 454. Aaron Valencia BUYER'S NAME PRINTED  
 455. \_\_\_\_\_  
 ADDRESS ADDRESS  
 456. \_\_\_\_\_  
 CITY, STATE, ZIP CODE CITY, STATE, ZIP CODE

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

458. Vincent F Zerilli vz006 SA517570000  
 PRINT AGENT'S NAME AGENT MLS CODE AGENT STATE LICENSE NO.  
 459. \_\_\_\_\_  
 PRINT AGENT'S NAME AGENT MLS CODE AGENT STATE LICENSE NO.  
 460. West USA Realty wusa002  
 PRINT FIRM NAME FIRM MLS CODE  
 461. 1011 E Maricopa Rd #130 Scottsdale AZ 85254 CO001154001  
 FIRM ADDRESS STATE ZIP CODE FIRM STATE LICENSE NO.  
 462. (602) 363-6207 realtorvince@cox.net  
 PREFERRED TELEPHONE FAX EMAIL

**9b. 463. Agency Confirmation: Broker named in Section 9a above is the agent of (check one):**

464. ☒ Seller; or ☐ both Buyer and Seller

**9c. 465. The undersigned agree to sell the Premises on the terms and conditions herein stated, acknowledge receipt of a 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 05/25/17 SELLER'S SIGNATURE MO/DAVR  
 470. Peter S. Davis 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/DAVR





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: Aaron Valencia
3. Premises Address: 707 E. Potter Dr. Phoenix, AZ 85024
4. Date: 5/23/17

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 6m 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 175-176, at the earlier of possession or COB, 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. \_\_\_\_\_
15. \_\_\_\_\_
16. \_\_\_\_\_
17. \_\_\_\_\_
18. \_\_\_\_\_
19. \_\_\_\_\_
20. \_\_\_\_\_
21. \_\_\_\_\_
22. \_\_\_\_\_
23. \_\_\_\_\_
24. \_\_\_\_\_
25. \_\_\_\_\_
26. \_\_\_\_\_
27. \_\_\_\_\_
28. \_\_\_\_\_
29. \_\_\_\_\_
30. \_\_\_\_\_
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, and/or any other matter relating to the value or condition of the Premises.

33. 094A8000004545...
41. BUYER'S SIGNATURE MORAYH BUYER'S SIGNATURE MORAYH
42. SELLER'S SIGNATURE 3/27/17 SELLER'S SIGNATURE MORAYH  
Peter S. Davis Court Receiver

For Broker Use Only:

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

"As Is" Addendum • Updated September 2015 • Copyright © 2015 Arizona Association of REALTORS. All rights reserved.

 WEST USA REALTY, 7077 E Marilyn Rd Building 4 Ste 130 Scottsdale, AZ 85254  
 Phone 602-353-6207 Fax 602-353-4662 Vireo Zettl

Produced with software by eSign® 10070 Folsom Lane, Foster, Michigan 48320 www.eSign.com

707 E Potter Dr








# H.O.A. CONDOMINIUM / PLANNED COMMUNITY ADDENDUM

Page 1 of 3

February 2018

 <b>ARIZONA</b> Association of <b>REALTORS®</b>	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 or effect 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.	 
--	--	---

## 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

8. H.O.A.:	<u>Arroyo Rolo</u>	Contact Info:	<u>480-943-1077</u>
9. Management Company (if any):		Contact Info:	
10. Amount of Dues: \$ <u>22.50</u>	How often?: <u>Monthly</u>		
11. Amount of special assessments (if any): \$	How often?:	Start Date:	End Date:
		<u>MO/DAY/YR</u>	<u>MO/DAY/YR</u>
12. Master Association (if any):		Contact Info:	
13. Management Company (if any):		Contact Info:	
14. Amount of Dues: \$	How often?:		
15. Amount of special assessments (if any): \$	How often?:	Start Date:	End Date:
		<u>MO/DAY/YR</u>	<u>MO/DAY/YR</u>
16. Other:		Contact Info:	
17. Amount of Dues: \$	How often?:		

## FEES PAYABLE UPON CLOSE OF ESCROW

- 18.
19. Transfer Fees: Association(s) fees related to the transfer of title. H.O.A. \$ 150.00 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.
22. Prepaid Association(s) Fees: Dues, assessments, and any other association(s) fees paid in advance of their due date. H.O.A. \$
23. Master Association \$
24. Disclosure Fees: Association(s) Management/Company fees incurred in the preparation of a statement or other documents furnished by the association(s) pursuant to the resale of the Premises for purposes of resale disclosure, 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.
25. As part of the Disclosure Fees, each association may charge a statement or other documents update fee of no more than \$50.00 (fifty (\$50) dollars) 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 \$
- 26.
- 27.
- 28.
- 29.
- 30.
31. Other Fees: \$ Explain:
32. SELLER CERTIFICATION: By signing below, Seller certifies that the information contained above is true and complete to the best of Seller's actual knowledge as of the date signed. Broker(s) did not verify any of the information contained herein.
- 33.

34.  3/27/17

35. SELLER'S SIGNATURE: Peter G. Davis Court Receiver MO/DAY/YR SELLER'S SIGNATURE: MO/DAY/YR

H.O.A. Condominium / Planned Community Addendum - February 2018 Copyright © 2018 Arizona Association of REALTORS®, All rights reserved.

Page 1 of 3

WEST USA REALTY, 2077 N. Meridian Rd Building 4 Ste 130 Scottsdale, AZ 85254  
Phone: 602-363-6207 Fax: 602-363-4663 Tracy Smith

707 N Potter Dr

Processed with eForms by ePledge 16070 Foothill Road, Phoenix, Arizona 85024 www.ekbonly.com



## N.O.A. Condominium / Planned Community Addendum &gt;&gt;

**ADDITIONAL OBLIGATIONS**

88. 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.
89. 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 86 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.
90. **BUYER IS ALLOWED FIVE (5) DAYS AFTER RECEIPT OF THE INFORMATION FROM THE SELLER(S) OR HOMEOWNER'S ASSOCIATION TO PROVIDE WRITTEN NOTICE TO SELLER OF ANY ITEMS DISAPPROVED.**

**INFORMATION REQUIRED BY LAW TO BE PROVIDED TO BUYER:**

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





## H.O.A. Condominium / Planned Community Addendum &gt;&gt;

## BUYER'S ACKNOWLEDGMENT AND TERMS

69. Buyer: Anna Valencia
70. Seller: Peter S. Davis Court Receiver
71. Premises Address: 207 E Potters Dr, Phoenix, AZ 85024
72. Date: 5-23-17
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 Fees shall be paid by: ☒ Buyer ☐ Seller ☐ Other: \_\_\_\_\_
76. Capital Improvement Fees shall be paid by: ☒ Buyer ☐ Seller ☐ Other: \_\_\_\_\_
77. Buyer shall pay all Prepaid Association Fees.
78. Seller shall pay all Disclosure Fees as required by Arizona law.
79. In a financed purchase, Buyer shall be responsible for all lender fees charged to obtain Association(s)/Management Company(ies) documents.
80. Other fees: \_\_\_\_\_
81. \_\_\_\_\_
82. BUYER VERIFICATION: Buyer may contact the Association(s)/Management Company(ies) for verbal verification of association FEES
83. PAYABLE UPON CLOSE OF ESCROW.
84. ASSESSMENTS: Any current homeowner's association assessment which is a lien as of Close of Escrow shall be paid in full by Seller.
85. Any assessment that becomes a lien after Close of Escrow is Buyer's responsibility.

## 86. ADDITIONAL TERMS AND CONDITIONS

87. \_\_\_\_\_
88. \_\_\_\_\_
89. \_\_\_\_\_
90. \_\_\_\_\_

91. BUYER ACKNOWLEDGMENT: By signing below, Buyer acknowledges receipt of all three (3) pages of this addendum and acknowledges
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. § 33-1808). Buyer further acknowledges that Broker(s) did not verify any of the information contained herein. Buyer (hereafter) 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. \_\_\_\_\_
98. \*BUYER'S SIGNATURE Anna Valencia M/DAYR \*BUYER'S SIGNATURE \_\_\_\_\_ M/DAYR

## 99. SELLER'S ACCEPTANCE:

100. \_\_\_\_\_
101. \*SELLER'S SIGNATURE Peter S. Davis Court Receiver M/DAYR \*SELLER'S SIGNATURE \_\_\_\_\_ M/DAYR

For Broker Use Only:

Brokerage File/Log No. \_\_\_\_\_ Manager's Initials: \_\_\_\_\_ Broker's Initials: \_\_\_\_\_ Date: \_\_\_\_\_

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





# PRE-QUALIFICATION FORM

Document updated:  
February 2017



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



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

## PRE-QUALIFICATION INFORMATION

- Purpose: This Pre-Qualification Form is to be used in conjunction with an AAR Residential Resale Real Estate Purchase Contract or Vacant Land/Lot Purchase Contract ("Contract").
- ☐ Buyer HAS NOT consulted with a lender. (If Buyer marks the box on line 3, Buyer is to complete only lines 4 and 5.)

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. Aaron Valencia  
PRINT BUYER'S NAME

PRINT BUYER'S NAME

5. ☐ BUYER'S SIGNATURE MO/DA/YR ☐ BUYER'S SIGNATURE MO/DA/YR

6. ☒ Lender indicated on lines 36 and 37 has consulted with Aaron Valencia ("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, impounds, Title/Escrow Company costs, recording fees, and, if applicable, VA loan costs not permitted to be paid by Buyer. (Note: The amount Seller agrees to contribute, if any, shall be established in the Contract.)

10. Buyer: ☐ is ☒ is not relying on down payment assistance to qualify for this loan.

11. Type of Loan: ☒ Conventional ☐ FHA ☐ VA ☐ USDA ☐ Other: \_\_\_\_\_

12. Occupancy Type: ☒ Primary ☐ Secondary ☐ Non-Owner Occupied

13. Property Type: ☒ Single Family Residence ☐ Condominium ☐ Planned Unit Development ☐ Manufactured Home

14. ☐ Mobile Home ☐ Vacant Land/Lot ☐ Other: \_\_\_\_\_

15. YES NO N/A

16. ☒ Lender provided Buyer with the HUD form "For Your Protection: Get a Home Inspection" (FHA loans only).

17. ☒ Lender completed a verbal discussion with Buyer including a discussion of income, assets and debts.

18. ☒ Lender obtained a Tri-Merged Residential Credit Report.

19. Based on the information provided, Buyer can pre-qualify for a loan amount of: \$ 225,000, assuming a monthly principal

20. and interest loan payment of \$ 1,075, provided that the total monthly payment (which includes principal, interest, mortgage

21. insurance, property taxes, insurance, HOA fees, and flood insurance, if applicable) does not exceed: \$ 1,325

22. Interest rate not to exceed: 4.000 %, ☒ Fixed Interest Rate ☐ Adjustable Interest Rate ☐ Pre-Payment Penalty

23. Initial Documentation Received: Lender received the following information from Buyer (additional documentation may be requested):

24. YES NO N/A

25. ☒ Paystubs

26. ☒ W-2s

27. ☒ Personal Tax Returns

28. ☒ Corporate Tax Returns

YES NO N/A

29. ☒ Down Payment/Reserves Documentation

30. ☒ Gift Documentation

31. ☒ Credit/Liability Documentation

32. ☒ Other: \_\_\_\_\_

29. Additional comments: \_\_\_\_\_

30. Buyer has instructed, and Lender agrees to provide loan status updates on the AAR Loan Status Update form to Seller and Broker(s)

31. within ten (10) days of Contract acceptance pursuant to Section 2e of the Contract and upon request thereafter.

## LENDER INFORMATION

32. The lender identified below has prepared the information listed above with Buyer(s) and has completed the above action points noted.

33. This information does not constitute loan approval. All information provided must be approved by an underwriter, and any material change

34. change in Buyer's credit or financial profile will render this pre-qualification null and void.

35. The above pre-qualification expires on: 7/1/17

36. Lender: Arizona Valley Lending, LLC DATE 0922379 1001884

37. Robert E Matyslak Jr ARIZONA LICENSE # 0913946 NMLS # 118310

38. 4425 E Agave Rd #106 Phoenix ARIZONA LICENSE # AZ NMLS # 85044

39. 600@azvlending.com 480-755-1294 480-428-2148

40. EMAIL PHONE FAX

41. \* LOAN OFFICER'S SIGNATURE

MO/DA/YR

42. Buyer acknowledges receipt of a copy hereof and grants permission to Broker to submit this Pre-Qualification Form with Contract.

\* BUYER'S SIGNATURE

MO/DA/YR

\* BUYER'S SIGNATURE

MO/DA/YR

Pre-Qualification Form • Updated: February 2017 • Copyright © 2017 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 May 23, 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 81-6732814.

3. Buyer. The Buyer is Aaron Valencia.

4. Purchase Price. The Purchase Price which Buyer agrees to pay for the Property is \$270,000.00. The Purchase Price shall not be adjusted by any overage or shortage in area of the Property. The Purchase Price shall be paid as follows:

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

(b) \$52,000.00 down payment at the close of escrow; and

(c) \$216,000.00 in conventional financing.

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

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

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

Buyer's Initials  
Buyer's Initials

Seller's Initials



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.

(a) The Buyer's obligations to complete this sale is contingent upon the Buyer obtaining financing as set forth in lines 69-99 and 103-114 of the Buyer's Offer.

(b) Lines 100-101 of the Buyer's Offer are modified to read as follows:  
"Seller Concessions (if any): In addition to the other costs Seller has agreed to pay herein, Seller agrees to pay up to \$2,000.00 to be used only for Buyer's loan costs, impounds, and Buyer's share of escrow fees and recording fees."

(c) Lines 115-119 of the Buyer's Offer are modified to read as follows:  
"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 Great American Title, 7720 N. 16th Street, Phoenix, 85020, Attention: Donna Walt (602) 324-2100, dwalt@azgat.com."

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. Intentionally Left Blank.

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,

Buyer's Initials  
Buyer's Initials

Seller's Initials M



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:

(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

Buyer's Initials                       
Buyer's Initials                     

Seller's Initials



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.

(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.

Buyer's Initials  
Buyer's Initials



Seller's Initials





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.

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](mailto:realtorvince@cox.net), or by facsimile at (602) 863-4662, on or before May 30, 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: 05/25/17

  
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: 5/30/17

  
BUYER

2359-004.05 (286783)

Buyer's Initials AS  
Buyer's Initials           

Seller's Initials



HomeSmart

Page 1 of 2

# RESIDENTIAL BUYER'S INSPECTION NOTICE AND SELLER'S RESPONSE (BINSR)

Document updated:  
February 2017

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



- Contract dated: May 2nd, 2017  
MONTH DAY YEAR
- Seller: Peter S. Davis, Court Receiver
- Buyer: Aaron Valencia
- Premises Address: 707 E Potter Dr, Phoenix, AZ 85024

## BUYER INSPECTIONS AND INVESTIGATIONS COMPLETED

(See Section 6j)

Buyer has completed all desired Inspection Period items, such as:

- physical, environmental, and other inspections and investigations;
- inquiries and consultations with government agencies, lenders, insurance agents, architects, and other persons and entities;
- investigations of applicable building, zoning, fire, health, and safety codes;
- inquiries regarding sex offenders and the occurrence of a disease, natural death, suicide, homicide or other crime on the Premises or in the vicinity;
- inspections and investigations pertaining to square footage, wood-destroying organisms or insects, sewer, flood hazard, swimming pool barriers, and insurance; and
- inspections and investigations of any other items important to Buyer.

Buyer has verified all information deemed important including:

- MLS or listing information; and
- all other information obtained regarding the Premises.

Buyer acknowledges that:

- All desired Inspection Period inspections and investigations must be completed prior to delivering this notice to Seller;
- All Inspection Period items disapproved must be provided in this notice;
- Buyer's election is limited to the options specified below; and
- Buyer is not entitled to change or modify Buyer's election after this notice is delivered to Seller.

Buyer elects as follows:

- ☒ Premises Accepted – No corrections requested. Buyer accepts the Premises in its present condition and no corrections or repairs are requested.
- ☐ Premises Rejected – Buyer disapproves of the items listed below and elects to immediately cancel the Contract.
- ☐ Buyer elects to provide Seller an opportunity to correct the disapproved items listed below.

Items disapproved: \_\_\_\_\_

---

---

---

---

---

---

---

---

---

---

Buyer acknowledges that Broker(s): (1) make no representations concerning the competency of any inspectors, contractors and/or repair persons and assume no responsibility for any deficiencies or errors made; and (2) neither Seller nor Broker(s) are experts at detecting or repairing physical defects in the Premises. The undersigned agrees to the modified or additional terms and conditions, if any, and acknowledges receipt of a copy hereof.

0B4A6D00EC45453...

^ BUYER'S SIGNATURE  
**Aaron Valencia**

MO/DAY/YR

^ BUYER'S SIGNATURE

MO/DAY/YR

&gt;&gt;

Residential Buyer's Inspection Notice and Seller's Response • Updated: February 2017 • Copyright © 2017 Arizona Association of REALTORS®. All rights reserved.

PAGE 1 of 2

HomeSmart, 10601 N Hayden Rd #1-100 Scottsdale, AZ 85260  
Phone: 602-791-0059

Fax: 800-953-0135

Aaron Valencia

Produced with zipForm® by zipLogix 18070 Fifteen Mile Road, Fraser, Michigan 48026 [www.ziplogix.com](http://www.ziplogix.com)

Aaron Valencia





