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8 Attorneys for the Receiver

9 IN THE SUPERIOR COURT OF ARIZONA

10 IN AND FOR THE COUNTY OF MARICOPA

11 STATE OF ARIZONA ex rel. LAUREN
12 KINGRY, Superintendent of the Arizona
13 Department of Financial Institutions,

14 Plaintiff,

15 v.

16 LANDMARC CAPITAL &
17 INVESTMENT COMPANY,

18 Defendant.

Cause No. CV2009-020595

PETITION NO. 79

PETITION FOR ORDER APPROVING
THE SALE OF REAL PROPERTY
LOCATED 11536 N. 81ST AVENUE,
PEORIA, ARIZONA

(Assigned to the Honorable Lisa Flores)

19 Lauren W. Kingry, as the court appointed Receiver, respectfully petitions the Court as
20 follows:

21 1. On June 24, 2009, this Court entered its *Order Appointing Receiver and Order to Show Cause*, which appointed the Superintendent of the Arizona Department of Financial Institutions as Receiver of Landmarc Capital & Investment Company ("Landmarc"). On July 10, 2009, this Court entered its *Order Appointing Permanent Receiver and Injunction*. On

1 February 27, 2010, the Court entered its *Order Placing Hayden Investments, LLC, Desert*
2 *Trails Holdings, LLC and Arizona Valuation Company, LLC in Receivership*. On May 12,
3 2010, the Court entered its *Amended Order Appointing Permanent Receiver and Injunction*
4 (collectively "Receivership Order"). The Receivership Order appointed Thomas Giallanza as
5 Deputy Receiver.

6 2. In accordance with the Receivership Order, the Receiver has located and taken
7 possession of certain real property located at 11536 N. 81st Avenue, Peoria, Arizona
8 ("Property"). This Property is legally described in Exhibit "1" attached hereto and was
9 acquired Trustee's Deed Upon Sale on December 6, 2010 and fee title is currently held in the
10 name of the Landmarc Capital & Investment Company ("Landmarc").

11 3. According to Landmarc's records, Kolonia, LLC ("Kolonia") held a 100%
12 participating interest in the amount of \$143,500 in a 2005 Loan which was secured by the
13 Property. Subsequently the 2005 Loan was refinanced and Landmarc Capital Partners, LLC
14 ("Partners") provided \$18,500.00 in order to fund the refinancing and Landmarc rolled over
15 Kolonia's participation from the 2005 Loan into the 2007 Loan. The 2007 Loan was also
16 secured by a deed of trust on the Property. According to Landmarc's records Partners holds
17 an 11.42% participation in the 2007 Loan and Kolonia holds a 88.58% participation interest
18 in the 2007 Loan. A problem exists because Landmarc failed to record a release of the deed
19 of trust securing the 2005 Loan even though Landmarc's records show the 2005 Loan as paid
20 off and replaced by the 2007 Loan. Although Kolonia appears not to have consented to the
21

1 refinancing of the 2005 Loan, it appears that Kolonia subsequently became aware of this
2 refinancing through account statements issued by Landmarc.

3 4. The Receiver, Kolonia and Partners have agreed to execute the necessary
4 documents to give the Receiver clear title so that the Receiver can sell the Property with the
5 net sale proceeds to be distributed as follows: 88.58% to Kolonia and 11.42% to Partners.
6 Accordingly, the Receiver commenced efforts to market and sell the Property.

7 5. On September 12, 2013, Nick Parker-Cole of Realty One Group, submitted a
8 Comparative Market Analysis of the Property which indicated a fair market value for the
9 Property of \$56,000.00. Mr. Parker-Cole has been issued License No. SA646062000 by the
10 State of Arizona as a Licensed Real Estate Agent.

11 In addition, the Receiver engaged the services of Lisa Juel and Realty One Group, to
12 market the Property, under which the Receiver agreed to pay a 6% sales commission, subject
13 to the approval of this Court.

14 6. On October 24, 2013 the Receiver received an offer from Jesus Cortez to
15 purchase the Property for \$60,000.00 under terms that were not acceptable to the Receiver.
16 The Receiver thereafter submitted to Buyer a counter offer which has been accepted. These
17 documents constitute the Purchase Agreement and are attached hereto as Exhibit "2". The
18 Purchase agreement provides for the sale of the Property for \$60,000.00.

19 7. The sale contemplated under Exhibit "2" is conditioned upon, and will not take
20 place in the absence of, an order of this Court approving such sale after notice and a hearing.

21

Guttilla Murphy Anderson, P.C.
City North
5415 E. High Street, Suite 200
Phoenix, AZ 85054
(480) 504-8300

- 1 8. In accordance with this Court's *Order Re: Petition Number 2*, the Receiver:
2 a. Has mailed a copy of this Petition, the proposed order, and the Notice of
3 Hearing, to all persons on the Master Service List as indicated in the Proof of Mailing
4 filed herewith;
5 b. Intends to publish notice of this sale in a newspaper of general
6 circulation within the county in which this action is pending and the Property is
7 located.

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

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

- 12 1. Approving the sale as set forth in the Purchase Agreement attached as Exhibit
13 "2" to this Petition of the Property legally described in Exhibit "1".
14 2. Authorizing Thomas J. Giallanza, as Deputy Receiver, to execute all necessary
15 documents in connection with the sale of the Property confirmed by the Court.
16 3. Authorizing the Receiver to distribute the net sale proceeds as follows: 88.58%
17 to Kolonia and 11.42% to Partners.

18 Respectfully submitted this 27th day of January, 2014.

19 GUTTILLA MURPHY ANDERSON, P.C.
20 /s/Patrick M. Murphy
 Patrick M. Murphy
 Attorneys for the Receiver

21 1157-001(162684)

Exhibit "1"

The East 273 Feet of the North 149.52 Feet of the North Half of the Southeast Quarter of the Southwest Quarter of the Northwest Quarter of Section 23, Township 3 North, Range 1 East of the Gila and Salt River Base and Meridian, Maricopa County, Arizona. Except the East 20 Feet Thereof.

APN: 142-05-059F TRA 111200

Exhibit "1"

RESIDENTIAL RESALE REAL ESTATE PURCHASE CONTRACT

Document updated:
February 2011



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.

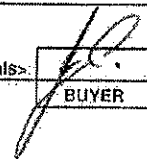


1. PROPERTY

- 1a. 1. BUYER: JESUS CORTEZ BUYER'S NAME(S)
2. SELLER: LANDMARC CAPITAL AND, INVESTMENT CO. or as identified in section 9c.
SELLER'S NAME(S)
3. Buyer agrees to buy and Seller agrees to sell the real property with all improvements, fixtures, and appurtenances thereon
4. or incidental thereto, plus the personal property described herein (collectively the "Premises").
- 1b. 5. Premises Address: 11536 NORTH 81ST AVE. Assessor's #: 142-05-059-F
6. City: PEORIA County: MARICOPA AZ, Zip Code: 85345
7. Legal Description: TBD IN ESCROW
- 1c. 8. \$ 60,000.00 Full Purchase Price, paid as outlined below
9. \$ 5,000.00 Earnest money
10. \$ 55,000.00 CASH AT CLOSE
11. \$ _____
12. _____
13. _____
14. _____
- 1d. 15. Close of Escrow: Close of Escrow ("COE") shall occur when the deed is recorded at the appropriate county recorder's office. Buyer
16. and Seller shall comply with all terms and conditions of this Contract, execute and deliver to Escrow Company all closing documents,
17. and perform all other acts necessary in sufficient time to allow COE to occur on
18. SEE PAGE 8 MONTH DAY YEAR, 20____ ("COE Date"). If Escrow Company or recorder's office is closed on COE Date,
19. COE shall occur on the next day that both are open for business.
20. Buyer shall deliver to Escrow Company a cashier's check, wired funds or other immediately available funds to pay any down
21. payment, additional deposits or Buyer's closing costs, and instruct the lender, if applicable, to deliver immediately available funds to
22. Escrow Company, in a sufficient amount and in sufficient time to allow COE to occur on COE Date.
- 1e. 23. Possession: Seller shall deliver possession, occupancy, existing keys and/or means to operate all locks, mailbox, security
24. system/alerts, and all common area facilities to Buyer at COE or
25. Broker(s) recommend that the parties seek appropriate counsel from insurance, legal, tax, and accounting professionals regarding
26. the risks of pre-possession or post-possession of the Premises.
- 1f. 27. Addenda Incorporated: AS IS Additional Clause Assumption and Carryback Buyer Contingency Domestic Water Well
28. H.O.A. Lead-Based Paint Disclosure On-site Wastewater Treatment Facility Short Sale
29. Other: _____
- 1g. 30. Fixtures and Personal Property: Seller agrees that all existing fixtures on the Premises, and any existing personal property
31. specified herein, shall be included in this sale, including the following:
32. • free-standing range/oven • light fixtures • draperies and other window coverings
33. • ceiling fans • towel, curtain and drapery rods • shutters and awnings
34. • attached floor coverings • flush-mounted speakers • water-misting systems
35. • window and door screens, sun screens • storm windows and doors • solar systems
36. • garage door openers and controls • attached media antennas/satellite dishes • mailbox
37. • outdoor landscaping, fountains, and lighting • attached fireplace equipment • central vacuum, hose, and attachments
38. • pellet, wood-burning or gas-log stoves • timers • built-in appliances
39. • storage sheds


SELLER SELLER

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Initials: 
BUYER BUYER




11536 N. 81ST

- 40. If owned by the Seller, the following items also are included in this sale:
- 41. • pool and spa equipment (including any mechanical or other cleaning systems)
- 42. • security and/or fire systems and/or alarms
- 43. • water softeners
- 44. • water purification systems
- 45. Additional existing personal property included in this sale (if checked): refrigerator washer dryer as described:
- 46. **AS SEEN IN PROPERTY**
- 47. _____
- 48. Other: _____
- 49. _____
- 50. Additional existing personal property included shall not be considered part of the Premises and shall be transferred with no monetary
- 51. value, and free and clear of all liens or encumbrances.
- 52. Fixtures and leased items NOT included: _____
- 63. IF THIS IS AN ALL CASH SALE, GO TO SECTION 3.

2. FINANCING

- 2a. 54. Pre-Qualification: A completed AAR Pre-Qualification Form is is not attached hereto and incorporated herein by reference.
- 2b. 55. Loan Contingency: Buyer's obligation to complete this sale is contingent upon Buyer obtaining loan approval for the loan described
- 56. in the AAR Loan Status Update ("LSU") form without Prior to Document ("PTD") conditions no later than three (3) days prior to the
- 57. COE Date. If Buyer is unable to obtain loan approval without PTD conditions, Buyer shall deliver a notice of the inability to obtain
- 58. loan approval without PTD conditions to Seller or Escrow Company no later than three (3) days prior to the COE Date.
- 2c. 59. Unfulfilled Loan Contingency: This Contract shall be cancelled and Buyer shall be entitled to a return of the earnest money if after
- 60. diligent and good faith effort, Buyer is unable to obtain loan approval without PTD conditions no later than three (3) days prior to the
- 61. COE Date. Buyer acknowledges that prepaid items paid separately from earnest money are not refundable.
- 2d. 62. Interest Rate / Necessary Funds: Buyer agrees that (i) the inability to obtain loan approval due to the failure to lock the interest
- 63. rate and "points" by separate written agreement with the lender during the Inspection Period or (ii) the failure to have the down
- 64. payment or other funds due from Buyer necessary to obtain the loan approval without conditions and close this transaction is not
- 65. an unfulfilled loan contingency.
- 2e. 66. Loan Status Update: Buyer shall deliver to Seller the LSU with at a minimum lines 1-40 completed describing the current status
- 67. of the Buyer's proposed loan within five (5) days after Contract acceptance and instruct lender to provide an updated LSU to
- 68. Broker(s) and Seller upon request.
- 2f. 69. Loan Application: Unless previously completed, during the Inspection Period, Buyer shall (i) complete, sign and deliver to the
- 70. lender a loan application and grant lender permission to access Buyer's Trimerged Residential Credit Report; and (ii) provide
- 71. to lender all initial requested signed disclosures and Initial Requested Documentation listed in the LSU on lines 32-35.
- 2g. 72. Loan Processing During Escrow: Buyer agrees to diligently work to obtain the loan and will promptly provide the lender with all
- 73. additional documentation required. Buyer shall sign all loan documents no later than three (3) days prior to the COE Date.
- 2h. 74. Type of Financing: Conventional FHA VA USDA Assumption Seller Carryback CASH
- 75. (If financing is to be other than new financing, see attached addendum.)
- 2i. 76. Loan Costs: All costs of obtaining the loan shall be paid by the Buyer, unless otherwise provided for herein.
- 2j. 77. Seller Concessions (if any): In addition to the other costs Seller has agreed to pay herein, Seller agrees to pay up to _____ %
- 78. of the Purchase Price or \$ _____ for Buyer's loan costs including pre-pays, impounds and Buyer's title / escrow closing costs.
- 2k. 79. VA Loan Costs: In the event of a VA loan, Seller agrees to pay the escrow fee and up to \$ _____ of loan costs not
- 80. permitted to be paid by the Buyer, in addition to the other costs Seller has agreed to pay herein, including Seller's concessions.
- 2l. 81. Changes: Buyer shall immediately notify Seller of any changes in the loan program, financing terms, or lender described in the
- 82. Pre-Qualification Form if attached hereto or LSU provided within five (5) days after Contract acceptance and shall only make any
- 83. such changes without the prior written consent of Seller if such changes do not adversely affect Buyer's ability to obtain loan
- 84. approval without PTD conditions, increase Seller's closing costs, or delay COE.
- 2m. 85. Appraisal Contingency: Buyer's obligation to complete this sale is contingent upon an appraisal of the Premises acceptable to
- 86. lender for at least the purchase price. If the Premises fails to appraise for the purchase price in any appraisal required by lender,
- 87. 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
- 88. appraisal contingency shall be waived.
- 2n. 89. Appraisal Fee(s): Appraisal Fee(s), when required by lender, shall be paid by Buyer Seller Other _____
- 90. Appraisal Fee(s) are are not included in Seller's Concessions, if applicable.

 _____
 SELLER SELLER

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_____ 
 Initials> BUYER BUYER



3. TITLE AND ESCROW

3a. 91. Escrow: This Contract shall be used as escrow instructions. The Escrow Company employed by the parties to carry out the 92. terms of this Contract shall be:

93. FIRST AMERICAN TITLE VICKI VANZANEN
ESCROW/TITLE COMPANY

94. 2201 E. CAMELBACK ROAD #120 SCOTTSDALE AZ 85016
ADDRESS CITY STATE ZIP

95. VVANZANEN@FIRSTAM.COM (602) 282-1336 (866) 874-1067
EMAIL PHONE FAX

3b. 96. Title and Vesting: Buyer will take title as determined before COE. Taking title may have significant legal, estate planning and tax 97. consequences. Buyer should obtain legal and tax advice.

3c. 98. Title Commitment and Title Insurance: Escrow Company is hereby instructed to obtain and deliver to Buyer and Seller directly, 99. addressed pursuant to 8t and 9c or as otherwise provided, a Commitment for Title Insurance together with complete and legible copies 100. of all documents that will remain as exceptions to Buyer's policy of Title Insurance ("Title Commitment"), including but not limited to 101. Conditions, Covenants and Restrictions ("CC&Rs"); deed restrictions; and easements. Buyer shall have five (5) days after receipt of the 102. Title Commitment and after receipt of notice of any subsequent exceptions to provide notice to Seller of any items disapproved. Seller 103. shall convey title by warranty deed, subject to existing taxes, assessments, covenants, conditions, restrictions, rights of way, easements 104. and all other matters of record. Buyer shall be provided at Seller's expense an American Land Title Association ("ALTA") Homeowner's 105. Title Insurance Policy, or if not available, an ALTA Residential Title Insurance Policy ("Plain Language"/"1-4 units") or, if not available, a 106. Standard Owner's Title Insurance Policy, showing title vested in Buyer. Buyer may acquire extended coverage at Buyer's own additional 107. expense. If applicable, Buyer shall pay the cost of obtaining the ALTA Lender Title Insurance Policy.

3d. 108. Additional Instructions: (i) Escrow Company shall promptly furnish notice of pending sale that contains the name and address of the 109. Buyer to any homeowner's association in which the Premises is located. (ii) If the Escrow Company is also acting as the title agency 110. but is not the title insurer issuing the title insurance policy, Escrow Company shall deliver to the Buyer and Seller, upon deposit of 111. funds, a closing protection letter from the title insurer indemnifying the Buyer and Seller for any losses due to fraudulent acts or breach 112. of escrow instructions by the Escrow Company. (iii) All documents necessary to close this transaction shall be executed promptly by 113. Seller and Buyer in the standard form used by Escrow Company. Escrow Company shall modify such documents to the extent 114. necessary to be consistent with this Contract. (iv) Escrow Company fees, unless otherwise stated herein, shall be allocated equally 115. between Seller and Buyer. (v) Escrow Company shall send to all parties and Broker(s) copies of all notices and communications 116. directed to Seller, Buyer and Broker(s). (vi) Escrow Company shall provide Broker(s) access to escrowed materials and information 117. regarding the escrow. (vii) If an Affidavit of Disclosure is provided, Escrow Company shall record the Affidavit at COE.

3e. 118. Tax Prorations: Real property taxes payable by the Seller shall be prorated to COE based upon the latest tax information available.

3f. 119. Release of Earnest Money: In the event of a dispute between Buyer and Seller regarding any Earnest Money deposited with 120. Escrow Company, Buyer and Seller authorize Escrow Company to release Earnest Money pursuant to the terms and conditions of 121. this Contract in its sole and absolute discretion. Buyer and Seller agree to hold harmless and indemnify Escrow Company against 122. any claim, action or lawsuit of any kind, and from any loss, judgment, or expense, including costs and attorney fees, arising from or 123. relating in any way to the release of Earnest Money.

3g. 124. Prorations of Assessments and Fees: All assessments and fees that are not a lien as of the COE, including homeowner's 125. association fees, rents, irrigation fees, and, if assumed, insurance premiums, interest on assessments, interest on encumbrances, 126. and service contracts, shall be prorated as of COE or [] Other:

3h. 127. Assessment Liens: The amount of any assessment, other than homeowner's association assessments, that is a lien as of the 128. COE, shall be [x] paid in full by Seller [] prorated and assumed by Buyer. Any assessment that becomes a lien after COE is 129. the Buyer's responsibility.

3i. 130. IRS and FIRPTA Reporting: Seller agrees to comply with IRS reporting requirements. If applicable, Seller agrees to complete, sign, 131. and deliver to Escrow Company a certificate indicating whether Seller is a foreign person or a non-resident alien pursuant to the 132. Foreign Investment in Real Property Tax Act ("FIRPTA"). Buyer and Seller acknowledge that if the Seller is a foreign person, the 133. Buyer must withhold a tax equal to 10% of the purchase price, unless an exemption applies.


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Handwritten initials next to a box labeled BUYER



4. DISCLOSURE

- 4a. 134. Seller Property Disclosure Statement ("SPDS"): Seller shall deliver a completed AAR Residential SPDS form to the Buyer within 135. five (5) days after Contract acceptance. Buyer shall provide notice of any SPDS items disapproved within the Inspection Period or 136. five (5) days after receipt of the SPDS, whichever is later.
- 4b. 137. Insurance Claims History: Seller shall deliver to Buyer a written five-year insurance claims history regarding Premises (or a claims 138. history for the length of time Seller has owned the Premises if less than five years) from Seller's insurance company or an insurance 139. support organization or consumer reporting agency, or if unavailable from these sources, from Seller, within five (5) days after Contract 140. acceptance. (Seller may obscure any reference to date of birth or social security number from the document). Buyer shall provide 141. notice of any items disapproved within the Inspection Period or five (5) days after receipt of the claims history, whichever is later.
- 4c. 142. Lead-Based Paint Disclosure: If the Premises were built prior to 1978, the Seller shall: (i) notify the Buyer of any known lead-based 143. paint ("LBP") or LBP hazards in the Premises; (ii) provide the Buyer with any LBP risk assessments or inspections of the Premises in 144. the Seller's possession; (iii) provide the Buyer with the Disclosure of Information on Lead-based Paint and Lead-based Paint 145. Hazards; and any report, records, pamphlets, and/or other materials referenced therein, including the pamphlet "Protect Your Family 146. from Lead in Your Home" (collectively "LBP information"). Buyer shall return a signed copy of the Disclosure of Information on Lead- 147. Based Paint and Lead-Based Paint Hazards to Seller prior to COE.
 148. LBP Information was provided prior to Contract acceptance and Buyer acknowledges the opportunity to conduct LBP risk 149. assessments or inspections during Inspection Period.
 150. Seller shall provide LBP Information within five (5) days after Contract acceptance. Buyer may within ten (10) days 151. or _____ days after receipt of the LBP Information conduct or obtain a risk assessment or inspection of the Premises for the 152. presence of LBP or LBP hazards ("Assessment Period"). Buyer may within five (5) days after receipt of the LBP Information or five 153. (5) days after expiration of the Assessment Period cancel this Contract.
 154. Buyer is further advised to use certified contractors to perform renovation, repair or painting projects that disturb lead-based paint in 155. residential properties built before 1978 and to follow specific work practices to prevent lead contamination.
 156. If Premises were constructed prior to 1978, (BUYER'S INITIALS REQUIRED)  _____ BUYER
 157. If Premises were constructed in 1978 or later, (BUYER'S INITIALS REQUIRED) _____ BUYER
- 4d. 158. Affidavit of Disclosure: If the Premises is located in an unincorporated area of the county, and five or fewer parcels of property 159. other than subdivided property are being transferred, the Seller shall deliver a completed Affidavit of Disclosure in the form required 160. by law to the Buyer within five (5) days after Contract acceptance. Buyer shall provide notice of any Affidavit of Disclosure items 161. disapproved within the Inspection Period or five (5) days after receipt of the Affidavit of Disclosure, whichever is later.
- 4e. 162. Changes During Escrow: Seller shall immediately notify Buyer of any changes in the Premises or disclosures made herein, in 163. the SPDS, or otherwise. Such notice shall be considered an update of the SPDS. Unless Seller is already obligated by Section 5a 164. or otherwise by this Contract or any amendments hereto, to correct or repair the changed item disclosed, Buyer shall be allowed 165. five (5) days after delivery of such notice to provide notice of disapproval to Seller.

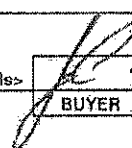
5. WARRANTIES

- 5a. 166. Seller Warranties: Seller warrants and shall maintain and repair the Premises so that at the earlier of possession or COE: (i) all 167. heating, cooling, mechanical, plumbing, and electrical systems (including swimming pool and/or spa, motors, filter systems, cleaning 168. systems, and heaters, if any), free-standing range/oven, and built-in appliances will be in working condition; (ii) all other agreed upon 169. repairs and corrections will be completed pursuant to Section 6j; (iii) the Premises, including all additional existing personal property 170. included in the sale, will be in substantially the same condition as on the date of Contract acceptance; and (iv) all personal property 171. not included in the sale and all debris will be removed from the Premises.
- 5b. 172. Warranties that Survive Closing: Seller warrants that Seller has disclosed to Buyer and Broker(s) all material latent defects and 173. any information concerning the Premises known to Seller, excluding opinions of value, which materially and adversely affect the 174. consideration to be paid by Buyer. Prior to the COE, Seller warrants that payment in full will have been made for all labor, 175. professional services, materials, machinery, fixtures, or tools furnished within the 150 days immediately preceding the COE in 176. connection with the construction, alteration, or repair of any structure on or improvement to the Premises. Seller warrants that the 177. information regarding connection to a sewer system or on-site wastewater treatment facility (conventional septic or alternative) is 178. correct to the best of Seller's knowledge.
- 5c. 179. Buyer Warranties: Buyer warrants that Buyer has disclosed to Seller any information that may materially and adversely affect the 180. Buyer's ability to close escrow or complete the obligations of this Contract. At the earlier of possession of the Premises or COE, 181. Buyer warrants to Seller that Buyer has conducted all desired independent inspections and investigations and accepts the Premises. 182. Buyer warrants that Buyer is not relying on any verbal representations concerning the Premises except disclosed as follows:
 183. **NONE ALL DISCLOSURES TO BE DONE IN WRITING**
 184. _____

 _____
 SELLER SELLER

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 _____
 BUYER BUYER



6. DUE DILIGENCE

6a. 185. Inspection Period: Buyer's Inspection Period shall be ten (10) days or 1 days after Contract acceptance. During the 186. Inspection Period Buyer, at Buyer's expense, shall: (i) conduct all desired physical, environmental, and other types of inspections 187. and investigations to determine the value and condition of the Premises; (ii) make inquiries and consult government agencies, 188. lenders, insurance agents, architects, and other appropriate persons and entities concerning the suitability of the Premises and the 189. surrounding area; (iii) investigate applicable building, zoning, fire, health, and safety codes to determine any potential hazards, 190. violations or defects in the Premises; and (iv) verify any material multiple listing service ("MLS") information. If the presence of sex 191. offenders in the vicinity or the occurrence of a disease, natural death, suicide, homicide or other crime on or in the vicinity is a 192. material matter to the Buyer, it must be investigated by the Buyer during the Inspection Period. Buyer shall keep the Premises free 193. and clear of liens, shall indemnify and hold Seller harmless from all liability, claims, demands, damages, and costs, and shall repair 194. all damages arising from the inspections. Buyer shall provide Seller and Broker(s) upon receipt, at no cost, copies of all inspection 195. reports concerning the Premises obtained by Buyer. Buyer is advised to consult the Arizona Department of Real Estate Buyer 196. Advisory provided by AAR to assist in Buyer's due diligence inspections and investigations.

6b. 197. Square Footage: BUYER IS AWARE THAT ANY REFERENCE TO THE SQUARE FOOTAGE OF THE PREMISES, BOTH THE 198. REAL PROPERTY (LAND) AND IMPROVEMENTS THEREON, IS APPROXIMATE. IF SQUARE FOOTAGE IS A MATERIAL 199. MATTER TO THE BUYER, IT MUST BE INVESTIGATED DURING THE INSPECTION PERIOD.

6c. 200. Wood-Destroying Organism or Insect Inspection: IF CURRENT OR PAST WOOD-DESTROYING ORGANISMS OR INSECTS 201. (SUCH AS TERMITES) ARE A MATERIAL MATTER TO THE BUYER, THESE ISSUES MUST BE INVESTIGATED DURING THE 202. INSPECTION PERIOD. The Buyer shall order and pay for all wood-destroying organism or insect inspections performed during the 203. Inspection Period. If the lender requires an updated Wood-Destroying Organism or Insect Inspection Report prior to COE, it will be 204. performed at Buyer's expense.

6d. 205. Flood Hazard: Flood hazard designations or the cost of flood hazard insurance shall be determined by Buyer during the 206. Inspection Period. If the Premises are situated in an area identified as having any special flood hazards by any governmental 207. entity, the lender may require the purchase of flood hazard insurance. Special flood hazards may also affect the ability to 208. encumber or improve the Premises.

6e. 209. Insurance: IF HOMEOWNER'S INSURANCE IS A MATERIAL MATTER TO THE BUYER, BUYER SHALL APPLY FOR AND 210. OBTAIN WRITTEN CONFIRMATION OF THE AVAILABILITY AND COST OF HOMEOWNER'S INSURANCE FOR THE 211. PREMISES FROM BUYER'S INSURANCE COMPANY DURING THE INSPECTION PERIOD. Buyer understands that any 212. homeowner's, fire, casualty, or other insurance desired by Buyer or required by lender should be in place at COE.

6f. 213. Sewer or On-site Wastewater Treatment System: The Premises are connected to a:

- 214. sewer system septic system alternative system

215. IF A SEWER CONNECTION IS A MATERIAL MATTER TO THE BUYER, IT MUST BE INVESTIGATED DURING THE 216. INSPECTION PERIOD. If the Premises are served by a septic or alternative system, the AAR On-site Wastewater Treatment 217. Facility Addendum is incorporated herein by reference. 218.

(BUYER'S INITIALS REQUIRED)

Handwritten initials and signature lines for Buyer.

6g. 219. Swimming Pool Barrier Regulations: During the Inspection Period, Buyer agrees to investigate all applicable state, county, and 220. municipal Swimming Pool barrier regulations and agrees to comply with and pay all costs of compliance with said regulations prior to 221. occupying the Premises, unless otherwise agreed in writing. If the Premises contains a Swimming Pool, Buyer acknowledges receipt 222. of the Arizona Department of Health Services approved private pool safety notice.

223.

(BUYER'S INITIALS REQUIRED)

Handwritten initials and signature lines for Buyer.

6h. 224. BUYER ACKNOWLEDGMENT: BUYER RECOGNIZES, ACKNOWLEDGES, AND AGREES THAT BROKER(S) ARE NOT 225. QUALIFIED, NOR LICENSED, TO CONDUCT DUE DILIGENCE WITH RESPECT TO THE PREMISES OR THE SURROUNDING 226. AREA. BUYER IS INSTRUCTED TO CONSULT WITH QUALIFIED LICENSED PROFESSIONALS TO ASSIST IN BUYER'S DUE 227. DILIGENCE EFFORTS. BECAUSE CONDUCTING DUE DILIGENCE WITH RESPECT TO THE PREMISES AND THE 228. SURROUNDING AREA IS BEYOND THE SCOPE OF THE BROKER'S EXPERTISE AND LICENSING, BUYER EXPRESSLY 229. RELEASES AND HOLDS HARMLESS BROKER(S) FROM LIABILITY FOR ANY DEFECTS OR CONDITIONS THAT COULD 230. HAVE BEEN DISCOVERED BY INSPECTION OR INVESTIGATION.

231.

(BUYER'S INITIALS REQUIRED)

Handwritten initials and signature lines for Buyer.

6i. 232. Inspection Period Notice: Prior to expiration of the Inspection Period, Buyer shall deliver to Seller a signed notice of any items 233. disapproved. AAR's Buyer's Inspection Notice and Seller's Response form is available for this purpose. Buyer shall conduct all 234. desired inspections and investigations prior to delivering such notice to Seller and all Inspection Period items disapproved shall be 235. provided in a single notice.

Handwritten initials in a box labeled SELLER.

Initials

Initials

Handwritten initials and signature lines for Buyer.



- 6j. 236. **Buyer Disapproval:** If Buyer, in Buyer's sole discretion, disapproves of items as allowed herein, Buyer shall deliver to Seller notice of the items disapproved and state in the notice that Buyer elects to either:
 - 237. (1) Immediately cancel this Contract and all Earnest Money shall be released to Buyer, or
 - 238. (2) provide the Seller an opportunity to correct the items disapproved, in which case:
 - 239. (a) Seller shall respond in writing within five (5) days or _____ days after delivery to Seller of Buyer's notice of items disapproved. Seller's failure to respond to Buyer in writing within the specified time period shall conclusively be deemed Seller's refusal to correct any of the items disapproved.
 - 240. (b) If Seller agrees in writing to correct items disapproved, Seller shall correct the items, complete any repairs in a workmanlike manner and deliver any paid receipts evidencing the corrections and repairs to Buyer three (3) days or _____ days prior to COE Date.
 - 241. (c) If Seller is unwilling or unable to correct any of the items disapproved, Buyer may cancel this Contract within five (5) days after delivery of Seller's response or after expiration of the time for Seller's response, whichever occurs first, and all Earnest Money shall be released to Buyer. If Buyer does not cancel this Contract within the five (5) days as provided, Buyer shall close escrow without correction of those items that Seller has not agreed in writing to correct.
- 242. 250. VERBAL DISCUSSIONS WILL NOT EXTEND THESE TIME PERIODS. Only a written agreement signed by both parties will extend response times or cancellation rights.
- 243. 252. BUYER'S FAILURE TO GIVE NOTICE OF DISAPPROVAL OF ITEMS OR CANCELLATION OF THIS CONTRACT WITHIN THE SPECIFIED TIME PERIOD SHALL CONCLUSIVELY BE DEEMED BUYER'S ELECTION TO PROCEED WITH THE TRANSACTION WITHOUT CORRECTION OF ANY DISAPPROVED ITEMS.
- 244. 6k. 255. **Notice of Non-Working Warranted Items:** Buyer shall provide Seller with notice of any non-working warranted item(s) of which Buyer becomes aware during the Inspection Period or the Seller warranty for that item(s) shall be waived. Delivery of such notice shall not affect Seller's obligation to maintain or repair the warranted item(s).
- 245. 6l. 258. **Home Warranty Plan:** Buyer and Seller are advised to investigate the various home warranty plans available for purchase. The parties acknowledge that different home warranty plans have different coverage options, exclusions, limitations, service fees and most plans exclude pre-existing conditions.
 - 246. 261. A Home Warranty Plan will be ordered by Buyer or Seller with the following optional coverage
 - 247. 262. _____, to be issued by _____ at a cost not
 - 248. 263. to exceed \$ _____, to be paid for by Buyer Seller
 - 249. 264. Buyer declines the purchase of a Home Warranty Plan.
- 250. 6m. 265. **Walkthrough(s):** Seller grants Buyer and Buyer's inspector(s) reasonable access to conduct walkthrough(s) of the Premises for the purpose of satisfying Buyer that any corrections or repairs agreed to by the Seller have been completed, warranted items are in working condition and that the Premises is in substantially the same condition as of the date of Contract acceptance. If Buyer does not conduct such walkthrough(s), Buyer releases Seller and Broker(s) from liability for any defects that could have been discovered.
- 251. 6n. 269. **Seller's Responsibility Regarding Inspections and Walkthrough(s):** Seller shall make the Premises available for all inspections and walkthrough(s) upon reasonable notice by Buyer. Seller shall, at Seller's expense, have all utilities on, including any propane, until COE to enable Buyer to conduct these inspections and walkthrough(s).

7. REMEDIES

- 7a. 272. **Cure Period:** A party shall have an opportunity to cure a potential breach of this Contract. If a party fails to comply with any provision of this Contract, the other party shall deliver a notice to the non-complying party specifying the non-compliance. If the compliance is not cured within three (3) days after delivery of such notice ("Cure Period"), the failure to comply shall become a breach of Contract.
- 7b. 276. **Breach:** In the event of a breach of Contract, the non-breaching party may cancel this Contract and/or proceed against the breaching party in any claim or remedy that the non-breaching party may have in law or equity, subject to the Alternative Dispute Resolution obligations set forth herein. In the case of the Seller, because it would be difficult to fix actual damages in the event of Buyer's breach, the Earnest Money may be deemed a reasonable estimate of damages and Seller may, at Seller's option, accept the Earnest Money as Seller's sole right to damages; and in the event of Buyer's breach arising from Buyer's failure to deliver the notice required by Section 2b, or Buyer's inability to obtain loan approval due to the waiver of the appraisal contingency pursuant to Section 2m, Seller shall exercise this option and accept the Earnest Money as Seller's sole right to damages. An unfulfilled contingency is not a breach of Contract. The parties expressly agree that the failure of any party to comply with the terms and conditions of Section 1d to allow COE to occur on the COE Date, if not cured after a cure notice is delivered pursuant to Section 7a, will constitute a material breach of this Contract, rendering the Contract subject to cancellation.

SELLER

SELLER

Initials

Initials

BUYER

BUYER



- 7c. 286. **Alternative Dispute Resolution ("ADR"):** Buyer and Seller agree to mediate any dispute or claim arising out of or relating to this 287. Contract in accordance with the REALTORS® Dispute Resolution System, or as otherwise agreed. All mediation costs shall be paid 288. equally by the parties. In the event that mediation does not resolve all disputes or claims, the unresolved disputes or claims shall be 289. submitted for binding arbitration. In such event, the parties shall agree upon an arbitrator and cooperate in the scheduling of an 290. arbitration hearing. If the parties are unable to agree on an arbitrator, the dispute shall be submitted to the American Arbitration 291. Association ("AAA") in accordance with the AAA Arbitration Rules for the Real Estate Industry. The decision of the arbitrator shall be 292. final and nonappealable. Judgment on the award rendered by the arbitrator may be entered in any court of competent jurisdiction. 293. Notwithstanding the foregoing, either party may opt out of binding arbitration within thirty (30) days after the conclusion of the 294. mediation conference by notice to the other and in such event either party shall have the right to resort to court action.
- 7d. 295. **Exclusions from ADR:** The following matters are excluded from the requirement for ADR hereunder: (i) any action brought in the 296. Small Claims Division of an Arizona Justice Court (up to \$2,500) so long as the matter is not thereafter transferred or removed from 297. the small claims division; (ii) judicial or nonjudicial foreclosure or other action or proceeding to enforce a deed of trust, mortgage, or 298. agreement for sale; (iii) an unlawful entry or detainer action; (iv) the filing or enforcement of a mechanic's lien; or (v) any matter that is 299. within the jurisdiction of a probate court. Further, the filing of a judicial action to enable the recording of a notice of pending action ("lis 300. pendens"), or order of attachment, receivership, injunction, or other provisional remedies shall not constitute a waiver of the 301. obligation to submit the claim to ADR, nor shall such action constitute a breach of the duty to mediate or arbitrate.
- 7e. 302. **Attorney Fees and Costs:** The prevailing party in any dispute or claim between Buyer and Seller arising out of or relating to this 303. Contract shall be awarded their reasonable attorney fees and costs. Costs shall include, without limitation, attorney fees, expert 304. witness fees, fees paid to investigators, and arbitration costs.

8. ADDITIONAL TERMS AND CONDITIONS

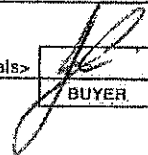
- 8a. 305. 1 - BUYER ACKNOWLEDGES THAT SELLER WILL NOT PROVIDE SPDS OR CLUE REPORT
306. _____
- 307. 2 - CLOSE OF ESCROW TO BE DETERMINED BY SELLER AND IS SUBJECT TO COURT APPROVAL
308. _____
- 309. 3 - BUYER HOLDS AN ACTIVE REAL ESTATE LICENSE IN ARIZONA
310. _____
311. _____
312. _____
313. _____
314. _____
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317. _____
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332. _____
333. _____
334. _____



SELLER SELLER

<initials

Initials>



BUYER BUYER



- 8b. 335. **Risk of Loss:** If there is any loss or damage to the Premises between the date of Contract acceptance and COE or possession, 336. whichever is earlier, by reason of fire, vandalism, flood, earthquake, or act of God, the risk of loss shall be on the Seller, provided, 337. however, that if the cost of repairing such loss or damage would exceed ten percent (10%) of the purchase price, either Seller or 338. Buyer may elect to cancel the Contract.
- 8c. 339. **Permission:** Buyer and Seller grant Broker(s) permission to advise the public of this Contract.
- 8d. 340. **Arizona Law:** This Contract shall be governed by Arizona law and jurisdiction is exclusively conferred on the State of Arizona.
- 8e. 341. **Time is of the Essence:** The parties acknowledge that time is of the essence in the performance of the obligations described herein,
- 8f. 342. **Compensation:** Seller and Buyer acknowledge that Broker(s) shall be compensated for services rendered as previously agreed by 343. separate written agreement(s), which shall be delivered by Broker(s) to Escrow Company for payment at COE, if not previously paid. 344. If Seller is obligated to pay Broker(s), this Contract shall constitute an irrevocable assignment of Seller's proceeds at COE. If Buyer is 345. obligated to pay Broker(s), payment shall be collected from Buyer as a condition of COE. COMMISSIONS PAYABLE FOR THE 346. SALE, LEASING, OR MANAGEMENT OF PROPERTY ARE NOT SET BY ANY BOARD OR ASSOCIATION OF REALTORS®, OR 347. MULTIPLE LISTING SERVICE, OR IN ANY MANNER OTHER THAN BETWEEN THE BROKER AND CLIENT.
- 8g. 348. **Copies and Counterparts:** A fully executed facsimile or electronic copy of the Contract shall be treated as an original Contract. This 349. Contract and any other documents required by this Contract may be executed by facsimile or other electronic means and in any 350. number of counterparts, which shall become effective upon delivery as provided for herein, except that the Lead-Based Paint 351. Disclosure Statement may not be signed in counterpart. All counterparts shall be deemed to constitute one instrument, and each 352. counterpart shall be deemed an original.
- 8h. 353. **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 354. end at 11:59 p.m.
- 8i. 355. **Calculating Time Periods:** In computing any time period prescribed or allowed by this Contract, the day of the act or event from 356. 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 357. date that the signed Contract (and any incorporated counter offer) is delivered to and received by the appropriate Broker. Acts that 358. must be performed three days prior to the COE Date must be performed three full days prior (i.e., if COE Date is Friday, the act 359. must be performed by 11:59 p.m. on Monday).
- 8j. 360. **Entire Agreement:** This Contract, and any addenda and attachments, shall constitute the entire agreement between Seller and 361. Buyer, shall supersede any other written or oral agreements between Seller and Buyer and can be modified only by a writing signed 362. by Seller and Buyer. The failure to initial any page of this Contract shall not affect the validity or terms of this Contract.
- 8k. 363. **Subsequent Offers:** Buyer acknowledges that Seller has the right to accept subsequent offers until COE. Seller understands that 364. any subsequent offer accepted by the Seller must be a backup offer contingent on the cancellation of this Contract.
- 8l. 365. **Cancellation:** A party who wishes to exercise the right of cancellation as allowed herein may cancel this Contract by delivering 366. notice stating the reason for cancellation to the other party or to the Escrow Company. Cancellation shall become effective 367. immediately upon delivery of the cancellation notice.
- 8m. 368. **Notice:** Unless otherwise provided, delivery of all notices and documentation required or permitted hereunder shall be in writing and 369. deemed delivered and received when: (i) hand-delivered; (ii) sent via facsimile transmission; (iii) sent via electronic mail, if email 370. addresses are provided herein; or (iv) sent by recognized overnight courier service, and addressed to Buyer as indicated in Section 371. 8r, to Seller as indicated in Section 9a and to the Escrow Company indicated in Section 3a.
- 8n. 372. **Earnest Money:** Earnest Money is in the form of: Personal Check Other: _____ 373. If applicable, Earnest Money has been received by Broker named in Section 8r and upon acceptance of this offer will be deposited 374. with: Escrow Company Broker's Trust Account. Buyer acknowledges that failure to pay the required closing funds by the 375. scheduled Close of Escrow, if not cured after a cure notice is delivered pursuant to Section 7a, shall be construed as a material 376. breach of this contract and all earnest money shall be subject to forfeiture.
- 8o. 377. **Release of Broker(s):** Seller and Buyer hereby expressly release, hold harmless and indemnify Broker(s) in this transaction 378. from any and all liability and responsibility regarding financing, the condition, square footage, lot lines, boundaries, value, 379. rent rolls, environmental problems, sanitation systems, roof, wood infestation, building codes, governmental regulations, 380. insurance, price and terms of sale, return on investment or any other matter relating to the value or condition of the 381. Premises. The parties understand and agree that the Broker(s) do not provide advice on property as an investment and are 382. not qualified to provide financial, legal, or tax advice regarding this real estate transaction.
- 383. (SELLER'S INITIALS REQUIRED) [Signature] SELLER (BUYER'S INITIALS REQUIRED) [Signature] BUYER
- 8p. 384. **Terms of Acceptance:** This offer will become a binding Contract when acceptance is signed by Seller and a signed copy delivered 385. in person, by mail, facsimile or electronically, and received by Broker named in Section 8r 386. by October 30, 2013 at 5:00 a.m. p.m., Mountain Standard Time. 387. Buyer may withdraw this offer at any time prior to receipt of Seller's signed acceptance. If no signed acceptance is received by this 388. date and time, this offer shall be deemed withdrawn and the Buyer's Earnest Money shall be returned.

SELLER SELLER

BUYER BUYER



8q. 389. THIS CONTRACT CONTAINS NINE PAGES EXCLUSIVE OF ANY ADDENDA AND ATTACHMENTS. PLEASE ENSURE THAT 390. YOU HAVE RECEIVED AND READ ALL NINE PAGES OF THIS OFFER AS WELL AS ANY ADDENDA AND ATTACHMENTS.

8r. 391. Broker on behalf of Buyer:

392. LISA JUEL, PLLC REALTY ONE GROUP REOG01
PRINT SALESPERSON'S NAME AGENT CODE PRINT FIRM NAME FIRM CODE
393. 7975 NORTH HAYDEN ROAD A-101 SCOTTSDALE AZ 85250
FIRM ADDRESS STATE ZIP CODE
394. (602)481-0115 (602)445-9959 LISAJUEL@GMAIL.COM
PREFERRED TELEPHONE FAX EMAIL

8s. 395. Agency Confirmation: The Broker named in Section 8r above is the agent of (check one);
396. [x] the Buyer; [] the Seller; or [] both the Buyer and Seller

8t. 397. The undersigned agree to purchase the Premises on the terms and conditions herein stated and acknowledge receipt of
398. a copy hereof including the Buyer Attachment.

399. BUYER'S SIGNATURE MO/DAYR BUYER'S SIGNATURE MO/DAYR
JESUS CORTEZ
400. PO BOX 347 PO BOX 347
ADDRESS ADDRESS
401. TOLLESON, AZ 85353 TOLLESON, AZ 85353
CITY, STATE, ZIP CODE CITY, STATE, ZIP CODE

9. SELLER ACCEPTANCE

9a. 402. Broker on behalf of Seller:

403. PRINT SALESPERSON'S NAME AGENT CODE PRINT FIRM NAME FIRM CODE
404. FIRM ADDRESS STATE ZIP CODE
405. PREFERRED TELEPHONE FAX EMAIL

9b. 406. Agency Confirmation: The Broker named in Section 9a above is the agent of (check one);
407. [x] the Seller; or [] both the Buyer and Seller

9c. 408. The undersigned agree to sell the Premises on the terms and conditions herein stated, acknowledge receipt of a
409. copy hereof and grant permission to Broker named on Section 9a to deliver a copy to Buyer.

410. [x] Counter Offer is attached, and is incorporated herein by reference. Seller should sign both this offer and the Counter Offer.
411. If there is a conflict between this offer and the Counter Offer, the provisions of the Counter Offer shall be controlling.
412. SELLER'S SIGNATURE MO/DAYR SELLER'S SIGNATURE MO/DAYR
413. LANDMARC CAPITAL AND INVESTMENT CO.
SELLER'S NAME PRINTED SELLER'S NAME PRINTED
414. ADDRESS ADDRESS
415. CITY, STATE, ZIP CODE CITY, STATE, ZIP CODE

416. [] OFFER REJECTED BY SELLER: MONTH DAY YEAR (SELLER'S INITIALS)

For Broker Use Only:
Brokerage File/Log No. Manager's Initials Broker's Initials Date MO/DAYR



"AS IS" ADDENDUM

Document updated:
February 2011



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: LANDMARC CAPITAL AND, INVESTMENT CO.
2. Buyer: JESUS CORTEZ
3. Premises Address: 11536 NORTH 81ST AVE., PEORIA, AZ 85345
4. Date: _____

5. The following additional terms and conditions are hereby included as a part of the Contract between Seller and Buyer for the above referenced Premises. All terms and conditions of the Contract are hereby included herein and delivery of all notices and documentation shall be deemed delivered and received when sent as required by Section 8m of the Contract.

8. **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 166-168 of Section 5a, 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 169-170, at the earlier of possession or COE, the Premises, including all additional existing personal property included in the sale, will be in substantially the same condition as on the date of Contract acceptance and all personal property not included in the sale and all debris will be removed from the Premises.

15. **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.

19. **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.

23. **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.

25. **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.

28. **F.** Other Terms and Conditions:

31. **BUYER ACKNOWLEDGES THAT BUYER IS HEREBY ADVISED TO SEEK APPROPRIATE COUNSEL REGARDING THE RISKS OF BUYING A PROPERTY IN "AS IS" CONDITION.**

33. Buyer recognizes, acknowledges, and agrees that Broker(s) are not qualified, nor licensed, to conduct due diligence with respect to the premises or the surrounding area. Buyer is instructed to consult with qualified licensed professionals to assist in Buyer's due diligence efforts. Because conducting due diligence with respect to the premises and the surrounding area is beyond the scope of the Broker's expertise and licensing, Buyer expressly releases and holds harmless Broker(s) from liability for any defects or conditions that could have been discovered by inspection or investigation. Seller and Buyer hereby expressly release, hold harmless and indemnify Broker(s) in this transaction from any and all liability and responsibility regarding financing, the condition, square footage, lot lines, boundaries, value, rent rolls, environmental problems, sanitation systems, roof, wood infestation, building codes, governmental regulations, insurance or any other matter relating to the value or condition of the Premises.

41. Jesus Cortez 10/29/13
 ^ BUYER'S SIGNATURE _____ MO/DA/YR
 JESUS CORTEZ
 ^ BUYER'S SIGNATURE _____ MO/DA/YR

42. Landmarc Capital And 10/25/13
 ^ SELLER'S SIGNATURE _____ MO/DA/YR
 LANDMARC CAPITAL AND
 ^ SELLER'S SIGNATURE _____ MO/DA/YR
 INVESTMENT CO.

For Broker Use Only:
 Brokerage File/Log No. _____ Manager's Initials _____ Broker's Initials _____ Date _____
 (Added February 2012) MO/DA/YR

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DISCLOSURE OF INFORMATION ON LEAD-BASED PAINT AND LEAD-BASED PAINT HAZARDS (SALES)

Document updated: January 2009



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1. Premises Address: 11536 NORTH 81ST AVE., PEORIA, AZ 85345
2. **Lead Warning Statement:** Every buyer of any interest in residential real property on which a residential dwelling was built prior to 1978 is notified that such property may present exposure to lead from lead-based paint, which may place young children at risk of developing lead poisoning. Lead poisoning in young children may produce permanent neurological damage, including learning disabilities, reduced intelligence quotient, behavioral problems, and impaired memory. Lead poisoning also poses a particular risk to pregnant women. The seller of any interest in residential real property is required to provide the buyer with any information on lead-based paint hazards from risk assessments or inspections in the seller's possession and to notify the buyer of any known lead-based paint hazards. A risk assessment or inspection for possible lead-based paint or lead-based paint hazards is recommended prior to purchase.

1. SELLER'S DISCLOSURE (Seller must complete and initial sections a, b and c below)

9. (a) Lead-based paint and/or lead-based paint hazards (check either 1 or 2 below):
10. 1. Seller is aware that lead-based paint and/or lead-based paint hazards are present in the residence(s) and/or building(s) included
11. in this sale. (Explain) _____
12. 2. Seller has no knowledge of any lead-based paint and/or lead-based paint hazards in the residence(s) and building(s) included
13. in this sale.
14. (SELLER'S INITIALS REQUIRED) [Signature] SELLER
15. (b) Records and reports available to the seller (check either 1 or 2 below):
16. 1. Seller has provided the buyer with all available records and reports relating to lead-based paint and/or lead-based paint hazards in
17. the residence(s) and building(s) included in the sale. (List documents) _____
18. 2. Seller has no reports or records relating to lead-based paint and/or lead-based paint hazards in the residence(s) and building(s)
19. included in this sale.
20. (SELLER'S INITIALS REQUIRED) [Signature] SELLER
21. (c) Seller acknowledges Seller's obligation to disclose to any real estate agent(s) to whom the seller directly or indirectly is to pay compensation
22. with regard to the transaction contemplated by this disclosure any known lead-based paint or lead-based paint hazards in the premises to be
23. sold, as well as the existence of any reports or records relating to lead-based paint or lead-based paint hazards in the premises to be sold. Seller
24. further acknowledges that this disclosure accurately reflects the entirety of the information provided by the seller to the agent(s) with regard to
25. lead-based paint, lead-based paint hazards, and lead-based paint risk-assessment or inspection reports and records.
26. (SELLER'S INITIALS REQUIRED) _____ SELLER

2. BUYER'S ACKNOWLEDGMENT (Buyer must complete and initial sections a, b and c below)

27. (a) Buyer has read the information set forth above, and has received copies of the reports, records, or other materials listed above, if any.
28. (BUYER'S INITIALS REQUIRED) [Signature] BUYER
29. (b) Buyer has received the pamphlet *Protect Your Family From Lead in Your Home*.
30. (BUYER'S INITIALS REQUIRED) [Signature] BUYER
31. (c) Buyer has (check one):
32. Received a 10-day opportunity (or mutually agreed upon period) to conduct a risk assessment or inspection for the
33. presence of lead-based paint and/or lead-based paint hazards; or
34. Waived the opportunity to conduct a risk assessment or inspection for the presence of lead-based paint and/or
35. lead-based paint hazards.
36. (BUYER'S INITIALS REQUIRED) [Signature] BUYER

3. AGENT'S ACKNOWLEDGMENT (Any real estate agent who is to receive compensation from the seller or the listing agent with regard to the transaction contemplated in this disclosure must initial below.)

37. The agent(s) whose initials appear below has (have) ensured the seller's compliance under the Residential Resale Lead-Based Paint Hazard
38. Reduction Act of 1992 by the seller's use and completion of this disclosure form.
39. (AGENT'S INITIALS REQUIRED) _____
40. **Certification of Accuracy:** By signing below, each signatory acknowledges that he or she has reviewed the above information, and
41. certifies that, to the best of his/her knowledge, the information provided by the signatory is true and accurate.
42. [Signature] 10/25/13 MO/DA/YR [Signature] 10/24/13 MO/DA/YR
43. * SELLER'S SIGNATURE LANDMARC CAPITAL AND INVESTMENT CO. MO/DA/YR * BUYER'S SIGNATURE JESUS CORTEZ MO/DA/YR
44. * LISTING AGENT'S SIGNATURE MO/DA/YR * COOPERATING AGENT'S SIGNATURE LISA JUEL, PLLC MO/DA/YR

Disclosure of Information on Lead-Based Paint and Lead-Based Paint Hazards (Sales) • Updated: January 2009 • Copyright © 2009 Arizona Association of REALTORS®. All rights reserved.



REAL ESTATE AGENCY DISCLOSURE AND ELECTION

Document updated:
January 2009



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1. Firm Name ("Broker") REALTY ONE GROUP
2. acting through LISA JUEL, PLLC hereby makes the following disclosure.
LICENSEE'S NAME

DISCLOSURE

- 3. Before a Seller or Landlord (hereinafter referred to as "Seller") or a Buyer or Tenant (hereinafter referred to as "Buyer") enters into
- 4. a discussion with a real estate broker or licensee affiliated with a broker, the Seller and the Buyer should understand what type of agency
- 5. relationship or representation they will have with the broker in the transaction.
- 6. I. **Buyer's Broker:** A broker other than the Seller's broker can agree with the Buyer to act as the broker for the Buyer. In these
- 7. situations, the Buyer's broker is not representing the Seller, even if the Buyer's broker is receiving compensation for services
- 8. rendered, either in full or in part, from the Seller or through the Seller's broker:
- 9. a) A Buyer's broker has the fiduciary duties of loyalty, obedience, disclosure, confidentiality, and accounting in dealings with the Buyer.
- 10. b) Other potential Buyers represented by broker may consider, make offers on, or acquire an interest in the same or similar
- 11. properties as Buyer is seeking.
- 12. II. **Seller's Broker:** A broker under a listing agreement with the Seller acts as the broker for the Seller only;
- 13. a) A Seller's broker has the fiduciary duties of loyalty, obedience, disclosure, confidentiality, and accounting in dealings with the Seller.
- 14. b) Other potential Sellers represented by broker may list properties that are similar to the property that Seller is selling.
- 15. III. **Broker Representing both Seller and Buyer (Limited Representation):** A broker, either acting directly or through one or more
- 16. licensees within the same brokerage firm, can legally represent both the Seller and the Buyer in a transaction, but only with the
- 17. knowledge and informed consent of both the Seller and the Buyer. In these situations, the Broker, acting through its licensee(s),
- 18. represents both the Buyer and the Seller, with limitations of the duties owed to the Buyer and the Seller:
- 19. a) The broker will not, without written authorization, disclose to the other party that the Seller will accept a price or terms other than
- 20. stated in the listing or that the Buyer will accept a price or terms other than offered.
- 21. b) There will be conflicts in the duties of loyalty, obedience, disclosure and confidentiality. Disclosure of confidential information may
- 22. be made only with written authorization.
- 23. Regardless of who the Broker represents in the transaction, the Broker shall exercise reasonable skill and care in the performance of the
- 24. Broker's duties and shall be truthful and honest to both the Buyer and Seller and shall disclose all known facts which materially and adversely
- 25. affect the consideration to be paid by any party. Pursuant to A.R.S. §32-2156, Sellers, Lessors and Brokers are not obligated to disclose that
- 26. a property is or has been: (1) the site of a natural death, suicide, homicide, or any crime classified as a felony; (2) owned or occupied by a
- 27. person exposed to HIV, or diagnosed as having AIDS or any other disease not known to be transmitted through common occupancy of real
- 28. estate; or (3) located in the vicinity of a sex offender. Sellers or Sellers' representatives may not treat the existence, terms, or conditions of
- 29. offers as confidential unless there is a confidentiality agreement between the parties.
- 30. **THE DUTIES OF THE BROKER IN A REAL ESTATE TRANSACTION DO NOT RELIEVE THE SELLER OR THE BUYER FROM THE**
- 31. **RESPONSIBILITY TO PROTECT THEIR OWN INTERESTS. THE SELLER AND THE BUYER SHOULD CAREFULLY READ ALL**
- 32. **AGREEMENTS TO ENSURE THAT THE DOCUMENTS ADEQUATELY EXPRESS THEIR UNDERSTANDING OF THE TRANSACTION.**

ELECTION

- 33. **Buyer or Tenant Election** (Complete this section only if you are the Buyer.) The undersigned elects to have the Broker (check any that apply):
- 34. represent the Buyer as Buyer's Broker.
- 35. represent the Seller as Seller's Broker.
- 36. show Buyer properties listed with Broker's firm and Buyer agrees that Broker shall act as agent for both Buyer and Seller provided that
- 37. the Seller consents to limited representation. In the event of a purchase, Buyer's and Seller's informed consent should be
- 38. acknowledged in a separate writing other than the purchase contract.
- 39. **Seller or Landlord Election** (Complete this section only if you are the Seller.) The undersigned elects to have the Broker (check any that apply):
- 40. represent the Buyer as Buyer's Broker.
- 41. represent the Seller as Seller's Broker.
- 42. show Seller's property to Buyers represented by Broker's firm and Seller agrees that Broker shall act as agent for both Seller and
- 43. Buyer provided that Buyer consents to the limited representation. In the event of a purchase, Buyer's and Seller's informed consent
- 44. should be acknowledged in a separate writing other than the purchase contract.
- 45. The undersigned Buyer(s) or Seller(s) acknowledge that this document is a disclosure of duties. This document is not an employment agreement.
- 46. I/WE ACKNOWLEDGE RECEIPT OF A COPY OF THIS DISCLOSURE.
- 47. JESUS CORTEZ PRINT NAME
- 48. [Signature] SIGNED 10/29/13 M/D/YR



MARKET CONDITIONS ADVISORY

Document updated:
August 2009



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.



The real estate market is cyclical and real estate values go up and down.

The financial market also changes, affecting the terms on which a lender will agree to loan money on real property. It is impossible to accurately predict what the real estate or financial market conditions will be at any given time.

The ultimate decision on the price a Buyer is willing to pay and the price a Seller is willing to accept for a specific property rests solely with the individual Buyer and Seller. The parties to a real estate transaction must decide on what price and terms they are willing to buy or sell in light of market conditions, their own financial resources and their own unique circumstances.

The parties must, upon careful deliberation, decide how much risk they are willing to assume in a transaction. Any waiver of contingencies, rights or warranties in the Contract may have adverse consequences. Buyer and Seller acknowledge that they understand these risks.

Buyer and Seller assume all responsibility should the return on investment, tax consequences, credit effects, or financing terms not meet their expectations. The parties understand and agree that the Broker(s) do not provide advice on property as an investment. Broker(s) are not qualified to provide financial, legal, or tax advice regarding a real estate transaction. Therefore, Broker(s) make no representation regarding the above items. Buyer and Seller are advised to obtain professional tax and legal advice regarding the advisability of entering into this transaction.

THE UNDERSIGNED ACCEPT AND UNDERSTAND THE FOREGOING AND ACKNOWLEDGE RECEIPT OF A COPY OF THIS ADVISORY.

Jesus Cortez 10/29/13
 ^ BUYER'S SIGNATURE MO/DAY/YR
 JESUS CORTEZ
Landmarc Capital and 10/25/13
 ^ SELLER'S SIGNATURE MO/DAY/YR
 LANDMARC CAPITAL AND

^ BUYER'S SIGNATURE MO/DAY/YR
 ^ SELLER'S SIGNATURE MO/DAY/YR
 INVESTMENT CO.

Market Conditions Advisory • Updated: August 2009
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 Phone: 602-481-0115 Fax: 602-445-9959 Lisa M Juel, PLLC

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Buyer Advisory

BUYER ACKNOWLEDGMENT

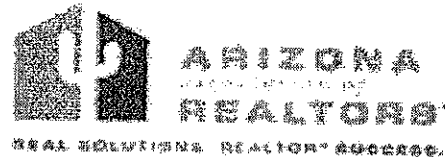
Buyer acknowledges receipt of all nine pages of this Advisory. Buyer further acknowledges that there may be other disclosure issues of concern not listed in this Advisory. Buyer is responsible for making all necessary inquiries and consulting the appropriate persons or entities prior to the purchase of any property.

The information in this Advisory is provided with the understanding that it is not intended as legal or other professional services or advice. These materials have been prepared for general informational purposes only. The information and links contained herein may not be updated or revised for accuracy. If you have any additional questions or need advice, please contact your own lawyer or other professional representative.



Buyer Advisory

*A Resource for
Real Estate Consumers
Provided by the*



[Handwritten Signature] *10/29/13*
^ BUYER SIGNATURE DATE
JESUS CORTEZ

^ BUYER SIGNATURE DATE



CONSENT TO LIMITED REPRESENTATION ("CONSENT")

BROKER REPRESENTS BOTH SELLER AND BUYER OR BOTH LANDLORD AND TENANT

Document updated:
December 2002



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. Buyer/Tenant ("Buyer"): JESUS CORTEZ

2. Seller/Landlord ("Seller"): LANDMARC CAPITAL AND INVESTMENT CO.

3. Subject Property: 11536 NORTH 81ST AVE., PEORIA, AZ 85345

4. Firm Name ("Broker"): REALTY ONE GROUP

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

6. One Licensee: LISA M. JUEL, PLLC
(NAME)

7. Two Licensees: _____, who, through the Broker, has been representing the Buyer;

8. and _____, who, through the Broker, has been representing the Seller.
(NAME)

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

10. Licensee(s) can represent the interests of one party to the exclusion or detriment of the other party. The parties understand and further consent to the following:

11. a) The Licensee or each Licensee represents both the Buyer and the Seller with limitations of the duties owed to the Buyer and the Seller, such as:

12. 1) The Licensee(s) will not, without written authorization, disclose to the other party that the Seller will accept a price or terms other than stated in the listing or that the Buyer will accept a price or terms other than offered;

13. 2) There will be conflicts in the duties of loyalty, obedience, disclosure and confidentiality. Disclosure of confidential information may be made only with written authorization. This does not relieve each Licensee of any legal obligation to disclose all known facts which materially and adversely affect the consideration to be paid by any party to the transaction.

14. 3) Pursuant to A.R.S. §32-2156, Sellers, Lessors and Broker/Licensee(s) are not obligated to disclose that the Subject Property is or has been: (1) the site of a natural death, suicide, homicide, or any crime classified as a felony; (2) owned or occupied by a person exposed to HIV, or diagnosed as having AIDS or any other disease not known to be transmitted through common occupancy of real estate; or (3) located in the vicinity of a sex offender.

15. b) The Licensee(s) shall exercise reasonable skill and care in the performance of their duties.

16. c) The Licensee(s) shall be obligated at all times to deal honestly with all parties.

17. d) The duties of the Licensee(s) in this transaction do not relieve the Seller or the Buyer from the responsibility to protect their own interests.

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

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

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

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

22. **36. THE UNDERSIGNED PARTIES ACKNOWLEDGE THAT THEY HAVE THOROUGHLY READ, UNDERSTOOD AND APPROVED THIS**

23. **37. CONSENT AND ACKNOWLEDGE RECEIPT OF A COPY.**

24. Jesus Cortez 10/29/13
^ BUYER'S SIGNATURE MO/DA/YR
JESUS CORTEZ

25. Lisa M Juel 10/25/13
^ BUYER'S SIGNATURE MO/DA/YR
LANDMARC CAPITAL AND INVESTMENT CO.



Counter Offer No. 1

This is a Counter Offer by the Seller, Lauren Kingry, Receiver by **Thomas J. Giallanza**, in his capacity as Deputy Receiver, to the Proposal to purchase a residential property by the Buyer, contained in the Residential Resale Real Estate Purchase Contract ("Buyer's Offer" or "Purchase Contract"). In consideration of the mutual promises and covenants set forth in this Counter Offer, Seller agrees to sell and Buyer agrees to buy the Property described below on the terms and conditions set forth in this Counter Offer No.1 ("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 **11536 N. 81st Avenue, Peoria, AZ**, ("Property").

2. Seller. The Seller is Lauren Kingry, Receiver by **Thomas J. Giallanza** in his capacity as Deputy Receiver, appointed by the Superior Court of Arizona in the action entitled **State of Arizona v. Landmarc Capital, et al CV2009-020595** ("Receivership Court"). The Taxpayer Identification Number for the Seller is **86-0959744**.

3. Buyer. The Buyer is **JESUS CORTEZ**.

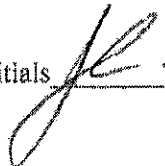
4. Purchase Price. The Purchase Price, which Buyer agrees to pay for the Property is **\$60,000**. The Purchase Price shall not be adjusted by any overage or shortage in area of the Property. The Purchase Price shall be paid as follows:

(a) Buyer shall deposit with **Escrow Agent** within **four (4) days** of the Buyer's acceptance of the Purchase Agreement and this Counter Offer No. 1 a total of **\$5,000.00** cash earnest money deposit (the "Earnest Money") which shall become non-refundable, except as otherwise provided in Paragraphs 10 & 11 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 and additional deposit shall be credited towards the Sales Price, if Buyer purchases the Property.

5. Deed. At the Close of Escrow, Seller shall convey title to the Property to Buyer by **Special Warranty 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 that the Seller has expressly agreed to pay, shall be disbursed to Seller.

Buyer's Initials



1

Seller's Initials

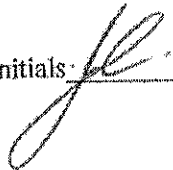



7. Property Sold "As Is." The Property is being sold "AS IS" and the Seller is not providing any warranties. Buyer expressly acknowledges that there may be present on the Property asbestos in friable form, aluminum wiring, mold, or other conditions that might affect the Buyers decision to purchase the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

8. Additional Terms.

- (a) The cost of all inspections are to be paid for by Buyer.
- (b) Title shall be conveyed to Buyer by a Special Warranty Deed
- (c) The parties agree that the following lines appearing on the Residential Resale Real Estate Purchase Contract are deleted;
 - (i) Lines 40 through 49,
 - (ii) Line 52,
 - (iii) Lines 55 through 73,
 - (iv) Lines 75 through 90,
 - (v) Lines 93 through 95,
 - (vi) Lines 134 through 153,
 - (vii) Lines 157 through 165,
 - (viii) Lines 166 through 178,
 - (ix) Lines 255 through 264,
 - (x) Lines 265 through 268,
 - (xi) Lines 286 through 301,
 - (xii) Line 306, 308 and lines 310 through 334; and
 - (xiii) Line 339.
- (d) The parties agree that the Residential Resale Real Estate Purchase Contract shall at line 2 shall be deemed to read as follows:

SELLER: Landmarc Capital & Investment Company – in Receivership

Buyer's Initials: 

Seller's Initials: 

(e) The parties agree that the Residential Resale Real Estate Purchase Contract shall at line 7 shall be deemed to read:

7. Legal Description: Such description as is provided by the Title Insurance Company issuing the Title Commitment that the Escrow Company utilizes to Close Escrow.

(f) The parties agree that the Residential Resale Real Estate Purchase Contract shall at line 10 shall be amended and deemed to read:

10. \$ 55,000. Deposit in escrow FIVE (5) days prior to Close of Escrow ("COE").

(g) The parties agree that the Residential Resale Real Estate Purchase Contract shall at line 18 shall be deemed to read :

November 26, 2013

unless otherwise affected by Paragraph 18 of this Counter Offer.

(h) The parties agree that the Residential Resale Real Estate Purchase Contract shall at line 29 shall be deemed to read :

Other: Disclosure of Information On Lead-Based Paint Addendum, Market Conditions Advisory, Buyer Advisory and Consent to Limited Representation

(i) The parties agree that the Residential Resale Real Estate Purchase Contract shall at line 93 and the subsequent lines be deemed to read as though the following numbers, symbols and words were inserted:

93. North American Title Company – Connie Caster
94. 3200 E. Camelback Road, Suite 150, Phoenix, AZ 85018
95. ccaster@nat.com Phone: 602-280-7500 Fax: 866-488-1907

(j) The parties agree that Line 269 through 271 of the Residential Resale Real Estate Purchase Contract shall be amended to read as follows:

All utilities, if any, necessary for the Buyer to inspect the property are to be activated by the Buyer at the Buyer's sole expense.

(k) The parties agree that Line 413 of the Residential Resale Real Estate Purchase Contract shall be amended to read as follows:

Landmarc Capital & Investment Company – in Receivership

Buyer's Initials



3

Seller's Initials



- (l) The parties agree that Line 29 of the "AS IS" ADDENDUM NOTED AT Line 27 of the Residential Resale Real Estate Purchase Contract shall be amended to read as follows:

This Addendum is superseded by the terms of this Counter Offer.

9. Court Receivership. The Buyer understands and acknowledges that the Seller was duly appointed the Receiver in the Receivership *State of Arizona v. Landmarc Capital*, et al CV2009-020595 (the "Receivership Court") and that the Property and this transaction are under the jurisdiction of the Receivership Court. **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 (i) that the sale price is not fair, (ii) that a sale of the Property is not in the best interests of the Receivership estate or the beneficial owner(s); or (iii) that the beneficial owner(s) do(es) not consent to the sale.**

10. Cancellation. In the event Seller is unable, within 60 days of the Buyer's acceptance of the Purchase Agreement and this Counter Offer, to obtain the approval of the Receivership Court, if necessary, then the Buyer or the Seller may elect in writing to cancel this Agreement and any Escrow and Buyer will receive a full refund of the Earnest Money. Upon a cancellation in accordance with the provisions of the Purchase Agreement and this Counter Offer, all documents deposited in Escrow by Seller and Buyer shall be returned to the party depositing the document, and this Agreement shall terminate.

11. Inspection or Conduct of Feasibility Study by Buyer. Buyer shall have ten (10) days from the date of the Buyer's acceptance of this Counter Offer to complete the Buyer's inspection or feasibility study 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 five (5) days from Buyer's notice, notify Buyer that Seller does not intend to eliminate the objectionable items, and Buyer's sole and exclusive remedy shall be to either waive his objection (in which case Close of Escrow shall occur subject to such matters) or to cancel this Agreement and receive a full refund of the Earnest Money.

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

13. Release and Indemnity. Seller is hereby released from all responsibility and liability regarding the condition (including, without limitation, the presence of 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, mold or other environmental hazards, and Buyer agrees to indemnify

Buyer's Initials



4

Seller's Initials



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.

14. 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.

15. 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 bankruptcy trustees, directors, officers, employees or agents.

16. 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.

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

18. Close of Escrow. The sale shall close following completion of the last of the requirements set forth in Paragraphs 9, 10 & 11 above and on or before **December 27, 2013**, whichever comes last.

19. Time of the Essence. Time is of the essence and unless the Buyer's acceptance of the Purchase Agreement and this Counter Offer is signed by the Buyer or an authorized representative and a signed copy of the Purchase Agreement and this Counter Offer is delivered in person, by mail, or by email to tgiallanza@icimortgage.com and received by **Thomas J. Giallanza, Deputy Receiver, on or before October 30, 2013 at 1:00PM, Mountain Standard Time**, or unless the Purchase Agreement and this Counter Offer has been previously withdrawn by the Deputy Receiver or the Receiver, this Purchase Agreement and this Counter Offer shall be considered withdrawn on the date and time set forth above in this Paragraph. Until this Purchase Agreement and 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.

20. Signed Original. In order to facilitate the filing of appropriate pleadings with the Receivership Court, the parties agree to execute at least one original of this Counter Offer and all other contract documents and to provide such originals to the Seller.

Buyer's Initials



5

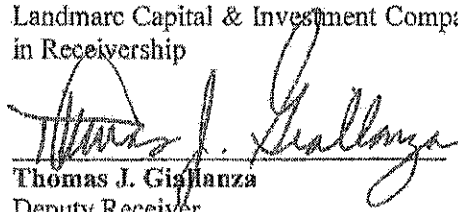
Seller's Initials



21. Entire Agreement. This agreement supersedes any other agreement, whether oral or in writing, between the parties regarding the subject of this agreement, and renders such other agreements between the parties null and void.

Dated: October 25, 2013

SELLER:
Landmarc Capital & Investment Company –
in Receivership


Thomas J. Giannanza
Deputy Receiver

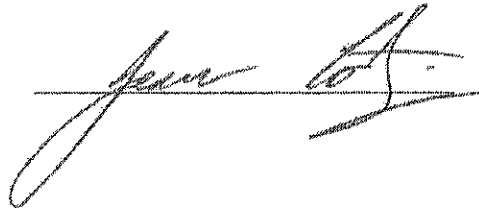
Acceptance

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

BUYER:

JESUS CORTEZ

Dated: 10/28/13



Buyer's Initials JL

Seller's Initials TJG