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5 Attorneys for the Receiver

6 THE SUPERIOR COURT OF ARIZONA FOR MARICOPA COUNTY

7
8 STATE OF ARIZONA ex rel. LAUREN
KINGRY, Superintendent of the Arizona
Department of Financial Institutions,

9 Plaintiff,

10 v.

11 LANDMARC CAPITAL &
INVESTMENT COMPANY,

12 Defendant.

Cause No. CV2009-020595

PETITION NO. 61

PETITION TO CONFIRM SALE OF
REAL PROPERTY LOCATED AT 10149
E. CAVEDALE DRIVE, SCOTTSDALE,
ARIZONA 85262

(Assigned to the Honorable Eileen Willett)

13
14
15 Lauren W. Kingry, as the court appointed Receiver, respectfully petitions the Court as
16 follows:

17 1. On June 24, 2009, this Court entered its *Order Appointing Receiver and Order*
18 *to Show Cause*, which appointed the Superintendent of the Arizona Department of Financial
19 Institutions as Receiver of Landmarc Capital & Investment Company (“Landmarc”). On July
20 10, 2009, this Court entered is *Order Appointing Permanent Receiver and Injunction*. On
21 February 27, 2010, the Court entered its *Order Placing Hayden Investments, LLC, Desert*

1 *Trails Holdings, LLC and Arizona Valuation Company, LLC in Receivership.* On May 12,
2 2010, the Court entered its *Amended Order Appointing Permanent Receiver and Injunction*
3 (collectively “Receivership Order”). The Receiver Order appointed Thomas Giallanza as
4 Deputy Receiver and authorized the Receiver to engage and employ Special Deputy
5 Receivers to carry on the day to day business of Landmarc.

6 2. In accordance with the Receivership Order, the Receiver has located and taken
7 possession of certain real property located at 10149 E. Cavedale Drive, Scottsdale, Arizona
8 85262 (“Property”). This Property is legally described in Exhibit “1” attached hereto and was
9 acquired by Trustee’s Deed Upon Sale on February 1, 2011, which vested fee title in
10 Landmarc Capital & Investment Company, an Arizona Corporation, Landmarc Capital
11 Partners, LLC, (“Partners”), First Trust Company of Onaga, Custodian FBO Rhonda K.
12 Solheim, IRA, (“Solheim”). The beneficial ownership is held as follows: KepesWare
13 (18.69%); GubinWare (6.5%); Partners (28.04%); and Solheim (46.73%) (collectively the
14 “Beneficial Owners”). One of the Beneficial Owners (Solheim) asserts a right to priority
15 distribution of the net sale proceeds, accordingly, the net sale proceeds will be held in trust
16 until the claims of these Beneficial Owners are resolved by the Court.

17 3. The Property is vacant land and is not occupied and is not encumbered by any
18 indebtedness, other than obligations for real estate taxes and assessments.

19 4. The continued holding of the Property is not necessary or appropriate to protect
20 the interests of any persons interested in this receivership. Accordingly, the Receiver
21 commenced efforts to market and sell the property.

1 5. The sale contemplated under Exhibit “2” is conditioned upon, and will not take
2 place in the absence of, an order of this Court approving such sale after notice and a hearing.

3 6. The Receiver engaged the services of James Frazey of City to City
4 Commercial, to market the Property, under which the Receiver agreed to pay a 6% sales
5 commission, subject to the approval of this Court.

6 7. On April 9, 2012, the Receiver received an offer from Kenneth T. Joyce and
7 Lyna Joyce to purchase the Property for \$365,000.00 under terms that were not acceptable to
8 the Receiver. The Receiver thereafter submitted to Buyer a counter offer which has been
9 accepted. These documents constitute the Purchase Agreement and are attached hereto as
10 Exhibit “2”. The Purchase Agreement provides for the sale of the Property for \$429,000.00
11 in cash and is conditioned upon approval by this Court.

12 8. In accordance with this Court’s Order Re: Petition Number 2, the Receiver:

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

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

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

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

2 1. Approving the sale as set forth in the Purchase Agreement attached as Exhibit
3 “2” to this Petition of the Property legally described in Exhibit “1”.

4 2. Authorizing the Receiver to hold the net proceeds of the sale in trust until the
5 claims of the Beneficial Owners are resolved by the Court;

6 3. Directing the Beneficial Owners holding fee title to the Property to convey their
7 respective interests in the Property to the Receiver for the sole purpose of effecting the sale of
8 the Property to the Buyer as approved herein and without prejudice to any interest or priority
9 the Beneficial Owner may assert in the loan, the Property, or the proceeds therefrom; and

10 4. Authorizing Thomas J. Giallanza, Deputy Receiver to execute all necessary
11 documents in connection with the sale of the Property confirmed by the Court.

12 Respectfully submitted this 15th day of May, 2012.

13 GUTTILLA MURPHY ANDERSON, P.C.

14 /s/Patrick M. Murphy
15 Patrick M. Murphy
16 Attorneys for the Receiver

17 1157-001(121720)

**LEGAL DESCRIPTION
1199176-01**

LOT 267, OF ESTANCIA - PHASE 5, ACCORDING TO THE PLAT OF RECORD IN THE OFFICE OF THE COUNTY RECORDER OF MARICOPA COUNTY, ARIZONA, RECORDED IN BOOK 430 OF MAPS, PAGE 19 AND AFFIDAVITS OF CORRECTION RECORDED AS 97-0833649 AND AS 99-1130265, OF OFFICIAL RECORDS.

EXCEPT ALL OIL, GAS, OTHER HYDROCARBON SUBSTANCES, HELIUM OR OTHER SUBSTANCES OF A GASEOUS NATURE, COAL, METALS, MINERALS, FOSSILS, FERTILIZERS OF EVERY NAME AND DESCRIPTION, AND EXCEPT ALL URANIUM, THORIUM OR ANY OTHER MATERIAL WHICH IS OR MAY BE DETERMINED TO BE PECULIARLY ESSENTIAL TO THE PRODUCTION OF FISSIONABLE MATERIALS, WHETHER OR NOT OF COMMERCIAL VALUE, AS SET FORTH IN SECTION 37-231, ARS.

Keller Williams Realty Sonoran VACANT LAND/LOT PURCHASE CONTRACT



If subdivided land (less than 36 acres) or unsubdivided land (36 acres to 180 acres) is being sold by a subdivider, i.e., a person who owns 6 or more lots, a public report will generally be required and an Addendum regarding subdivided or unsubdivided land must be executed by the Seller and Buyer.

The printed portion of this contract has been approved by the ARIZONA ASSOCIATION OF REALTORS® ("AAR") This is intended to be a binding contract. No representation is made as to the legal validity or adequacy of any provision or the tax consequences thereof. If you desire legal, tax or other professional advice, consult your attorney, tax advisor, insurance agent or professional consultant.

1. PROPERTY

- 1a. 1. BUYER: Kenneth T. Joyce, Lyna Joyce BUYER'S NAME(S)
- 2. SELLER: Landmarc Capital & Investment 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, if any, plus the personal property described herein (collectively the "Property").
- 1b. 5. Property Address: 10149 E Cavedale Dr 267 Estancia Zoning: Residential
- 6. Assessor's #: 216-84-293 / Lot 267
- 7. City: Scottsdale County: Maricopa AZ, Zip Code: 85262
- 8. Legal Description: Estancia Phase 5 MCR 430-19 or see attached legal description.
- 1c. 9. \$ 365,000.00 Full Purchase Price, paid as outlined below
- 10. \$ 5,000.00 Earnest money personal check payable to North American Title Insurance Co
- 11. \$ 360,000.00 Wire Transfer or Cashier Check at Close of Escrow
- 12. \$ _____
- 13. _____
- 1d. 14. Incidental Improvements: Buyer is purchasing the Property as vacant land. Any improvements, fixtures and appurtenances
- 15. thereon are incidental thereto, plus any personal property on the Property are merely incidental, are being transferred in their
- 16. existing condition ("AS IS") and Seller makes no warranty to Buyer, expressed or implied, as to their condition.
- 1e. 17. Close of Escrow: Close of Escrow ("COE") shall occur when the deed is recorded at the appropriate county recorder's office.
- 18. Buyer and Seller shall comply with all terms and conditions of this Contract, execute and deliver to Escrow Company all
- 19. closing documents, and perform all other acts necessary in sufficient time to allow COE to occur on
- 20. To Be Determined MONTH DAY YEAR ("COE Date"). If Escrow Company or recorder's office is closed on
- 21. COE Date, COE shall occur on the next day that both are open for business.
- 22. Buyer shall deliver to Escrow Company a cashier's check, wired funds or other immediately available funds to pay any down
- 23. payment, additional deposits or Buyer's closing costs, and instruct the lender, if applicable, to deliver immediately available funds
- 24. to Escrow Company, in a sufficient amount and in sufficient time to allow COE to occur on COE Date.
- 1f. 25. Possession: Seller shall deliver access to keys and/or means to operate all locks, mailbox, and all common area facilities, subject to
- 26. the rights of tenants under existing leases, to Buyer at COE or . Broker(s) recommend that the parties seek appropriate
- 27. counsel from insurance, legal, tax, and accounting professionals regarding the risks of pre-possession or post-possession of the Property.
- 1g. 28. Addenda Incorporated: Assumption/Carryback Buyer Contingency Domestic Water Well H.O.A.
- 29. Additional Clause On-site Wastewater Treatment Facility Addendum to Vacant Land
- 30. Other: _____
- 31. IF THIS IS AN ALL CASH SALE, GO TO SECTION 3.

Initials: [Signature] SELLER SELLER ©ARIZONA ASSOCIATION OF REALTORS® Form VLPC 8/07 Initials: KJ / LJT BUYER BUYER

Keller Williams Realty Sonoran 4621 E. Chandler Blvd. #160 Phoenix, AZ 85048
 Phone: 480.250.1360 Fax: 480.706.7292 Lyna Joyce

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10149 E Caveda

2. FINANCING

(If financing is to be other than new financing, see attached addendum.)

- 2a. 32. **Loan Status Report:** The AAR Vacant Land/Lot Loan Status Report ("LSR") with, at a minimum, the Buyer's Loan Information section
33. completed, describing the current status of the Buyer's proposed loan, is attached hereto and incorporated herein by reference.
- 2b. 34. **Financing:** This sale is is not contingent upon Buyer obtaining a satisfactory financing commitment within Financing
35. Commitment Contingency Period. (If sale is not contingent on a financing commitment, go to Section 2g.)
- 2c. 36. **Financing Commitment Contingency Period:** If the sale is contingent upon Buyer obtaining a satisfactory financing
37. commitment, Buyer shall have thirty (30) days or _____ days after the Contract acceptance ("Financing Commitment
38. Contingency Period") to obtain a financing commitment satisfactory to Buyer in Buyer's sole discretion, for a loan to purchase the
39. Property or Buyer may cancel this Contract and receive a refund of the Earnest Money. **PRIOR TO THE EXPIRATION OF THE FINANCING
40. COMMITMENT CONTINGENCY PERIOD, BUYER SHALL DELIVER TO SELLER AND ESCROW COMPANY NOTICE THAT
41. BUYER HAS NOT RECEIVED SUCH SATISFACTORY FINANCING COMMITMENT OR BUYER SHALL BE DEEMED TO HAVE
42. WAIVED THE FINANCING COMMITMENT CONTINGENCY AND ANY RIGHT TO CANCEL DUE TO FINANCING.**
- 2d. 43. **Financing Application:** Unless previously completed, within ten (10) days or _____ after Contract acceptance, Buyer shall
44. submit a formal loan application to a lender of Buyer's choice. Buyer and Seller shall promptly provide to such lender all materials
45. and documents lender deems appropriate to facilitate such lender's processing of such loan application. Buyer instructs the lender
46. to provide loan status updates to Broker(s) and Seller. The AAR Loan Status Update Form is available for this purpose.
- 2e. 47. **Appraisal Contingency:** Buyer's obligation to complete this sale is contingent upon an appraisal of the Property by an appraiser
48. acceptable to lender for at least the sales price during the Financing Commitment Contingency Period.
- 2f. 49. **Loan Costs:** Buyer shall pay all costs of obtaining the loan, except as provided herein.
50. Discount points shall be paid by: Buyer Seller Other _____
51. Discount points shall not exceed: _____ total points (Does not include loan origination fee)
52. A.L.T.A. Lender Title Insurance Policy shall be paid by Buyer Seller
53. Loan Origination Fee (Not to exceed _____ % of loan amount) shall be paid by Buyer Seller
54. Appraisal Fee, when required by lender, shall be paid by Buyer Seller Other _____
- 2g. 55. **Partial Release:** Buyer and Seller agree that any partial releases will be addressed under Additional Terms and Conditions
56. or attached Addendum.
- 2h. 57. **Subordination:** If applicable, Seller carryback financing is is not to be subordinated to a construction loan. If Seller
58. agrees to subordination, such subordination shall only be allowed if the Seller Carryback financing is not in default and if the
59. Seller approves the terms and conditions of the construction loan to be recorded as a senior loan. Approval will not be
60. unreasonably withheld. **IF SELLER SUBORDINATES THE SELLER CARRYBACK FINANCING TO A SENIOR LOAN, THE
61. SELLER ACKNOWLEDGES THAT IN ORDER TO PROTECT THE SELLER CARRYBACK FINANCING, THE SELLER
62. MAY HAVE TO MAKE PAYMENTS ON THE SENIOR LOAN IF THE SENIOR LOAN IS IN DEFAULT.**

3. TITLE AND ESCROW

- 3a. 63. **Escrow:** This Contract shall be used as escrow instructions. The Escrow Company employed by the parties to carry out the
64. terms of this Contract shall be:
65. North American Title Insurance Co (602) 294-2000
"ESCROW/TITLE COMPANY" PHONE
66. _____
FAX EMAIL
67. _____
ADDRESS
- 3b. 68. **Title and Vesting:** Buyer will take title as determined before COE. Taking title may have significant legal, estate planning
69. and tax consequences. Buyer should obtain legal and tax advice.
- 3c. 70. **Title Commitment and Title Insurance:** Escrow Company is hereby instructed to obtain and deliver to Buyer and Seller directly,
71. addressed pursuant to 8s and 9c or as otherwise provided, a Commitment for Title Insurance in sufficient detail for the issuance
72. of an Extended Owner's Title Insurance Policy together with complete and legible copies of all documents that will


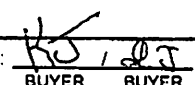

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SELLER SELLER

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BUYER BUYER



73. remain as exceptions to Buyer's policy of Title Insurance ("Title Commitment"), within fifteen (15) days after Contract acceptance.
74. Buyer shall have five (5) days after receipt of Title Commitment and after receipt of notice of any subsequent exceptions to provide notice to Seller of any items disapproved. Buyer shall be provided at Seller's expense a Standard Owner's Title Insurance Policy showing the title vested in Buyer. Buyer may acquire extended coverage(s) at Buyer's own additional expense.
77. Seller shall convey title by general warranty deed or _____ deed.
- 3d. 78. **Additional Instructions:** (i) Escrow Company shall promptly furnish notice of pending sale that contains the name and address of the Buyer to any homeowner's association in which the Property is located. (ii) If the Escrow Company is also acting as the title agency but is not the title insurer issuing the title insurance policy, Escrow Company shall deliver to the Buyer and Seller, upon deposit of funds, a closing protection letter from the title insurer indemnifying the Buyer and Seller for any losses due to fraud, error or breach of escrow instructions by the Escrow Company. (iii) All documents necessary to close this transaction shall be executed promptly by Seller and Buyer in the standard form used by Escrow Company. Escrow Company shall modify such documents to the extent necessary to be consistent with this Contract. (iv) Escrow Company fees, unless otherwise stated herein, shall be allocated equally between Seller and Buyer. (v) Escrow Company shall send to all parties and Broker(s) copies of all notices and communications directed to Seller, Buyer and Broker(s). (vi) Escrow Company shall provide Broker(s) access to escrowed materials and information regarding the escrow. (vii) If an Affidavit of Disclosure is provided, Escrow Company shall record the Affidavit at COE.
- 3e. 89. **Prorations, Expenses and Adjustments:**
90. **Taxes:** Real property taxes payable by the Seller shall be prorated through COE, based upon the latest tax bill available. The parties agree that any discrepancy between the latest tax bill available and the actual tax bill when received shall be handled as a Post Closing Matter and Buyer or Seller may be responsible for additional tax payments to each other.
93. **Insurance:** If Buyer takes an assignment of the existing casualty and/or liability insurance that is maintained by Seller, the current premium shall be prorated through COE.
95. **Rents, Interest and Expenses:** Rents; interest on existing notes, if transferred; utilities; and operating expenses shall be prorated through COE. The Parties agree to adjust any rents received after COE as a Post Closing Matter.
97. **Deposits:** All deposits held by Seller pursuant to rent/lease agreement(s) shall be credited against the cash required of Buyer at COE or paid to Buyer by Seller at COE.
- 3f. 99. **Post Closing Matters:** The parties shall promptly adjust any item to be prorated that is not determined or determinable at COE as a Post Closing Matter by appropriate cash payment to the other party outside of the escrow when the amount due is determined. Seller and Buyer agree that Escrow Company and Broker(s) are relieved of any responsibility for said adjustments.
- 3g. 102. **Release of Earnest Money:** In the event of a dispute between Buyer and Seller regarding any Earnest Money deposited with Escrow Company, Buyer and Seller authorize Escrow Company to release Earnest Money pursuant to the terms and conditions of this Contract in its sole and absolute discretion. Buyer and Seller agree to hold harmless and indemnify Escrow Company against any claim, action or lawsuit of any kind, and from any loss, judgment, or expense, including costs and attorney fees, arising from or relating in any way to the release of Earnest Money.
- 3h. 107. **Insurance:** Buyer shall ensure that any fire, casualty, or other insurance desired by Buyer, or required by any Lender, is in place at COE. Buyer specifically releases Broker(s) from any obligations relating to such insurance.
- 3i. 109. **Assessment Liens:** The amount of any assessment, other than homeowner's association assessments, that is a lien as of the COE shall be: paid in full by Seller prorated and assumed by Buyer paid in full by Buyer. Any assessment that becomes a lien after COE is the Buyer's responsibility.
- 3j. 112. **IRS and FIRPTA Reporting:** Seller agrees to comply with IRS reporting requirements. If applicable, Seller agrees to complete, sign, and deliver to Escrow Company a certificate indicating whether Seller is a foreign person or a non-resident alien pursuant to the Foreign Investment in Real Property Tax Act (FIRPTA). Buyer and Seller acknowledge that if the Seller is a foreign person, the Buyer (or Escrow Company, as directed by Buyer) must withhold a tax equal to 10% of the purchase price, unless an exemption applies.
- 3k. 116. **Agricultural Foreign Investment Disclosure Act:** If applicable, Buyer and Seller shall comply with the Agricultural Foreign Investment Disclosure Act and make the required disclosures to the U.S. Department of Agriculture.
- 3l. 118. **TAX DEFERRED EXCHANGE:** Seller and Buyer are advised to consult a professional tax advisor regarding the advisability of a tax-deferred exchange pursuant to I.R.C. §1031 or otherwise. Seller and Buyer agree to cooperate in a tax deferred exchange provided that COE is not delayed. All additional costs in connection with any such tax deferred exchange shall be borne by the party requesting the exchange. The non-requesting party and Broker(s) shall be indemnified and held harmless from any liability that may arise from participation in the tax deferred exchange.


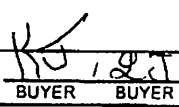

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4. DISCLOSURES

- 4a. 123. Vacant Land/Lot Seller Property Disclosure Statement ("VLSPDS"): Seller shall deliver a completed AAR VLSPDS form 124. to the Buyer within five (5) days after Contract acceptance. Buyer shall provide notice of any SPDS items disapproved with- 125. in the Inspection Period or five (5) days after receipt of the SPDS, whichever is later.
- 4b. 126. Additional Seller Disclosures and Information: Seller shall provide to Buyer the following disclosures and information pertinent 127. to the Property within five (5) days after the Contract acceptance: (i) any information known to Seller that may adversely affect the 128. Buyer's use of the Property, (ii) any known pending special assessments, association fees, claims, or litigation, (iii) articles of incor- 129. poration; by-laws; other governing documents; and any other documents required by law, (iv) financial statements, current rent rolls, 130. lists of current deposits, personal property lists, leases, rental agreements, service contracts, (v) soils, Phase I, or other environ- 131. mental reports in Seller's possession, (vi) the most recent survey, if available, and (vii) any and all other agreements, documents, 132. studies, or reports relating to the Property in Seller's possession or control provided, however, that Seller shall not be required to 133. deliver any report or study if the written contract that Seller entered into with the consultant who prepared such report or study 134. specifically forbids the dissemination of the report to others.
- 4c. 135. Road Maintenance Agreement: Seller shall provide to Buyer, within five (5) days after the Contract acceptance, a copy 136. of any known road maintenance agreement affecting the Property.
- 4d. 137. Seller's Obligations Regarding Wells: If a well is located on the Property, or if the Property is to be served by a shared well, 138. the AAR Domestic Water Well Addendum is attached hereto and incorporated by reference. At COE, if applicable, Seller shall 139. assign, transfer and convey to the Buyer all of the water rights, or claims to water rights, if any, held by Seller that are asso- 140. ciated with the Property.
- 4e. 141. No Seller or Tenant Bankruptcy, Probate or Insolvency Proceedings: Seller represents that Seller has no notice or knowl- 142. edge that any tenant on the Property is the subject of a bankruptcy, probate or insolvency proceeding. Further, Seller is not 143. the subject of a bankruptcy, insolvency or probate proceeding.
- 4f. 144. Seller's Notice of Violations: Seller represents that Seller has no knowledge of any notice of violations of City, County, State, or 145. Federal building, zoning, fire, or health laws, codes, statutes, ordinances, regulations, or rules filed or issued regarding the Property.
- 4g. 146. Environmental Disclosure: Seller has only not knowingly caused or permitted the generation, storage, treatment, release or disposal of 147. any hazardous waste or regulated substances at the Property except as otherwise disclosed.
- 4h. 148. Affidavit of Disclosure: If the Property is located in an unincorporated area of the county, and five or fewer parcels of 149. property other than subdivided land are being transferred, the Seller shall deliver a completed Affidavit of Disclosure in the 150. form required by law to the Buyer within five (5) days after Contract Acceptance. Buyer shall provide notice of any Affidavit 151. of Disclosure items disapproved within the Inspection Period or five (5) days after receipt of the Affidavit of Disclosure, whichever 152. is later.
- 4i. 153. H.O.A. / Condominium / Planned Community: The Property is is not located within a homeowners' association/ 154. condominium/planned community. If yes, the HOA addendum is attached hereto and incorporated by reference.
- 4j. 155. Changes During Escrow: Seller shall immediately notify Buyer of any changes in the Property or disclosures made herein, in 156. the SPDS, or otherwise. Such notice shall be considered an update of the SPDS. Unless Seller is already obligated by 157. Section 5a, or otherwise by this Contract or any amendments hereto, to correct or repair the changed item disclosed, Buyer 158. shall be allowed five (5) days after delivery of such notice to provide notice of disapproval to Seller.

5. WARRANTIES

- 5a. 159. Seller Warranties: Seller warrants and shall maintain and repair the Property so that at the earlier of possession or COE the 160. Property and any personal property included in the sale, will be in substantially the same condition as on the date of Contract 161. acceptance; and all personal property not included in the sale and all debris will be removed from the Property.
- 5b. 162. Warranties that Survive Closing: Seller warrants that Seller has disclosed to Buyer and Broker(s) all material latent defects 163. and any information concerning the Property known to Seller, excluding opinions of value, which materially and adversely 164. affect the consideration to be paid by Buyer. Prior to the COE, Seller warrants that payment in full will have been made for 165. all labor, professional services, materials, machinery, fixtures, or tools furnished within the 150 days immediately preceding 166. the COE in connection with the construction, alteration, or repair of any structure on or improvement to the Property. Seller 167. warrants that the information regarding connection to a sewer system or on-site wastewater treatment facility (conventional 168. septic or alternative) is correct to the best of Seller's knowledge.

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- 5c. 169. **Buyer Warranties:** Buyer warrants that Buyer has disclosed to Seller any information that may materially and adversely affect the
- 170. Buyer's ability to close escrow or complete the obligations of this Contract. At the earlier of possession of the Property or COE,
- 171. Buyer warrants to Seller that Buyer has conducted all desired independent inspections and investigations and accepts the
- 172. Property. Buyer warrants that Buyer is not relying on any verbal representations concerning the Property
- 173. except disclosed as follows: NONE
- 174. _____

6. DUE DILIGENCE

- 6a. 175. **Inspection Period:** Buyer's Inspection Period shall be fifteen (15) days or _____ days after the Contract acceptance.
- 176. During the Inspection Period, Buyer, at Buyer's expense, shall: (i) conduct all desired physical, environmental, and other
- 177. types of inspections and investigations to determine the value and condition of the Property; (ii) make inquiries and consult
- 178. government agencies, lenders, insurance agents, architects, and other appropriate persons and entities concerning the fea-
- 179. sibility and suitability of the Property for the Buyer's intended purpose and the surrounding area; (iii) investigate applicable
- 180. building, zoning, fire, health, and safety codes including applicable swimming pool barrier regulations to determine any poten-
- 181. tial hazards, violations or defects in the Property; and (iv) verify any material multiple listing service ("MLS") information. If
- 182. the presence of sex offenders in the vicinity or the occurrence of a disease, natural death, suicide, homicide or other crime
- 183. on or in the vicinity is a material matter to the Buyer, it must be investigated by the Buyer during the Inspection Period. Buyer
- 184. shall keep the Property free and clear of liens, shall indemnify and hold Seller harmless from all liability, claims, demands,
- 185. damages, and costs, and shall repair all damages arising from the inspections. Buyer shall provide Seller and Broker(s) upon
- 186. receipt, at no cost, copies of all inspection reports concerning the Property obtained by Buyer. If Buyer cancels this Contract,
- 187. Buyer shall return all documents provided by the Seller and provide Seller with copies of all reports or studies generated by
- 188. Buyer, provided, however, that Buyer shall not be required to deliver any such report or study if the written contract that Buyer
- 189. entered into with the consultant who prepared such report or study specifically forbids the dissemination of the report or study
- 190. to others. Buyer is advised to consult the Arizona Department of Real Estate *Buyer Advisory* provided by AAR to assist in
- 191. Buyer's due diligence inspections and investigations.
- 6b. 192. **Square Footage/Acreage:** BUYER IS AWARE THAT ANY REFERENCE TO THE SQUARE FOOTAGE/ACREAGE OF
- 193. THE PROPERTY, BOTH THE REAL PROPERTY (LAND) AND IMPROVEMENTS THEREON IS APPROXIMATE.
- 194. IF SQUARE FOOTAGE/ACREAGE IS A MATERIAL MATTER TO THE BUYER; IT MUST BE INVESTIGATED DURING
- 195. THE INSPECTION PERIOD.
- 6c. 196. **Flood Hazard:** Flood hazard designations or the cost of flood hazard insurance shall be determined by Buyer during the
- 197. Inspection Period. If the Property is situated in an area identified as having any special flood hazards by any governmental
- 198. entity, the lender may require the purchase of flood hazard insurance. Special flood hazards may also affect the ability to
- 199. encumber or improve the Property.
- 6d. 200. **Sewer or On-site Wastewater Treatment System:** The Property does does not contain an on-site wastewater
- 201. treatment system. If the Property is served by a septic or alternative system, the AAR On-site Wastewater Treatment Facility
- 202. Addendum is incorporated herein by reference.
- 203. IF A SEWER CONNECTION, OR THE AVAILABILITY OF A SEWER CONNECTION, IS A MATERIAL MATTER TO THE
- 204. BUYER, IT MUST BE INVESTIGATED DURING THE INSPECTION PERIOD.
- 205. _____
(BUYER'S INITIALS REQUIRED) KS QJ
BUYER BUYER
- 6e. 206. **Site/Soil Evaluation:** A site/soil evaluation (which may include percolation or other tests) shall shall not be
- 207. performed to determine the suitability of the Property for installation of an on-site wastewater treatment facility.
- 208. If site/soil evaluation is to be performed, Seller Buyer shall complete site/soil evaluation within Inspection Period
- 209. or _____ days after Contract acceptance and the cost of the site/soil evaluation shall be paid by
- 210. Seller Buyer or Other: _____
- 211. Buyer and Seller are aware that the site/soil evaluation is intended to determine whether an on-site wastewater treatment
- 212. facility can be installed on the Property in accordance with state laws, rules and regulations, however, the site/soil evaluation
- 213. is not binding on the State-delegated County agency in any future permitting decision as to the suitability of the design or
- 214. type of facility for the Property. Buyer shall have five (5) days after receipt of the site/soil evaluation report to provide notice
- 215. of disapproval to the Seller.

Initials: KS
SELLER SELLER

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Initials: KS QJ
BUYER BUYER



6f. 216. LAND DIVISIONS: LAND PROPOSED TO BE DIVIDED FOR PURPOSES OF SALE OR LEASE IS SUBJECT TO STATE, COUNTY AND MUNICIPAL LAWS, ORDINANCES AND REGULATIONS. IF STATE, COUNTY AND MUNICIPAL REQUIREMENTS RELATING TO THE DIVISION OR SPLITTING OF THE PROPERTY ARE A MATERIAL MATTER TO THE BUYER, THEY MUST BE VERIFIED BY BUYER DURING THE INSPECTION PERIOD. BROKER(S) HAVE MADE NO REPRESENTATIONS, EXPRESS OR IMPLIED, REGARDING THE ABILITY TO DIVIDE OR SPLIT THE PROPERTY.
221. (BUYER'S INITIALS REQUIRED) RS BJ
BUYER BUYER

6g. 222. ROADS: IF ROADWAYS, COST AND RESPONSIBILITY FOR ROAD MAINTENANCE, IMPROVEMENTS OR ACCESS IS A MATERIAL MATTER TO BUYER, IT MUST BE INVESTIGATED BY BUYER DURING INSPECTION PERIOD.

6h. 224. Survey: A survey shall shall not be performed. If yes, the survey shall be performed by a licensed surveyor within the Inspection Period or _____ days after Contract acceptance.

226. Cost of the survey shall be paid by Seller Buyer Other: _____

227. The survey shall be performed in accordance with the Arizona State Board of Technical Registration's "Arizona Land Boundary Survey Minimum Standards".
228.

6i. 229. Survey instructions are: A boundary survey and survey plat showing the corners either verified or monumentation.
230. A survey certified by a licensed surveyor, acceptable to Buyer and the Title Company, in sufficient detail for an American Land Title Association ("ALTA") Owner's Policy of Title Insurance with boundary, encroachment or survey exceptions and showing all improvements, utility lines and easements on the Property or within five (5) feet thereof.
231. Other survey terms: _____
232. _____
233. _____
234. _____
235. _____
236. _____
237. _____
238. _____
239. _____

240. Buyer shall have five (5) days after receipt of results of survey or map to provide written notice of disapproval to the Seller.
241. (BUYER'S INITIALS REQUIRED) RS BJ
BUYER BUYER

6j. 242. WELL WATER/WATER RIGHTS: IF WELL WATER/WATER RIGHTS IS/ARE A MATERIAL MATTER TO THE BUYER, IT MUST BE VERIFIED BY BUYER DURING THE INSPECTION PERIOD.

6k. 244. BUYER ACKNOWLEDGMENT: BUYER RECOGNIZES, ACKNOWLEDGES AND AGREES THAT BROKER(S) ARE NOT QUALIFIED, NOR LICENSED, TO CONDUCT DUE DILIGENCE WITH RESPECT TO THE PROPERTY 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 PROPERTY AND SURROUNDING AREA IS BEYOND THE SCOPE OF THE BROKERS 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.
250. (BUYER'S INITIALS REQUIRED) RS BJ
251. BUYER BUYER

6l. 252. Inspection Period Notice: Prior to expiration of the Inspection Period, Buyer shall deliver to Seller a signed notice of any items disapproved. The AAR Vacant Land/Lot Buyer's Inspection Notice and Seller's Response Form is available for this purpose. Buyer shall conduct all desired inspections and investigations prior to delivering such notice to Seller and all Inspection Period items disapproved shall be provided in a single notice.
253.
254.
255.

6m. 256. Buyer Disapproval: If Buyer, in Buyer's sole discretion, disapproves of item(s) as allowed herein, Buyer shall deliver to Seller notice of the items disapproved and state in the notice that Buyer elects to either:
257. (1) immediately cancel this Contract and all Earnest Money shall be released to Buyer, or
258. (2) provide the Seller an opportunity to correct the items disapproved, in which case:
259. (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.
260. (b) If Seller agrees in writing to correct item(s) 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.
261.
262.
263.
264.
265.

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BUYER BUYER



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

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

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

6n. 275. **Inspection(s):** Seller grants Buyer and Buyer's inspector(s) reasonable access to conduct inspection(s) of the Property for
 276. the purpose of satisfying Buyer that any corrections agreed to by the Seller have been completed and that the Property is in
 277. substantially the same condition as on the date of Contract acceptance. If Buyer does not conduct such
 278. inspection(s), Buyer releases Seller and Broker(s) from liability for any defects that could have been discovered.

7. REMEDIES

7a. 279. **Cure Period:** A party shall have an opportunity to cure a potential breach of this Contract. If a party fails to comply with any
 280. provision of this Contract, the other party shall deliver a notice to the non-complying party specifying the non-compliance. If
 281. the non-compliance is not cured within three (3) days after delivery of such notice ("Cure Period"), the failure to comply shall
 282. become a breach of Contract.

7b. 283. **Breach:** In the event of a breach of Contract, the non-breaching party may cancel this Contract and/or proceed against the
 284. breaching party in any claim or remedy that the non-breaching party may have in law or equity, subject to the Alternative
 285. Dispute Resolution obligations set forth herein. In the case of the Seller, because it would be difficult to fix actual damages in
 286. the event of Buyer's breach, the Earnest Money may be deemed a reasonable estimate of damages and Seller may, at Seller's
 287. option, accept the Earnest Money as Seller's sole right to damages. An unfulfilled contingency is not a breach of Contract.

7c. 288. **Alternative Dispute Resolution ("ADR"):** Buyer and Seller agree to mediate any dispute or claim arising out of or relating to this
 289. Contract in accordance with the REALTORS® Dispute Resolution System, or as otherwise agreed. All mediation costs shall be paid
 290. equally by the parties. In the event that mediation does not resolve all disputes or claims, the unresolved disputes or claims shall
 291. be submitted for binding arbitration. In such event, the parties shall agree upon an arbitrator and cooperate in the scheduling of an
 292. arbitration hearing. If the parties are unable to agree on an arbitrator, the dispute shall be submitted to the American Arbitration
 293. Association ("AAA") in accordance with the AAA Arbitration Rules for the Real Estate Industry. The decision of the arbitrator shall
 294. be final and nonappealable. Judgment on the award rendered by the arbitrator may be entered in any court of competent jurisdic-
 295. tion. Notwithstanding the foregoing, either party may opt out of binding arbitration within thirty (30) days after the conclusion of the
 296. mediation conference by notice to the other and in such event either party shall have the right to resort to court action.

7d. 297. **Exclusions from ADR:** The following matters are excluded from the requirement for ADR hereunder: (i) any action brought in the Small
 298. Claims Division of an Arizona Justice Court (up to \$2,500) so long as the matter is not thereafter transferred or removed from the small
 299. claims division; (ii) judicial or nonjudicial foreclosure or other action or proceeding to enforce a deed of trust mortgage, or agreement
 300. for sale; (iii) an unlawful entry or detainer action; (iv) the filing or enforcement of a mechanic's lien; or (v) any matter that is within the
 301. jurisdiction of a probate court. Further, the filing of a judicial action to enable the recording of a notice of pending action ("lis pendens"),
 302. or order of attachment, receivership, injunction, or other provisional remedies shall not constitute a waiver of the
 303. obligation to submit the claim to ADR, nor shall such action constitute a breach of the duty to mediate or arbitrate.

7e. 304. **Attorneys Fees and Costs:** The prevailing party in any dispute or claim between Buyer and Seller arising out of or relating
 305. to this Contract shall be awarded their reasonable attorney fees and costs. Costs shall include, without limitation, attorney
 306. fees, expert witness fees, fees paid to investigators, and arbitration costs.



Initials:

[Handwritten Signature]
 SELLER

SELLER

ARIZONA ASSOCIATION OF REALTORS®
 Form VLPC 8/07

Initials:

[Handwritten Signature]
 BUYER BUYER

BUYER BUYER

8. ADDITIONAL TERMS AND CONDITIONS

- 8a. 307. No Vacant Land Seller Property Disclosure Statement
- 308. _____
- 309. _____
- 310. _____
- 311. _____
- 312. _____
- 313. _____
- 314. _____
- 315. _____
- 316. _____
- 317. _____
- 318. _____
- 319. _____
- 320. _____
- 321. _____
- 322. _____
- 323. _____
- 324. _____
- 325. _____
- 326. _____
- 327. _____
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- 330. _____
- 331. _____
- 332. _____
- 333. _____
- 334. _____
- 335. _____
- 336. _____


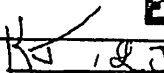
8b. 337. **Risk of Loss:** If there is any loss or damage to the Property between the date of Contract acceptance and COE or possession, 338. whichever is earlier, by reason of fire, vandalism, flood, earthquake, or act of God, the risk of loss shall be on the Seller. 339. provided, however, that if the cost of repairing such loss or damage would exceed ten percent (10%) of the purchase price. 340. either Seller or Buyer may elect to cancel the Contract.

8c. 341. **Permission:** Buyer and Seller grant Broker(s) permission to advise the public of this Contract.

8d. 342. **Arizona Law:** This Contract shall be governed by Arizona law and jurisdiction is exclusively conferred on the State of Arizona.

8e. 343. **Time is of the Essence:** The parties acknowledge that time is of the essence in the performance of the obligations 344. described herein.



Initials:  SELLER SELLER	©ARIZONA ASSOCIATION OF REALTORS® Form VLPC 8/07	Initials:  BUYER BUYER
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- 8f. 345. **Compensation:** Seller and Buyer acknowledge that Broker(s) shall be compensated for services rendered as previously agreed by
346. separate written agreement(s), which shall be delivered by Broker(s) to Escrow Company for payment at COE, if not previously paid.
347. If Seller is obligated to pay Broker(s), this Contract shall constitute an irrevocable assignment of Seller's proceeds at COE. If Buyer
348. is obligated to pay Broker(s), payment shall be collected from Buyer as a condition of COE. COMMISSIONS PAYABLE FOR THE
349. SALE, LEASING, OR MANAGEMENT OF PROPERTY ARE NOT SET BY ANY BOARD OR ASSOCIATION OF REALTORS®, OR
350. MULTIPLE LISTING SERVICE, OR IN ANY MANNER OTHER THAN BETWEEN THE BROKER AND CLIENT.
- 8g. 351. **Copies and Counterparts:** A fully executed facsimile or electronic copy of the Contract shall be treated as an original
352. Contract. This Contract and any other documents required by this Contract may be executed by facsimile or other
353. electronic means and in any number of counterparts, which shall become effective upon delivery as provided for herein.
354. All counterparts shall be deemed to constitute one instrument, and each counterpart shall be deemed an original.
- 8h. 355. **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
356. end at 11:59 p.m.
- 8i. 357. **Calculating Time Periods:** In computing any time period prescribed or allowed by this Contract, the day of the act or event
358. from which the time period begins to run is not included and the last day of the time period is included. Contract acceptance
359. occurs on the date that the signed Contract (and any incorporated counter offer) is delivered to and received by the appropriate
360. Broker. Acts that must be performed three days prior to the COE Date must be performed three full days prior (i.e., if COE
361. Date is Friday the act must be performed by 11:59 p.m. on Monday).
- 8j. 362. **Entire Agreement:** This Contract, and any addenda and attachments, shall constitute the entire agreement between Seller and
363. Buyer, shall supersede any other written or oral agreements between Seller and Buyer and can be modified only by a writing
364. signed by Seller and Buyer. The failure to initial any page of this Contract shall not affect the validity or terms of this Contract.
- 8k. 365. **Subsequent Offers:** Buyer acknowledges that Seller has the right to accept subsequent offers until COE. Seller understands that
366. any subsequent offer accepted by the Seller must be a backup offer contingent on the cancellation of this Contract.
- 8l. 367. **Cancellation:** A party who wishes to exercise the right of cancellation as allowed herein may cancel this Contract by
368. delivering notice stating the reason for cancellation to the other party or to the Escrow Company. Cancellation shall become
369. effective immediately upon delivery of the cancellation notice.
- 8m. 370. **Notice:** Unless otherwise provided, delivery of all notices and documentation required or permitted hereunder shall be in writing
371. and deemed delivered and received when: (i) hand-delivered; (ii) sent via facsimile transmission; (iii) sent via electronic mail,
372. if email addresses are provided herein; or (iv) sent by recognized overnight courier service, and addressed to Buyer as
373. indicated in Section 8q, to Seller as indicated in Section 9a and to the Escrow Company indicated in Section 3a.
- 8n. 374. **Earnest Money:** Earnest Money is in the form of: Personal Check Other _____
375. If applicable, Earnest Money has been received by Broker named in Section 8q and upon acceptance of this offer will be
376. deposited with: Escrow Company Broker's Trust Account
- 8o. 377. **RELEASE OF BROKER(S):** SELLER AND BUYER HEREBY EXPRESSLY RELEASE, HOLD HARMLESS AND INDEMNIFY
378. BROKER(S) IN THIS TRANSACTION FROM ANY AND ALL LIABILITY AND RESPONSIBILITY REGARDING FINANCING, THE
379. CONDITION, SQUARE FOOTAGE/ACREAGE, LOT LINES, BOUNDARIES, VALUE, RENT ROLLS, ENVIRONMENTAL
380. PROBLEMS, SANITATION SYSTEMS, ABILITY TO DIVIDE OR SPLIT THE PROPERTY, BUILDING CODES, GOVERNMENTAL
381. REGULATIONS, INSURANCE OR ANY OTHER MATTER RELATING TO THE VALUE OR CONDITION OF THE PROPERTY.
382. (BUYER'S INITIALS REQUIRED) RS ST
BUYER BUYER
- 8p. 383. **Terms of Acceptance:** This offer will become a binding Contract when acceptance is signed by Seller and
384. a signed copy delivered in person, by mail, facsimile or electronically, and received by Broker named in Section 8q
385. by April 17, 2012 at 5:00 a.m. / p.m., Mountain Standard Time.
386. Buyer may withdraw this offer at any time prior to receipt of Seller's signed acceptance. If no signed acceptance is received
387. by this date and time, this offer shall be deemed withdrawn and the Buyer's Earnest Money shall be returned.
388. THIS CONTRACT CONTAINS TEN PAGES EXCLUSIVE OF ANY ADDENDA AND ATTACHMENTS. PLEASE ENSURE THAT
389. YOU HAVE RECEIVED AND READ ALL TEN PAGES OF THIS OFFER AS WELL AS ANY ADDENDA AND ATTACHMENTS.



Initials: <u>MS</u> SELLER SELLER	©ARIZONA ASSOCIATION OF REALTORS® Form VLPC 8/07	Initials: <u>RS</u> <u>ST</u> BUYER BUYER
--------------------------------------	---	--

8q. 390. Broker on behalf of Buyer:

391. Lyna Joyce LJ105 Keller Williams Realty Sonoran Living KWAF01
 PRINT SALESPERSON'S NAME AGENT CODE PRINT FIRM NAME FIRM CODE

392. 4621 E Chandler Boulevard Suite 160 Phoenix AZ 85048
 FIRM ADDRESS STATE ZIP CODE

393. (480) 250-1360 (480) 706-0000 _____
 TELEPHONE FAX EMAIL

8r. 394. Agency Confirmation: The Broker named in Section 8q above is the agent of (check one):

395. the Buyer the Seller or both the Buyer and Seller

8s. 396. The undersigned agree to purchase the Property on the terms and conditions herein stated and acknowledge receipt of a 397. copy hereof including the Buyer Attachment.

398. *Kenneth T Joyce* 04/09/2012 *Lyna Joyce* 04/09/2012
 BUYER'S SIGNATURE MO/DAYR BUYER'S SIGNATURE MO/DAYR
Kenneth T Joyce Lyna Joyce

399. 9235 S. 47th Place 9235 S. 47th Place
 ADDRESS ADDRESS

400. Phoenix, AZ 85044 Phoenix, AZ 85044
 CITY, STATE, ZIP CODE CITY, STATE, ZIP CODE

9. SELLER ACCEPTANCE

9a. 401. Broker on behalf of Seller:

402. Mark Peterson mp288 City to City Commercial beni01
 PRINT SALESPERSON'S NAME AGENT CODE PRINT FIRM NAME FIRM CODE

403. _____
 FIRM ADDRESS STATE ZIP CODE

404. (623) 455-6278 _____
 TELEPHONE FAX EMAIL

9b. 405. Agency Confirmation: The Broker named in Section 9a above is the agent of (check one):

406. the Seller or both the Buyer and Seller

9c. 407. The undersigned agree to sell the Premises on the terms and conditions herein stated, acknowledge receipt of a 408. copy hereof and grant permission to Broker named in Section 9a to deliver a copy to Buyer.

409. Counter Offer is attached, and is incorporated herein by reference. Seller should sign both this offer and the Counter Offer.

410. If there is a conflict between this offer and the Counter Offer, the provisions of the Counter Offer shall be controlling.

411. *Thomas J. Giallanza* 4/10/12 _____
 SELLER'S SIGNATURE MO/DAYR SELLER'S SIGNATURE MO/DAYR
THOMAS J. GIALLANZA

412. Landmark Capital & Investment Company _____
 SELLER'S NAME PRINTED SELLER'S NAME PRINTED

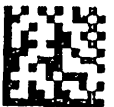
413. 14555 N Scottsdale Rd Ste 340 _____
 ADDRESS ADDRESS

414. Scottsdale, AZ 85254-3487 _____
 CITY, STATE, ZIP CODE CITY, STATE, ZIP CODE

415. 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

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H:O.A. CONDOMINIUM / PLANNED COMMUNITY ADDENDUM

Document updated February 2007



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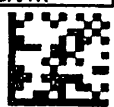
- 1. Seller: Landmark Capital & Investment
2. Buyer: Kenneth T Joyce, Lyna Joyce
3. Premises Address: 10149 E Cavedale Dr 267 Estancia, Scottsdale, 85262
4. Date:

- 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.
7. If the Premises are located within a homeowner's association or a condominium/planned community:
8. Dues and Fees: The current regular association dues are: \$ monthly, or \$ 972.00 / quarterly
9. Additional homeowner's association fees are: \$ monthly, or \$
10. Any current homeowner's association assessment which is a lien as of Close of Escrow to be:
11. [X] paid in full by Seller [] prorated and assumed by Buyer.
12. Any assessment that becomes a lien after the Close of Escrow is the Buyer's responsibility.
13. Any transfer fees charged by a homeowner's association(s) shall be paid by [X] Seller [] Buyer [] Other
14. Any inspection, certification or resale disclosure statement fee charged by the HOA for the cost of providing the resale information required by law shall be paid by Seller.
16. Other Fees: A homeowner's association may require fees, deposits or other payment at COE. These charges vary and may be labeled as community reserve, asset preservation, capital reserve, working capital, community enhancement or future improvement fees, payments, deposits or otherwise. Any of these fees or deposits or similar payment required by a homeowner's association upon the conveyance of the Premises shall be paid by [] Seller [X] Buyer [] Other
20. 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.
22. 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 homeowners' association within five (5) days after Contract acceptance and pursuant to Section 3d of the Contract has instructed Escrow Company to provide such notice on Sellers behalf. The association is obligated by Arizona law to provide the information described below to Buyer within ten (10) days after receipt of Seller's notice.
26. Buyer is allowed five (5) days after receipt of the information from the Seller or homeowner's association to provide written notice to Seller of any items disapproved.

28. Buyer's Signature: Kenneth T Joyce, dated 04/09/2012
29. Seller's Signature: Lyna Joyce, dated 04/09/2012
30. Seller's Signature: Landmark Capital & Investment, dated 4/10/12

- 30. Information required by law to be provided:
31. 1. A copy of the bylaws and the rules of the association.
32. 2. A copy of the declaration of Covenants, Conditions and Restrictions ("CC&Rs").
33. 3. A dated statement containing:
34. (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.
35. (b) The amount of the common regular assessment and the unpaid common regular assessment, special assessment or other assessment, fee or charge currently due and payable from the Seller.
36. (c) A statement as to whether a portion of the unit is covered by insurance maintained by the association.
37. (d) The total amount of money held by the association as reserves.
38. (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.
39. (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.
40. (g) A statement of case names and case numbers for pending litigation with respect to the Premises or the association.
41. 4. A copy of the current operating budget of the association
42. 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.
43. 6. A copy of the most recent reserve study of the association, if any.
44. 7. Any other information required by law.
45. 8. A statement for Buyer acknowledgment and signature as required by Arizona Law.

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



ADDITIONAL CLAUSE 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 & Investment
- 2. Buyer: Kenneth T Joyce, Lyna Joyce
- 3. Premises Address: 10149 E Cavedale Dr 267 Estancia, Scottsdale, 85262
- 4. Date: _____

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

9. **BACK-UP CONTRACT - CONTINGENT UPON CANCELLATION OF PRIOR CONTRACT:** Buyer
 10. acknowledges that Seller is currently obligated by a prior contract to sell the Premises to another buyer. This is a back-
 11. up Contract contingent upon cancellation of the prior contract. Seller retains the right to amend, extend, or modi-
 12. fy the prior contract. Upon cancellation of the prior contract, Seller shall promptly deliver written notice to Buyer.
 13. Upon Buyer's receipt of written notice of cancellation of the prior contract, Broker named in Section 8r shall open
 14. escrow and Buyer shall deposit any required earnest money. The date of Seller's written notice to Buyer shall be
 15. deemed the date of Contract acceptance for purposes of all applicable Contract time periods. Buyer may cancel
 16. this backup Contract any time prior to receipt of Seller's notice of cancellation of prior contract.

17. (BUYER'S AND SELLER'S INITIALS REQUIRED) _____ / _____ / _____ / _____
 BUYER BUYER SELLER SELLER

18. **SIGNATURE OF ABSENT BUYER SPOUSE OR CO-BUYER:** Signing Buyer shall within five (5) days
 19. or _____ days of acceptance of this Contract obtain the signature of the absent buyer spouse or co-buyer on
 20. this Contract or deliver a disclaimer deed to Escrow Company that eliminates the need for the absent signature.

21. (BUYER'S AND SELLER'S INITIALS REQUIRED) _____ / _____ / _____ / _____
 BUYER BUYER SELLER SELLER

22. **CORPORATE RELOCATION APPROVAL:** Seller is in the process of a corporate relocation and this Contract
 23. is contingent upon corporate approval. Buyer agrees to cooperate with Seller in providing additional disclosures
 24. or executing additional addenda required by corporation, provided that Buyer incurs no additional costs or liability.

25. (BUYER'S AND SELLER'S INITIALS REQUIRED) _____ / _____ / _____ / _____
 BUYER BUYER SELLER SELLER

26. **ALL CASH SALE:** Buyer shall provide to Seller within five (5) days or _____ days of Contract acceptance
 27. either a Letter of Credit or a Source of Funds Letter from a financial institution documenting the availability of funds
 28. to close escrow as agreed.

29. (BUYER'S AND SELLER'S INITIALS REQUIRED) KJ / LJ / _____ / _____
 BUYER BUYER SELLER SELLER

30. **NON-REFUNDABLE EARNEST MONEY:** Buyer's earnest money shall be nonrefundable unless Buyer elects
 31. to cancel pursuant to Section 6j, the Contract is cancelled pursuant to Section 8b or escrow fails to close due to
 32. Seller's breach of contract. Buyer acknowledges that Buyer's earnest money shall be non-refundable even if the
 33. Premises fails to appraise for the sales price or the loan contingency is unfulfilled.

34. (BUYER'S AND SELLER'S INITIALS REQUIRED) _____ / _____ / _____ / _____
 BUYER BUYER SELLER SELLER



35. **WAIVER OF APPRAISAL:** Buyer agrees to waive the appraisal contingency pursuant to Section 2m. In the
36. event that the Premises fails to appraise for at least the sales price, Buyer agrees that Buyer's down payment shall
37. be increased in an amount equal to the difference between the appraised value and the purchase price.

38. (BUYER'S AND SELLER'S INITIALS REQUIRED) _____ / _____ / _____ / _____
BUYER BUYER SELLER SELLER

39. **SURVEY:** A survey shall be performed by a licensed surveyor within 15 days after Contract acceptance.
40. Cost of the survey shall be paid by Seller Buyer Other: _____
41. The survey shall be performed in accordance with the Arizona State Board of Technical Registration's "Arizona
42. Land Boundary Survey Minimum Standards."

43. Survey instructions are: A boundary survey and survey plat showing the corners either verified
44. or monumentation.

45. A survey certified by a licensed surveyor, acceptable to Buyer and the Title
46. Company, in sufficient detail for an American Land Title Association ("ALTA")
47. Owner's Policy of Title Insurance with boundary, encroachment or survey
48. exceptions and showing all improvements, utility lines and easements
49. on the Property or within five (5) feet thereof.

50. Other survey terms: _____
51. _____
52. _____
53. _____

54. Buyer shall have five (5) days after receipt of results of survey or map to provide notice of disapproval to the Seller.

55. (BUYER'S AND SELLER'S INITIALS REQUIRED) KJ / LJ / _____ / _____
BUYER BUYER SELLER SELLER

56. **TAX-DEFERRED EXCHANGE:** Seller Buyer intend to enter into a tax-deferred exchange pursuant to
57. I.R.C. §1031 or otherwise. All additional costs in connection with any such tax-deferred exchange shall be borne
58. by the party requesting the exchange. The non-requesting party agrees to cooperate in the tax-deferred exchange
59. provided that the non-requesting party incurs no additional costs and COE is not delayed. The parties are advised
60. to consult a professional tax advisor regarding the advisability of any such exchange. The non-requesting party and
61. Broker(s) shall be indemnified and held harmless from any liability that may arise from participation in the tax-
62. deferred exchange.

63. (BUYER'S AND SELLER'S INITIALS REQUIRED) _____ / _____ / _____ / _____
BUYER BUYER SELLER SELLER

64. **WATER:** Arizona is undertaking General Stream Adjudications of both the Gila River and Little Colorado River
65. systems, which are court proceedings to determine water rights. If the Premises/Property is affected by an Adjudication,
66. the parties shall execute and file an Assignment of Statement of Claimant form and Buyer shall pay any associated
67. filing fees. The Arizona Department of Water Resources and the Arizona Department of Real Estate Buyer Advisory
68. provided by AAR provide sources of information on the court proceedings and other water availability or water quality
69. issues. If water rights, availability or quality are a material matter to the Buyer, these issues must be investigated during
70. the Inspection Period.

71. (BUYER'S AND SELLER'S INITIALS REQUIRED) _____ / _____ / _____ / _____
BUYER BUYER SELLER SELLER

72. The undersigned agrees to the modified or additional terms and conditions contained herein and acknowledges a
73. copy hereof.

74. Kenneth T. Joyce 04/09/2012
^ BUYER'S SIGNATURE MO/DAYR
Kenneth T. Joyce
75. Landmarc Capital & Investment 4/16/12
^ SELLER'S SIGNATURE MO/DAYR
Landmarc Capital & Investment

Lyna Joyce 04/09/2012
^ BUYER'S SIGNATURE MO/DAYR
Lyna Joyce
^ SELLER'S SIGNATURE MO/DAYR

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



Counter Offer No. 1

This is a Counter Offer by the Seller, Thomas J. Giallanza, Deputy Receiver, to the Offer by the Buyer executed April 9, 2012 ("Buyer's Offer"). In consideration of the mutual promises and covenants set forth in this Counter Offer No.1 ("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 10149 E. Cavedale Drive, Scottsdale, AZ 85262("Property").

2. Seller. The Seller is **Thomas J. Giallanza**, in his capacity as the **Deputy Receiver** appointed by the Superior Court of Arizona in the action entitled State of Arizona v. Landmarc Capital and Investment Company, et al, in Cause No. CV2009-020595 ("Receivership Court"). The Taxpayer Identification Number for the Seller is 86-0959744. The Seller was appointed as the Deputy Receiver of the Property.

3. Buyer. The Buyer is **Kenneth T. Joyce and Lyna Joyce**.

4. Purchase Price. The **Purchase Price**, which Buyer agrees to pay for the Property is \$429,000. **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 initially deposit with Escrow Agent within two (2) days of the Buyer's acceptance of this Counter Offer a total of \$10,000 cash earnest money deposit (the "Earnest Money") which shall become non-refundable, except as otherwise provided in Paragraphs 9 and 10, 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.

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.

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 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, "AS IS" with all

Buyer's Initials KJ

Buyer's Initials LJ

Seller's Initials TJG

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. Buyer waives receipt of the Seller Property Disclosure Statement, Clue report, loss claim history report, VLSPDS; and public report, if any.

8. Additional Terms.

- (a) Buyer agrees to pay the cost of all inspections to be performed.
- (b) Buyer agrees to provide evidence of funds sufficient to close escrow during the inspection period.
- (c) The parties agree that the following lines appearing on the Vacant Land/Lot Purchase Contract are deleted;
 - (i) Lines 32 through 62,
 - (ii) Lines 66 through 67
 - (iii) Line 77,
 - (iv) Lines 102 through 106,
 - (v) Lines 123 through 152,
 - (vi) Lines 155 through 168,
 - (vii) Lines 236 through 240,
 - (viii) Lines 288 through 303; and
 - (ix) Lines 308 through 336.
- (d) The parties agree that lines 66 and 67 of the Vacant Land/Lot Purchase Contract shall read as follows:
 - 66 3200 E. Camelback Road, # 150, Phoenix, AZ 8501
 - 67 agraham@NAT.com Phone: 602-294-2200 Fax: 866-488-1907
- (e) The parties agree that Lyna Joyce is acting both as licensed real estate agent for Buyer and is one of the Buyers in this transaction.
- (f) The parties agree that Line 39 of the Additional Clause Addendum shall be changed to read 10 days rather than 15 days and further that lines 50 through 54 shall be deleted from the Additional Clause Addendum.
- (g) The parties agree that Buyer will pay the one half of 1% community enhancement fee due the HOA at Close of Escrow.

Buyer's Initials

KJ

Buyer's Initials

LJ

Seller's Initials

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9. Court Receivership. The Buyer understands and acknowledges that the Seller was duly appointed in the Receivership of the State of Arizona v. Landmarc Capital and Investment Co., et al, in cause No. 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 that the sale price is not fair or that a sale of the Property is not in the best interests of the estate.

10. Cancellation. In the event Seller is unable, within 60 days of the Buyer's acceptance of this Counter Offer, to obtain the approval of the Receivership Court, 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.

11. Inspection. Buyer shall have fifteen-days (15) 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 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 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

Buyer's Initials KT
Buyer's Initials LT

Seller's Initials TJL

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 within 15 days of completion of the last of the requirements set forth in Paragraph 10 above.

19. 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 in person, by mail, or by facsimile and received by the Receiver, or James Frazey of City to City Commercial on or before 1:00 p.m. April 17, 2012, or unless the Offer has been previously withdrawn by the Receiver, this Counter Offer shall be considered withdrawn on the date and time set forth above in this Paragraph. 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.

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.

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.

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.

Buyer Acceptance:

Dated: 4-17-2012

Dated: 4-17-2012

Buyer's Initials KJ

Buyer's Initials LJ

James Frazey
BUYER

Dyna Frazey
BUYER

Seller's Initials JF

Seller Acceptance:

SELLER:

Landmarc Capital and Investment Company

Dated: April 10, 2012

By: Thomas J. Giallanza
Thomas J. Giallanza, Deputy Receiver

Buyer's Initials KT
Buyer's Initials LT

Seller's Initials TJG