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IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF ARIZONA

In re:
Skyline Ridge, LLC, an Arizona limited liability
company,
Debtor.

3400 E Finger Rock Circle
Tucson AZ 85718,
EIN: 86-xxxx-4126

(Chapter 11)
Case No.: 4:18-bk-01908-BMW

MOTION TO APPROVE
SALE OF REAL PROPERTY

(property near Sundown, Tucson, AZ)
Pima County Tax Parcel #s 109-11-356A,
109-11-356B and 109-11-357C)

Skyline Ridge, LLC, the above-captioned Debtor (hereinafter, "**Debtor**"), by and through counsel undersigned, hereby moves for an Order of this Court approving the sale of three vacant residential lots located in Tucson, Arizona. To support its motion, Debtor asserts the following:

- 1) Debtor is the owner of unimproved real property located near Sundown (south of Sunrise, West of Craycroft and East of Swan Road), in Tucson, AZ. At present there are three separate parcels of property, each with its own Pima County Tax Parcel number 109-11-356A, 109-11-356B and 109-11-357C; the legal description of which can be found in the attached Exhibit #2, at page 8, lines 353 to 356 inclusive; (hereinafter referred to as the "**Real Property**").
- 2) Because creditors may seek more information about the subject properties and find such

difficult since they have never been addressed by the Post Office until a few days ago, a rough map is attached hereto as Exhibit "1" and incorporated herein by this reference.

3) Debtors executed an Exclusive Right-to-Sell Listing Agreement (the "**Listing Agreement**") with a licensed real estate agent, Sue Hill and Long Realty, as licensed real estate broker (hereinafter collectively referred to as "**The Realtor**"). On June 14, 2018, the Debtor moved for appointment of the Realtor (dkt# 77) and an order has already been entered appointing those parties as the realtor on this parcel of real property. The Listing Agreement is attached to the motion on file as dkt entry #77.

4) The "Vacant Land/Lot Purchase Contract" for the Real Property is attached to this Application as Exhibit "2" and incorporated herein by this reference (the "**Purchase Contract**"). The Purchase Contract requires Debtor to obtain permission from Pima County to combine the three lots into two lots, and such combination would then make each one of those lots buildable as a residential property. That document is entitled a "Minor Land Subdivision Permit", as referenced on page 8, lines 350-351; it is anticipated that such Permit will be obtained well before the closing date.

5) The Purchase Contract is for \$320,000.

6) Escrow has been opened at Stewart Title but the Debtor has not yet received a preliminary title report; a copy of a preliminary Closing Statement has been obtained from Stewart Title and is attached hereto as Exhibit "3". Although it is not likely that Exhibit 3 is entirely accurate (because it is based upon preliminary information), Exhibit 3's estimate of the net sale proceeds to be paid to NTB of \$265,000 is likely to be reasonably close to the final disbursement at close of escrow.

7) The Listing Agreement executed by the Debtor called for the Realtor to be paid six percent (6.0%) of the sale price as commission on the sale of The Real Property. Debtors assert that a six percent (6.0%) commission is reasonable under the

1 circumstances of this case and the subject property¹. The Realtor has performed all
2 duties expected of The Realtor to date, and will have earned the commission when this
3 sale closes. On such basis, Debtors request that the Order approving this sale also
4 provide for the Realtor to be paid six percent (6.0%) of the sale price, or approximately
5 \$19,200.00, from the sale proceeds. The Realtor may cause such commission to be split
6 between the Realtor and the buyers' agent, as is consistent with their own contractual
7 obligations.

8 8) This property is subject to only one note and deed of trust held by Northern Trust Bank
9 ("NTB"). The sale price is well above the parameters of the release price that the
10 Debtor had requested that NTB agree to for this property, upon which Debtor never
11 obtained a response from NTB. Debtor believes that NTB will consent to this sale.

12 9) The prospective purchaser that has signed the Purchase Contract for the sale of the Real
13 Property is not an Insider of the Debtor. Rather, the prospective purchaser only came
14 to the transaction as the result of The Realtor's listing of the Real Property on the
15 Multiple Listing Service.

16 10) The Purchase Contract calls for a due diligence period of fifteen days from the "Date of
17 Acceptance of Contract" by the Seller. Since the Seller is a Debtor-In-Possession, a
18 clause was added into the contract that recognizes the Debtor's conditional acceptance
19 of the offer is necessarily subject to bankruptcy court approval after due notice and a
20 hearing. Thus, the Purchase Contract provides that Buyer's Due Diligence period begins
21 on the date that the Court enters an Order approving the Sale of the Real Property. See
22 page 98 of Exhibit "2", "Additional Terms and Conditions". Buyer can rescind the
23 contract up until the day that is fourteen (14) days after the Bankruptcy Court approves

24 ¹ The Listing Agreement provides that if the Realtor also represented the
25 prospective buyer, the commission would only be 5.0%, but that situation does
not apply here.

1 the sale.

2 11) Because the purchase contract is dependent upon financing, the Buyer will not be able
3 to close the transaction until January 1, 2019, or shortly thereafter---which is a timeline
4 set by the buyer's financial institution.

5 12) Debtor also requests authority from this Court to pay the costs of sale that would
6 normally be borne by a seller in a transaction like the sale of The Real Property,
7 including but not limited to title insurance, title company fees, and the like.

8 13) While Debtor and NTB disagree as to whether NTB is sufficiently oversecured, NTB has
9 filed pleadings that acknowledge that NTB is an oversecured creditor. However, Debtor
10 asserts that the Court can approve the sale of the Real Property solely because NTB will
11 benefit entirely from the sale. Stated differently, Debtor asserts that NTB's Equity
12 Cushion will increase as a result of sale of the Real Property.

13 14) As a prerequisite to closing escrow, Buyer requested that the Debtor process all of the
14 paperwork in order to obtain a permit from Pima County Development Services for a
15 "Minor Land Subdivision Permit" for the Real Property, and that task has been
16 commenced and should be completed to the satisfaction of the prospective purchaser
17 long before closing.

18 15) There are substantial real property taxes owed on the Real Property, but there are no
19 homeowner's association dues, as the Real Property is not within the boundary of any
20 nearby HOA.

21 16) Debtor anticipates that NTB will receive in approximately \$265,000 from the closing of
22 this transaction, unless of course it has already been paid in full by the time of the
23 closing.

24 17) Every sale by the Debtor benefits the body of creditors. One particular creditor receives
25 instant satisfaction---they get the money. But each sale also reduces Skyline's total

1 debt, and most importantly a reduction in total debt causes a linear reduction in the
2 monthly debt service. Debtor's previous sale of the property at 10085 Alder Ridge that
3 already closed escrow paid down NTB's debt by about \$100,000. There is another sale
4 that will yield \$131,000 at close of escrow; that sale was orally approved from the
5 bench on October 3, and a form of order was lodged with the Court today. There is
6 another property that is in the process of being sold for net sale proceeds to NTB, if
7 approved, of \$650,000. Yesterday, Debtor filed a motion for the sale of the small
8 residential lot located in Skyline Country Club, on Calle Brillante, for a sale price of
9 \$120,000, and a net of about \$97,000. Once all these have closed escrow², Debtor
10 anticipates that the NTB balance due will then be less than \$150,000.

11 18) On these facts, Debtor asserts that the requirements of 11 U.S.C. § 363(f) for the sale
12 of property free and clear of liens, claims and interests, can readily be satisfied.
13 However, to avoid the additional work that a § 363(f) motion imposes upon the Court,
14 the Debtor and the creditor, and perhaps also all of the creditors in this matter, Debtor
15 has chosen to file this Motion without actually invoking the protections of § 363(f), while
16 awaiting a decision by NTB if it will consent to the sale. If it does not, a modified
17 version of this motion will be filed pursuant to § 363(f)(5).

18 **WHEREFORE**, Debtor moves for an Order of this Court providing as follows:

19 **(A) APPROVING AND AUTHORIZING** the Debtor to execute and deliver all contracts,
20 agreements, assignments, conveyances or other documents, including those listed in
21 the Purchase Contract and to take such other action that may be necessary to perform
22

23
24 ² For easy math, with a little rounding error, $100,000 + 131,000 + 650,000 +$
25 $97,000 + 265,000 =$ approximately \$1,239,000. NTB listed its debt on its POC
as \$1,379,000 (rounded). Of course, there is interest accruing on top of
that, as well as NTB's attorneys' fees, costs, etc., so these are only
ballpark numbers.

1 the terms and provisions of that sale contract, and to take such other action that may
2 be necessary for the closing of sale by the Debtor;

3 **(B)** Stewart Title is authorized to pay over the sale proceeds in the following order:

- 4 1) Pay any real property tax debt that is due for the subject property;
- 5 2) Pay any homeowners association fees that are due to the HOA from Debtor on this
6 Real Property;
- 7 3) Pay the seller's costs of sale and other costs of closing customarily borne by a seller
8 including, but not limited to, the payment of any real property tax due, or a pro rata
9 portion of any real property tax about to come due, and convey said payment to the
10 Pima County Treasurer; and
- 11 4) Pay to The Realtor a six percent (6%) commission (approximately \$19,200) to be
12 paid at the time of closing;
- 13 5) Pay the remaining sale proceeds to The Northern Trust Company, *dba* Northern
14 Trust Bank.

15 Respectfully submitted this 5th day of October, 2018.
16 MICHAEL BALDWIN, PLC;

17 By: /s/ Michael Baldwin AzStB#12625
18 Michael W. Baldwin

19 Copy of the foregoing electronically transmitted this 5th day of October 2018, to the following:

20 Jennifer Giamo, Esq,
21 Office of the United States Trustee
Jennifer.A.Giamo@usdoj.gov

22 All parties who have filed a Notice of Appearance in this case

23 A Notice of Hearing will be filed, and the Notice of Hearing along with this Pleading will be mailed and or
24 electronically transmitted to all parties on the Master Mailing List.

25 /s/ Michael Baldwin, PLC

Exhibit 1

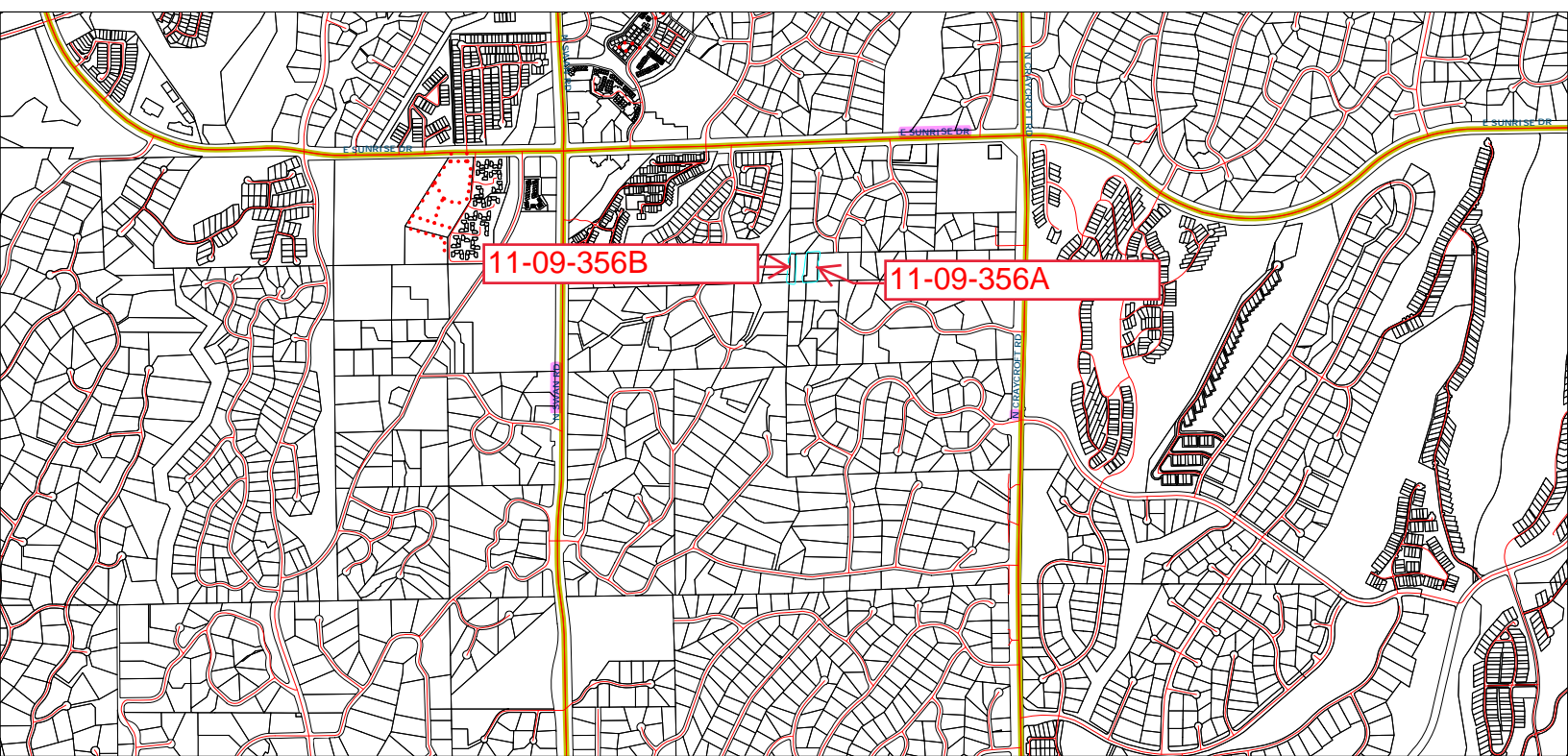


Exhibit 2

Russ Lyon Sotheby's International Realty - Tucson

BUYER ATTACHMENTDocument updated:
February 2016

This attachment should be given to the Buyer prior to the submission of any offer and is not part of the Vacant Land/Lot Contract's terms.



ATTENTION BUYER!

You are entering into a legally binding agreement.

- ☐ 1. Read the entire contract **before** you sign it.
- ☐ 2. Review the Seller's Property Disclosure Statement and other disclosures (See Section 4a and 4b).
 - This information comes directly from the Seller.
 - Investigate any blank spaces, unclear answers or any other information that is important to you.
- ☐ 3. Review the Due Diligence Paragraph (see Section 6a).

Verify square footage/acreage (see Section 6b)

Verify whether the property is served by city or private sewer and its availability status (see Section 6e); OR

If an on-site wastewater treatment system has been installed on the Property (see Section 6e), AND

If a well has been installed on the Property (see Sections 4d and 6k)
- ☐ 4. Apply for your loan now, if you have not done so already, and provide your lender with all requested information (see Section 2d).

It is your responsibility to make sure that you and your lender deliver the necessary funds to escrow in sufficient time to allow escrow to close on the agreed upon date.
- ☐ 5. Read the title commitment (see Section 3c).
- ☐ 6. Read the CC&R's, use restrictions, and all other governing documents including design guidelines (see Section 3c), especially if the property is governed by a homeowners association.
- ☐ 7. Conduct a thorough final inspection (see Section 6o). If the property is unacceptable, speak up. After the closing may be too late.

You can obtain information through the Buyer's Advisory at <http://www.aaronline.com>.

Remember, you are urged to consult with an attorney, inspectors, and experts of your choice in any area of interest or concern in the transaction. Be cautious about verbal representations, advertising claims, and information contained in a listing. *Verify anything important to you.*

Buyer's Check List

Buyer Attachment • Updated: February 2016
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Russ Lyon Sotheby's International Realty - Tucson, 3450 E. Sunrise Drive, Suite 150 Tucson AZ 85718
Phone: 520-906-0367 Fax: Marta Harvey

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Case 4:18-bk-01908-BMW Doc 177-2 Filed 10/05/18 Entered 10/05/18 16:25:23
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**VACANT LAND/LOT
PURCHASE CONTRACT**Document updated:
February 2016

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



If subdivided land or unsubdivided land 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.

1. PROPERTY

1a. 1. BUYER: TST Coronado Development LLC
BUYER'S NAME(S)

2. SELLER: Skyline Ridge LLC 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, if any, plus the personal property described herein (collectively the "Property").

1b. 5. Property Address: N Sundown Dr (3 parcels) Zoning: CR1/Pima

6. Assessor's #(s): 109-11-357B, 109-11-357C, 109-11-356B

7. City: Tucson County: Pima AZ, Zip Code: 85718-1800

8. Legal Description: see section 8a or ☐ see attached legal description.

1c. 9. \$ 320,000.00 Full Purchase Price, paid as outlined below

10. \$ 10,000.00 Earnest money

11. \$ 310,000.00 Cash due at close of escrow

12. \$

13.

1d. 14. Incidental Improvements: Buyer is purchasing the Property as vacant land. Any improvements, fixtures and appurtenances thereon or incidental thereto, are being transferred in their existing condition ("AS IS") and Seller makes no warranty to Buyer, expressed or implied, as to their condition except as provided for in section 5a.

1e. 17. Fixtures and Personal Property: Seller agrees that all existing fixtures on the Property, and any existing personal property specified herein, shall be included in this sale, including the following:

19. None

20.

21. Personal property included herein shall be transferred with no monetary value, and free and clear of all liens

22. or encumbrances.

23. Fixtures and leased items NOT included: None

1f. 24. Close of Escrow: Close of Escrow ("COE") shall occur when the deed is recorded at the appropriate county recorder's office.

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

27. January 2nd, 2019 ("COE Date"). If Escrow Company or recorder's office is closed on
MONTH DAY YEAR

28. COE Date, COE shall occur on the next day that both are open for business.

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

30. payment, additional deposits or Buyer's closing costs, and instruct the lender, if applicable, to deliver immediately available

31. funds to Escrow Company, in a sufficient amount and in sufficient time to allow COE to occur on COE Date.

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BUYER	BUYER

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Phone: 520-906-0367 Fax: Marta Harvey

N Sundown Dr



Vacant Land/Lot Purchase Contract >>

- 1g. 32. **Possession:** Seller shall deliver access to keys and/or means to operate all locks, mailbox, and all common area facilities, subject to the rights of tenants under existing leases, to Buyer at COE or ☐ _____ . Broker(s) recommend that the parties seek appropriate counsel from insurance, legal, tax, and accounting professionals regarding the risks of pre-possession or post-possession of the Property.
- 1h. 36. **Addenda Incorporated:** ☐ Additional Clause ☐ Buyer Contingency ☐ Domestic Water Well ☐ H.O.A.
 37. ☐ Loan Assumption ☐ Market Conditions Advisory ☐ On-site Wastewater Treatment Facility ☐ Seller Financing ☐ Short Sale
 38. ☐ Vacant Land/Lot Purchase Contract Addendum Regarding Subdivided or Unsubdivided Land
 39. ☐ Other: _____
- 1i. 40. **IF THIS IS AN ALL CASH SALE:** Buyer shall provide Seller, within five (5) days or _____ days after Contract acceptance, either a Letter of Credit or a Source of Funds Letter from a financial institution documenting the availability of funds to close escrow as agreed. Section 2 shall not apply, GO TO SECTION 3.

2. FINANCING

- 2a. 43. **Type of Financing:** ☐ Conventional ☐ FHA ☐ VA ☐ USDA ☐ Assumption ☐ Seller Carryback
 44. ☐ _____
 45. (If financing is to be other than new financing, see attached addendum.)
- 2b. 46. **Financing:** This sale ☐ is ☐ is not contingent upon Buyer obtaining a satisfactory financing commitment within Due Diligence Period pursuant to Section 6a. (If sale is not contingent on a financing commitment, go to Section 2k.)
- 2c. 48. **Financing Commitment Contingency Period:** If the sale is contingent upon Buyer obtaining a satisfactory financing commitment, Buyer shall have the Due Diligence Period to obtain a financing commitment, including appraised value, satisfactory to Buyer in Buyer's sole discretion, for a loan to purchase the Property or Buyer may cancel this Contract and receive a refund of the Earnest Money. PRIOR TO THE EXPIRATION OF THE DUE DILIGENCE PERIOD, BUYER SHALL DELIVER TO SELLER AND ESCROW COMPANY NOTICE THAT BUYER HAS NOT RECEIVED SUCH SATISFACTORY FINANCING COMMITMENT OR BUYER SHALL BE DEEMED TO HAVE WAIVED THE FINANCING COMMITMENT CONTINGENCY AND ANY RIGHT TO CANCEL DUE TO FINANCING.
- 2d. 55. **Pre-Qualification:** If using Conventional, FHA, VA, or USDA financing, a completed AAR Pre-Qualification Form is attached hereto and incorporated by reference.
- 2e. 57. **Loan Status Update:** Buyer shall deliver to Seller the Loan Status Update (LSU) with at a minimum lines 1-40 completed describing the current status of the Buyer's proposed loan within ten (10) days after Contract acceptance and instruct lender to provide an updated LSU to Broker(s) and Seller upon request.
- 2f. 60. **Loan Processing During Escrow:** Buyer agrees to diligently work to obtain the loan and will promptly provide the lender with all additional documentation required. Buyer shall sign all loan documents no later than three (3) days prior to the COE Date.
- 2g. 62. **Loan Costs:** Buyer shall pay all costs of obtaining the loan, except as provided herein.
- 2h. 63. **VA Loan Costs:** In the event of a VA loan, Seller agrees to pay the escrow fee and up to \$ _____ of loan costs not permitted to be paid by the Buyer, in addition to the other costs Seller has agreed to pay herein, including Seller's Concessions.
- 2i. 66. **Changes:** Buyer shall immediately notify Seller of any changes in the loan program, financing terms, or lender described in the Pre-Qualification Form if attached hereto or LSU provided within ten (10) days after Contract acceptance and shall only make any such changes without the prior written consent of Seller if such changes do not adversely affect Buyer's ability to obtain loan approval without Prior to Document (PTD) conditions, increase Seller's closing costs, or delay COE.
- 2j. 70. **Appraisal Fee(s):** Appraisal Fee(s), when required by Lender, shall be paid by ☐ Buyer ☐ Seller
 71. ☐ Other _____
 72. Appraisal Fee(s) ☐ are ☐ are not included in Seller Concessions, if applicable.
- 2k. 73. **Partial Release, if applicable:** Buyer and Seller agree that any partial releases will be addressed under Additional Terms and Conditions or attached Addendum. Broker(s) recommend the parties seek appropriate counsel regarding the risks of partial release.

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- 2l. 76. **Subordination:** If applicable, Seller carryback financing ☐ is ☐ is not to be subordinated to a construction loan. If Seller
 77. agrees to subordination, such subordination shall only be allowed if the Seller Carryback financing is not in default and if the
 78. Seller approves the terms and conditions of the construction loan to be recorded as a senior loan. Approval will not be
 79. unreasonably withheld. **IF SELLER SUBORDINATES THE SELLER CARRYBACK FINANCING TO A SENIOR LOAN, THE
 80. SELLER ACKNOWLEDGES THAT IN ORDER TO PROTECT THE SELLER CARRYBACK FINANCING, THE SELLER MAY
 81. HAVE TO MAKE PAYMENTS ON THE SENIOR LOAN IF THE SENIOR LOAN IS IN DEFAULT.** Broker(s) recommend
 82. the parties seek appropriate counsel regarding the risks of subordination.

3. TITLE AND ESCROW

- 3a. 83. **Escrow:** This Contract shall be used as escrow instructions. The Escrow Company employed by the parties to carry out the
 84. terms of this Contract shall be:

85. **Stewart Title** (520) 327-7373
 "ESCROW/TITLE COMPANY" PHONE
 86. (520) 322-3546 michelle.jolly@stewart.com
 FAX EMAIL
 87. 3939 E. Broadway, Tucson, AZ 85711
 ADDRESS

- 3b. 88. **Title and Vesting:** Buyer will take title as determined before COE. Taking title may have significant legal, estate planning and
 89. tax consequences. Buyer is advised to obtain legal and tax advice.
- 3c. 90. **Title Commitment and Title Insurance:** Escrow Company is hereby instructed to obtain and deliver to Buyer and Seller
 91. directly, addressed pursuant to 8s and 9c or as otherwise provided, a Commitment for Title Insurance together with complete
 92. and legible copies of all documents that will remain as exceptions to Buyer's policy of Title Insurance ("Title Commitment"),
 93. including but not limited to Conditions, Covenants and Restrictions ("CC&Rs"); deed restrictions; and easements within fifteen
 94. (15) days after Contract acceptance. Buyer shall have prior to the expiration of the Due Diligence Period to provide written
 95. notice of any items disapproved. Buyer shall be provided, at Seller's expense, a Standard Owner's Title Insurance Policy
 96. showing the title vested in Buyer. Buyer may acquire extended coverage(s) at Buyer's own additional expense.
 97. Seller shall convey title by warranty deed, subject to existing taxes, assessments, covenants, restrictions, rights of way,
 98. easements and all other matters of record or ☐ deed.
- 3d. 99. **Additional Instructions:** (i) Escrow Company shall promptly furnish notice of pending sale that contains the name and
 100. address of the Buyer to any homeowner's association in which the Property is located. (ii) If the Escrow Company is also
 101. acting as the title agency but is not the title insurer issuing the title insurance policy, Escrow Company shall deliver to the
 102. Buyer and Seller, upon deposit of funds, a closing protection letter from the title insurer indemnifying the Buyer and Seller for
 103. any losses due to fraudulent acts or breach of escrow instructions by the Escrow Company. (iii) All documents necessary to
 104. close this transaction shall be executed promptly by Seller and Buyer in the standard form used by Escrow Company. Escrow
 105. Company shall modify such documents to the extent necessary to be consistent with this Contract. (iv) Escrow Company fees,
 106. unless otherwise stated herein, shall be allocated equally between Seller and Buyer. (v) Escrow Company shall send to all
 107. parties and Broker(s) copies of all notices and communications directed to Seller, Buyer and Broker(s). (vi) Escrow Company
 108. shall provide Broker(s) access to escrowed materials and information regarding the escrow. (vii) If an Affidavit of Disclosure is
 109. provided, Escrow Company shall record the Affidavit at COE.
- 3e. 110. **Prorations, Expenses and Adjustments:**
 111. **Taxes:** Real property taxes payable by the Seller shall be prorated through COE, based upon the latest tax bill available.
 112. The parties agree that any discrepancy between the latest tax bill available and the actual tax bill when received shall be
 113. handled as a Post Closing Matter and Buyer or Seller may be responsible for additional tax payments to each other.
 114. **Rents, Interest and Expenses:** Rents; interest on existing notes, if transferred; utilities; and operating expenses shall be
 115. prorated through COE. The Parties agree to adjust any rents received after COE as a Post Closing Matter.
 116. **Deposits:** All deposits held by Seller pursuant to rent/lease agreement(s) shall be credited against the cash required of
 117. Buyer at COE or ☐ paid to Buyer by Seller at COE.
- 3f. 118. **Post Closing Matters:** The parties shall promptly adjust any item to be prorated that is not determined or determinable at
 119. COE as a Post Closing Matter by appropriate cash payment to the other party outside of the escrow when the amount due is
 120. determined. Seller and Buyer agree that Escrow Company and Broker(s) are relieved of any responsibility for said
 121. adjustments.

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SELLER	SELLER	<Initials		BUYER	BUYER

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- 3g. 122. **Release of Earnest Money:** In the event of a dispute between Buyer and Seller regarding any Earnest Money deposited with
123. Escrow Company, Buyer and Seller authorize Escrow Company to release Earnest Money pursuant to the terms and conditions
124. of this Contract in its sole and absolute discretion. Buyer and Seller agree to hold harmless and indemnify Escrow Company
125. against any claim, action or lawsuit of any kind, and from any loss, judgment, or expense, including costs and attorney fees,
126. arising from or relating in any way to the release of Earnest Money.
- 3h. 127. **Assessment Liens:** The amount of any assessment, other than homeowner's association assessments, that is a lien as of
128. the COE shall be: ☒ paid in full by Seller ☐ prorated and assumed by Buyer ☐ paid in full by Buyer. Any assessment that
129. becomes a lien after COE is the Buyer's responsibility.
- 3i. 130. **IRS and FIRPTA Reporting:** Seller agrees to comply with IRS reporting requirements. If applicable, Seller agrees to complete,
131. sign, and deliver to Escrow Company a certificate indicating whether Seller is a foreign person or a non-resident alien pursuant
132. to the Foreign Investment in Real Property Tax Act (FIRPTA). Buyer and Seller acknowledge that if the Seller is a foreign
133. person, the Buyer (or Escrow Company, as directed by Buyer) must withhold a tax of up to 15% of the purchase price, unless an
134. exemption applies.
- 3j. 135. **Agricultural Foreign Investment Disclosure Act:** If applicable, Buyer and Seller shall comply with the Agricultural Foreign
136. Investment Disclosure Act and make the required disclosures to the U.S. Department of Agriculture.
- 3k. 137. **TAX DEFERRED EXCHANGE:** If Seller or Buyer intends to enter into a tax-deferred exchange pursuant to I.R.C. §1031
138. or otherwise, all additional costs in connection with any such tax-deferred exchange shall be borne by the party requesting the
139. exchange. The non-requesting party agrees to cooperate in the tax-deferred exchange provided that the non-requesting party
140. incurs no additional costs and COE is not delayed. The parties are advised to consult a professional tax advisor regarding the
141. advisability of any such exchange. The non-requesting party and Broker(s) shall be indemnified and held harmless from any
142. liability that may arise from participation in the tax deferred exchange.

4. DISCLOSURES

- 4a. 143. **Vacant Land/Lot Seller Property Disclosure Statement ("VLSPDS"):** Seller shall deliver a completed AAR VLSPDS form to
144. the Buyer within five (5) days after Contract acceptance.
- 4b. 145. **Additional Seller Disclosures and Information:** Seller shall provide to Buyer the following disclosures and information
146. pertinent to the Property within five (5) days after the Contract acceptance: (i) any information known to Seller that may
147. adversely affect the Buyer's use of the Property, (ii) any known pending special assessments, association fees, claims, or
148. litigation, (iii) articles of incorporation; by-laws; other governing documents; and any other documents required by law, (iv)
149. financial statements, current rent rolls, lists of current deposits, personal property lists, leases, rental agreements, service
150. contracts, (v) soils, Phase I, or other environmental reports in Seller's possession, (vi) the most recent survey, if available,
151. and (vii) any and all other agreements, documents, studies, or reports relating to the Property in Seller's possession or control
152. provided, however, that Seller shall not be required to deliver any report or study if the written contract that Seller entered into
153. with the consultant who prepared such report or study specifically forbids the dissemination of the report to others.
- 4c. 154. **Road Maintenance Agreement:** Seller shall provide to Buyer, within five (5) days after the Contract acceptance, a copy
155. of any known road maintenance agreement affecting the Property.
- 4d. 156. **Seller's Obligations Regarding Wells:** If a well is located on the Property, or if the Property is to be served by a shared
157. well, the AAR Domestic Water Well Addendum is attached hereto and incorporated by reference. At COE, if applicable,
158. Seller shall assign, transfer and convey to the Buyer all of the water rights, or claims to water rights, if any, held by Seller
159. that are associated with the Property.
- 4e. 160. **No Seller or Tenant Bankruptcy, Probate or Insolvency Proceedings:** Seller represents that Seller has no notice or
161. knowledge that any tenant on the Property is the subject of a bankruptcy, probate or insolvency proceeding. Further, Seller
162. is not the subject of a bankruptcy, insolvency or probate proceeding.
- 4f. 163. **Seller's Notice of Violations:** Seller represents that Seller has no knowledge of any notice of violations of City, County, State,
164. or Federal building, zoning, fire, or health laws, codes, statutes, ordinances, regulations, or rules filed or issued regarding the
165. Property.
- 4g. 166. **Environmental Disclosure:** Seller has not knowingly caused or permitted the generation, storage, treatment, release or
167. disposal of any hazardous waste or regulated substances at the Property except as otherwise disclosed.
- 4h. 168. **Affidavit of Disclosure:** If the Property is located in an unincorporated area of the county, and five or fewer parcels of property
169. other than subdivided land are being transferred, the Seller shall deliver a completed Affidavit of Disclosure in the form required
170. by law to the Buyer within five (5) days after Contract Acceptance. Buyer shall provide notice of any Affidavit of Disclosure items
171. disapproved within five (5) days after receipt of the Affidavit of Disclosure.

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- 4i. 172. **H.O.A. / Condominium / Planned Community:** The Property ☐ is ☒ is not located within a homeowners' association/ 173. condominium/planned community. If yes, the HOA addendum is attached hereto and incorporated by reference.
- 4j. 174. **Changes During Escrow:** Seller shall immediately notify Buyer of any changes in the Property or disclosures made herein, in the 175. SPDS, or otherwise. Such notice shall be considered an update of the SPDS. Unless Seller is already obligated by Section 5a, or 176. otherwise by this Contract or any amendments hereto, to correct or repair the changed item disclosed, Buyer shall be allowed prior 177. to the expiration of the Due Diligence Period or five (5) days after delivery of such notice, whichever is later, to provide notice of 178. disapproval to Seller.

5. WARRANTIES

- 5a. 179. **Seller Warranties:** Seller warrants and shall maintain and repair the Property so that at the earlier of possession or COE the 180. Property and any personal property included in the sale, will be in substantially the same condition as on the date of Contract 181. acceptance; and all personal property not included in the sale and all debris will be removed from the Property.
- 5b. 182. **Warranties that Survive Closing:** Seller warrants that Seller has disclosed to Buyer and Broker(s) all material latent defects and 183. any information concerning the Property known to Seller, excluding opinions of value, which materially and adversely affect the 184. consideration to be paid by Buyer. Prior to the COE, Seller warrants that payment in full will have been made for all labor, 185. professional services, materials, machinery, fixtures, or tools furnished within the 150 days immediately preceding the COE 186. in connection with the construction, alteration, or repair of any structure on or improvement to the Property. Seller warrants 187. that the information regarding connection to a sewer system or on-site wastewater treatment facility (conventional septic 188. tank or alternative system) is correct to the best of Seller's knowledge.
- 5c. 189. **Buyer Warranties:** Buyer warrants that Buyer has disclosed to Seller any information that may materially and adversely affect 190. the Buyer's ability to close escrow or complete the obligations of this Contract. At the earlier of possession of the Property or 191. COE, Buyer warrants to Seller that Buyer has conducted all desired independent inspections and investigations and accepts 192. the Property. **Buyer warrants that Buyer is not relying on any verbal representations concerning the Property** 193. **except disclosed as follows:** None
194. _____

6. DUE DILIGENCE

- 6a. 195. **Due Diligence Period:** Buyer's due diligence and inspection period shall be thirty (30) days or _____ days after Contract acceptance 196. ("Due Diligence Period"). During Due Diligence Period Buyer shall perform all inspections and investigations to satisfy Buyer with respect 197. to the physical condition of the Property, financing, appraised value, the condition of title to the Property and as to the feasibility and 198. suitability of the Property for Buyer's intended purpose. During the Due Diligence Period, Buyer, at Buyer's expense, shall: (i) conduct all 199. desired physical, environmental, and other types of inspections and investigations to determine the value and condition of the Property; 200. (ii) make inquiries and consult government agencies, lenders, insurance agents, architects, and other appropriate persons and entities 201. concerning the feasibility and suitability of the Property and the surrounding area for the Buyer's intended purpose; (iii) investigate 202. applicable building, zoning, fire, health, and safety codes including applicable swimming pool barrier regulations to determine any 203. potential hazards, violations or defects in the Property; and (iv) verify any material multiple listing service ("MLS") information. If the 204. presence of sex offenders in the vicinity or the occurrence of a disease, natural death, suicide, homicide or other crime on or in the vicinity 205. is a material matter to the Buyer, it must be investigated by the Buyer during the Due Diligence Period. Buyer shall keep the Property free 206. and clear of liens, shall indemnify and hold Seller harmless from all liability, claims, demands, damages, and costs, and shall repair all 207. damages arising from the inspections. Buyer shall provide Seller and Broker(s) upon receipt, at no cost, copies of all inspection reports 208. concerning the Property obtained by Buyer. If Buyer cancels this Contract, Buyer shall return all documents provided by the Seller and 209. provide Seller with copies of all reports or studies generated by Buyer, provided, however, that Buyer shall not be required to deliver any 210. such report or study if the written contract that Buyer entered into with the consultant who prepared such report or study specifically 211. forbids the dissemination of the report or study to others. Buyer is advised to consult the Arizona Department of Real Estate *Buyer* 212. *Advisory* provided by AAR to assist in Buyer's due diligence inspections and investigations.
- 6b. 213. **Square Footage/Acreage:** BUYER IS AWARE THAT ANY REFERENCE TO THE SQUARE FOOTAGE/ACREAGE OF THE 214. PROPERTY, BOTH THE REAL PROPERTY (LAND) AND IMPROVEMENTS THEREON IS APPROXIMATE. IF SQUARE 215. FOOTAGE/ACREAGE IS A MATERIAL MATTER TO THE BUYER; IT MUST BE INVESTIGATED DURING THE DUE 216. DILIGENCE PERIOD.
- 6c. 217. **Flood Hazard:** Flood hazard designations or the cost of flood hazard insurance shall be determined by Buyer during the Due 218. Diligence Period. If the Property is situated in an area identified as having any special flood hazards by any governmental entity, the 219. lender may require the purchase of flood hazard insurance. Special flood hazards may also affect the ability to encumber or improve 220. the Property.

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6d. 221. **Insurance: IF INSURANCE IS A MATERIAL MATTER TO THE BUYER, BUYER SHALL APPLY FOR AND OBTAIN**
 222. **WRITTEN CONFIRMATION OF THE AVAILABILITY AND COST OF INSURANCE FOR THE PROPERTY FROM BUYER'S**
 223. **INSURANCE COMPANY DURING THE DUE DILIGENCE PERIOD.** Buyer understands that any fire, casualty, or other
 224. insurance desired by Buyer or required by Lender should be in place at COE.

6e. 225. **Sewer or On-site Wastewater Treatment System:** The Property ☐ does ☒ does not contain an on-site wastewater
 226. treatment system. If the Property is served by a conventional septic tank or alternative system, the AAR On-site Wastewater
 227. Treatment Facility Addendum is incorporated herein by reference.

228. **IF A SEWER CONNECTION, OR THE AVAILABILITY OF A SEWER CONNECTION, IS A MATERIAL MATTER TO THE**
 229. **BUYER, IT MUST BE INVESTIGATED DURING THE DUE DILIGENCE PERIOD.**

230. (BUYER'S INITIALS REQUIRED) SA
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6f. 231. **Site/Soil Evaluation For Installation of On-site Wastewater Treatment Facility:** If the suitability of the Property for
 232. installation of an on-site wastewater treatment facility (conventional septic tank or alternative system) and associated costs
 233. are material to the Buyer, Buyer shall complete a site/soil evaluation and investigate all on-site wastewater treatment facility
 234. installation costs within the Due Diligence Period. **NOTE: Buyer is advised that the site/soil evaluation is not binding on**
 235. **the State-delegated County agency in any future permitting decision as to the suitability of the design or type of**
 236. **facility for the Property.**

6g. 237. **LAND DIVISIONS: LAND PROPOSED TO BE DIVIDED FOR PURPOSES OF SALE OR LEASE IS SUBJECT TO**
 238. **STATE, COUNTY AND MUNICIPAL LAWS, ORDINANCES AND REGULATIONS. IF STATE, COUNTY AND MUNICIPAL**
 239. **REQUIREMENTS RELATING TO THE DIVISION OR SPLITTING OF THE PROPERTY ARE A MATERIAL MATTER TO**
 240. **THE BUYER, THEY MUST BE VERIFIED BY BUYER DURING THE DUE DILIGENCE PERIOD. BROKER(S) HAVE MADE**
 241. **NO REPRESENTATIONS, EXPRESS OR IMPLIED, REGARDING THE ABILITY TO DIVIDE OR SPLIT THE PROPERTY.**

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6h. 243. **ROADS: IF ROADWAYS, COST AND RESPONSIBILITY FOR ROAD MAINTENANCE, IMPROVEMENTS OR ACCESS IS A**
 244. **MATERIAL MATTER TO BUYER, IT MUST BE INVESTIGATED BY BUYER DURING DUE DILIGENCE PERIOD.**

6i. 245. **Survey:** A survey ☐ shall ☒ shall not be performed. If to be performed, the survey shall be performed by a licensed
 246. surveyor within the Due Diligence Period or _____ days after Contract acceptance.

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

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

6j. 250. Survey instructions are:
 251. ☐ A boundary survey and survey plat showing the corners either verified
 252. or monumentation.
 253. ☐ A survey certified by a licensed surveyor, acceptable to Buyer and the Title
 254. Company, in sufficient detail for an American Land Title Association ("ALTA")
 255. Owner's Policy of Title Insurance with boundary, encroachment or survey
 256. exceptions and showing all improvements, utility lines and easements on
 257. the Property or within five (5) feet thereof.
 258. ☐ Other survey terms: _____

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6k. 262. **WELL WATER/WATER RIGHTS: IF WELL WATER/WATER RIGHTS IS/ARE A MATERIAL MATTER TO THE BUYER, IT**
 263. **MUST BE VERIFIED BY BUYER DURING THE DUE DILIGENCE PERIOD.**

6l. 264. **BUYER ACKNOWLEDGMENT: BUYER RECOGNIZES, ACKNOWLEDGES AND AGREES THAT BROKER(S) ARE**
 265. **NOT QUALIFIED, NOR LICENSED, TO CONDUCT DUE DILIGENCE WITH RESPECT TO THE PROPERTY OR THE**
 266. **SURROUNDING AREA. BUYER IS INSTRUCTED TO CONSULT WITH QUALIFIED LICENSED PROFESSIONALS TO**
 267. **ASSIST IN BUYER'S DUE DILIGENCE EFFORTS. BECAUSE CONDUCTING DUE DILIGENCE WITH RESPECT TO THE**
 268. **PROPERTY AND SURROUNDING AREA IS BEYOND THE SCOPE OF THE BROKERS EXPERTISE AND LICENSING,**
 269. **BUYER EXPRESSLY RELEASES AND HOLDS HARMLESS BROKER(S) FROM LIABILITY FOR ANY DEFECTS OR**
 270. **CONDITIONS THAT COULD HAVE BEEN DISCOVERED BY INSPECTION OR INVESTIGATION.**

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
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- 6m. 272. **Due Diligence Period Notice:** Prior to expiration of the Due Diligence Period, Buyer shall deliver to Seller a signed notice of
 273. any items disapproved. AAR's Vacant Land/Lot Buyer's Due Diligence Notice and Seller's Response form is available for this
 274. purpose. Buyer shall conduct all desired inspections and investigations prior to delivering such notice to Seller and all Due
 275. Diligence Period items disapproved shall be provided in a single notice.
- 6n. 276. **Buyer Disapproval:** If Buyer, in Buyer's sole discretion, disapproves of any aspect of the Property, financing, title, or other
 277. matter, Buyer shall deliver to Seller notice of the items disapproved and state in the notice that Buyer elects to either:
 278. (1) immediately cancel this Contract and all Earnest Money shall be released to Buyer, or
 279. (2) provide the Seller an opportunity to correct the items disapproved, in which case:
 280. (a) Seller shall respond in writing within five (5) days or _____ days after delivery to Seller of Buyer's notice of
 281. items disapproved. Seller's failure to respond to Buyer in writing within the specified time period shall
 282. conclusively be deemed Seller's refusal to correct any of the items disapproved.
 283. (b) If Seller agrees in writing to correct item(s) disapproved, Seller shall correct the items, complete any
 284. repairs in a workmanlike manner and deliver any paid receipts evidencing the corrections and repairs
 285. to Buyer three (3) days or _____ days prior to COE Date.
 286. (c) If Seller is unwilling or unable to correct any of the items disapproved, Buyer may cancel this Contract within five
 287. (5) days after delivery of Seller's response or after expiration of the time for Seller's response, whichever occurs first,
 288. and all Earnest Money shall be released to Buyer. If Buyer does not cancel this Contract within the five (5) days as
 289. provided, Buyer shall close escrow without correction of those items that Seller has not agreed in writing to correct.
290. VERBAL DISCUSSIONS WILL NOT EXTEND THESE TIME PERIODS. Only a written agreement signed by both parties will
 291. extend response times or cancellation rights.
292. BUYER'S FAILURE TO GIVE NOTICE OF DISAPPROVAL OF ITEMS OR CANCELLATION OF THIS CONTRACT WITHIN
 293. THE SPECIFIED TIME PERIOD SHALL CONCLUSIVELY BE DEEMED BUYER'S ELECTION TO PROCEED WITH THE
 294. TRANSACTION WITHOUT CORRECTION OF ANY DISAPPROVED ITEMS.
- 6o. 295. **Inspection(s):** Seller grants Buyer and Buyer's inspector(s) reasonable access to conduct inspection(s) of the Property for
 296. the purpose of satisfying Buyer that any corrections agreed to by the Seller have been completed and that the Property is in
 297. substantially the same condition as on the date of Contract acceptance. If Buyer does not conduct such inspection(s), Buyer
 298. releases Seller and Broker(s) from liability for any defects that could have been discovered.

7. REMEDIES

- 7a. 299. **Cure Period:** A party shall have an opportunity to cure a potential breach of this Contract. If a party fails to comply with any
 300. provision of this Contract, the other party shall deliver a notice to the non-complying party specifying the non-compliance. If
 301. the non-compliance is not cured within three (3) days after delivery of such notice ("Cure Period"), the failure to comply shall
 302. become a breach of Contract.
- 7b. 303. **Breach:** In the event of a breach of Contract, the non-breaching party may cancel this Contract and/or proceed against the
 304. breaching party in any claim or remedy that the non-breaching party may have in law or equity, subject to the Alternative
 305. Dispute Resolution obligations set forth herein. In the case of the Seller, because it would be difficult to fix actual damages
 306. in the event of Buyer's breach, the Earnest Money may be deemed a reasonable estimate of damages and Seller may, at
 307. Seller's option, accept the Earnest Money as Seller's sole right to damages. An unfulfilled contingency is not a breach of
 308. Contract. The parties expressly agree that the failure of any party to comply with the terms and conditions of Section 1f to
 309. allow COE to occur on the COE Date, if not cured after a cure notice is delivered pursuant to Section 7a, will constitute a
 310. material breach of this Contract, rendering the Contract subject to cancellation.
- 7c. 311. **Alternative Dispute Resolution ("ADR"):** Buyer and Seller agree to mediate any dispute or claim arising out of or relating
 312. to this Contract in accordance with the REALTORS® Dispute Resolution System, or as otherwise agreed. All mediation costs
 313. shall be paid equally by the parties. In the event that mediation does not resolve all disputes or claims, the unresolved disputes
 314. or claims shall be submitted for binding arbitration. In such event, the parties shall agree upon an arbitrator and cooperate in
 315. the scheduling of an arbitration hearing. If the parties are unable to agree on an arbitrator, the dispute shall be submitted to
 316. the American Arbitration Association ("AAA") in accordance with the AAA Arbitration Rules for the Real Estate Industry. The
 317. decision of the arbitrator shall be final and nonappealable. Judgment on the award rendered by the arbitrator may be entered in
 318. any court of competent jurisdiction. Notwithstanding the foregoing, either party may opt out of binding arbitration within thirty (30)
 319. days after the conclusion of the mediation conference by notice to the other and in such event either party shall have the right to
 320. resort to court action.
- 7d. 321. **Exclusions from ADR:** The following matters are excluded from the requirement for ADR hereunder: (i) any action brought in the
 322. Small Claims Division of an Arizona Justice Court (up to \$3,500) so long as the matter is not thereafter transferred or removed from
 323. the small claims division; (ii) judicial or nonjudicial foreclosure or other action or proceeding to enforce a deed of trust, mortgage, or
 324. 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
 325. is within the jurisdiction of a probate court. Further, the filing of a judicial action to enable the recording of a notice of pending action

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326. ("lis pendens") or order of attachment, receivership, injunction, or other provisional remedies shall not constitute a waiver of the
 327. obligation to submit the claim to ADR, nor shall such action constitute a breach of the duty to mediate or arbitrate.

- 7e. 328. **Attorneys Fees and Costs:** The prevailing party in any dispute or claim between Buyer and Seller arising out of or relating to
 329. this Contract shall be awarded their reasonable attorney fees and costs. Costs shall include, without limitation, attorney fees,
 330. expert witness fees, fees paid to investigators, and arbitration costs.

8. ADDITIONAL TERMS AND CONDITIONS

- 8a. 331. All parties to this transaction acknowledge that the terms of this Contract
 332. are subject to the approval of the bankruptcy court. All parties acknowledge that it
 333. may take about a month for court approval.
 334. _____
 335. Nothing shall limit a Seller from accepting subsequent offers from subsequent Buyer
 336. (s) and submitting them to the bankruptcy court for consideration. All parties
 337. understand and agree that the bankruptcy court may elect to allow Seller to sell the
 338. Subject Property only to the holder of the Contract with terms and conditions most
 339. acceptable to the court.
 340. _____
 341. Seller agrees to give notice to Buyer within 24 hours of bankruptcy court approval,
 342. and this date shall be deemed the date of Contract acceptance for purposes of all
 343. applicable Contract time periods.
 344. _____
 345. Buyer reserves the right to withdraw their offer any time prior to Seller obtaining
 346. bankruptcy court approval for the sale according to the terms submitted by that Buyer.
 347. Buyer may cancel their offer and receive a refund of their earnest money by delivering
 348. written notice of same to Seller's representative.
 349. _____
 350. Sale is also contingent upon Seller successfully obtaining approval for and completing
 351. Minor Land Division.
 352. _____
 353. Legal descriptions:
 354. (109-11-357B) Ptn N238' E 298.15' Lot 3 1.5 Ac Sec 14-13-14
 355. (109-11-356B) W75.84' Lot 2 .57 Ac Sec 14-13-14
 356. (109-11-357C) PTN S92.25' E314.02' LOT 3 .67 AC SEC 14-13-14
 357. _____
 358. _____
 359. _____
 360. _____
- 8b. 361. **Risk of Loss:** If there is any loss or damage to the Property between the date of Contract acceptance and COE or
 362. possession, whichever is earlier, by reason of fire, vandalism, flood, earthquake, or act of God, the risk of loss shall be on the
 363. Seller, provided, however, that if the cost of repairing such loss or damage would exceed ten percent (10%) of the purchase
 364. price, either Seller or Buyer may elect to cancel the Contract.
- 8c. 365. **Permission:** Buyer and Seller grant Broker(s) permission to advise the public of this Contract.
- 8d. 366. **Arizona Law:** This Contract shall be governed by Arizona law and jurisdiction is exclusively conferred on the State of Arizona.
- 8e. 367. **Time is of the Essence:** The parties acknowledge that time is of the essence in the performance of the obligations
 368. described herein.

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- 8f. 369. **Compensation:** Seller and Buyer acknowledge that Broker(s) shall be compensated for services rendered as previously agreed
370. by separate written agreement(s), which shall be delivered by Broker(s) to Escrow Company for payment at COE, if not previously
371. paid. If Seller is obligated to pay Broker(s), this Contract shall constitute an irrevocable assignment of Seller's proceeds at COE.
372. If Buyer is obligated to pay Broker(s), payment shall be collected from Buyer as a condition of COE. COMMISSIONS PAYABLE
373. FOR THE SALE, LEASING, OR MANAGEMENT OF PROPERTY ARE NOT SET BY ANY BOARD OR ASSOCIATION OF
374. REALTORS®, OR MULTIPLE LISTING SERVICE, OR IN ANY MANNER OTHER THAN BETWEEN THE BROKER AND CLIENT.
- 8g. 375. **Copies and Counterparts:** A fully executed facsimile or electronic copy of the Contract shall be treated as an original
376. Contract. This Contract and any other documents required by this Contract may be executed by facsimile or other
377. electronic means and in any number of counterparts, which shall become effective upon delivery as provided for herein.
378. All counterparts shall be deemed to constitute one instrument, and each counterpart shall be deemed an original.
- 8h. 379. **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
380. end at 11:59 p.m.
- 8i. 381. **Calculating Time Periods:** In computing any time period prescribed or allowed by this Contract, the day of the act or event
382. from which the time period begins to run is not included and the last day of the time period is included. Contract acceptance
383. occurs on the date that the signed Contract (and any incorporated counter offer) is delivered to and received by the
384. appropriate Broker. Acts that must be performed three days prior to the COE Date must be performed three full days prior (i.e.,
385. if COE Date is Friday the act must be performed by 11:59 p.m. on Monday).
- 8j. 386. **Entire Agreement:** This Contract, and any addenda and attachments, shall constitute the entire agreement between Seller
387. and Buyer, shall supersede any other written or oral agreements between Seller and Buyer and can be modified only by a
388. writing signed by Seller and Buyer. The failure to initial any page of this Contract shall not affect the validity or terms of this
389. Contract.
- 8k. 390. **Subsequent Offers:** Buyer acknowledges that Seller has the right to accept subsequent offers until COE. Seller understands
391. that any subsequent offer accepted by the Seller must be a backup offer contingent on the cancellation of this Contract.
- 8l. 392. **Cancellation:** A party who wishes to exercise the right of cancellation as allowed herein may cancel this Contract by
393. delivering notice stating the reason for cancellation to the other party or to the Escrow Company. Cancellation shall become
394. effective immediately upon delivery of the cancellation notice.
- 8m. 395. **Notice:** Unless otherwise provided, delivery of all notices and documentation required or permitted hereunder shall be in
396. writing and deemed delivered and received when: (i) hand-delivered; (ii) sent via facsimile transmission; (iii) sent via electronic
397. mail, if email addresses are provided herein; or (iv) sent by recognized overnight courier service, and addressed to Buyer as
398. indicated in Section 8q, to Seller as indicated in Section 9a and to the Escrow Company indicated in Section 3a.
- 8n. 399. **Earnest Money:** Earnest Money is in the form of: ☒ Personal Check ☐ Other _____
400. If applicable, Earnest Money has been received by Broker named in Section 8q and upon acceptance of this offer will be
401. deposited with: ☒ Escrow Company ☐ Broker's Trust Account. Buyer acknowledges that failure to pay the required
402. closing funds by the scheduled Close of Escrow, if not cured after a cure notice is delivered pursuant to Section 7a, shall be
403. construed as a material breach of this contract and all earnest money shall be subject to forfeiture.
- 8o. 404. **RELEASE OF BROKER(S): SELLER AND BUYER HEREBY EXPRESSLY RELEASE, HOLD HARMLESS AND INDEMNIFY**
405. **BROKER(S) IN THIS TRANSACTION FROM ANY AND ALL LIABILITY AND RESPONSIBILITY REGARDING FINANCING, THE**
406. **CONDITION, SQUARE FOOTAGE/ACREAGE, LOT LINES, BOUNDARIES, VALUE, RENT ROLLS, ENVIRONMENTAL**
407. **PROBLEMS, SANITATION SYSTEMS, ABILITY TO DIVIDE OR SPLIT THE PROPERTY, BUILDING CODES, GOVERNMENTAL**
408. **REGULATIONS, INSURANCE, PRICE AND TERMS OF SALE, RETURN ON INVESTMENT, OR ANY OTHER MATTER**
409. **RELATING TO THE VALUE OR CONDITION OF THE PROPERTY.**
410. (BUYER'S AND SELLER'S INITIALS REQUIRED) DS
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- 8p. 411. **Terms of Acceptance:** This offer will become a binding Contract when acceptance is signed by Seller and
412. a signed copy delivered in person, by mail, facsimile or electronically, and received by Broker named in Section 8q
413. by September 21, 2018 at 2pm ☐ a.m. / ☐ p.m., Mountain Standard Time. Buyer
414. may withdraw this offer at any time prior to receipt of Seller's signed acceptance. If no signed acceptance is received by this
415. date and time, this offer shall be deemed withdrawn and the Buyer's Earnest Money shall be returned.
416. THIS CONTRACT CONTAINS TEN PAGES EXCLUSIVE OF ANY ADDENDA AND ATTACHMENTS. ENSURE THAT YOU HAVE
417. RECEIVED AND READ ALL TEN PAGES OF THIS OFFER AS WELL AS ANY ADDENDA AND ATTACHMENTS.

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Vacant Land/Lot Purchase Contract >>**8q. 418. Broker on behalf of Buyer:**

419. Marta Harvey 11916 SA520155000
 PRINT SALESPERSON'S NAME AGENT MLS CODE AGENT STATE LICENSE NO.

420. Russ Lyon Sotheby's Int'l Realty 472203

421. 3450 E Sunrise Dr Ste 150 Tucson AZ 85718 LC646682008

8r. 422. (520) 906-0367 (480) 624-3300 Marta.Harvey@RussLyon.com
 PREFERRED TELEPHONE FAX EMAIL

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

8s. 424. ☒ the Buyer; ☐ the Seller; or ☐ both the Buyer and Seller

425. The undersigned agree to purchase the Premises on the terms and conditions herein stated and acknowledge receipt
 426. of a copy hereof including the Buyer Attachment.

427. Stavros Athanasiou 09/20/2018 ^ BUYER'S SIGNATURE MO/DA/YR ^ BUYER'S SIGNATURE MO/DA/YR
 TST Coronado Development LLC

428. ADDRESS ADDRESS

429. CITY, STATE, ZIP CODE CITY, STATE, ZIP CODE

9. SELLER ACCEPTANCE**9a. 430. Broker on behalf of Seller:**

431. PRINT SALESPERSON'S NAME AGENT MLS CODE AGENT STATE LICENSE NO.

432. PRINT FIRM NAME FIRM MLS CODE

433. FIRM ADDRESS STATE ZIP CODE FIRM STATE LICENSE NO.

434. PREFERRED TELEPHONE FAX EMAIL

9b. 435. Agency Confirmation: The Broker named in Section 9a above is the agent of (check one):

436. ☒ the Seller; or ☐ both the Buyer and Seller

9c. 437. The undersigned agree to sell the Premises on the terms and conditions herein stated, acknowledge receipt of a
 438. copy hereof and grant permission to Broker named in Section 9a to deliver a copy to Buyer.

439. ☐ Counter Offer is attached, and is incorporated herein by reference. Seller should sign both this offer and the Counter Offer.
 440. ☐ If there is a conflict between this offer and the Counter Offer, the provisions of the Counter Offer shall be controlling.

DocuSigned by: 9/21/2018 5:24:36 PM PDT

441. SELLER'S SIGNATURE MO/DA/YR ^ SELLER'S SIGNATURE MO/DA/YR

442. SKYLINE RIDGE LLC SELLER'S NAME PRINTED

443. ADDRESS ADDRESS

444. CITY, STATE, ZIP CODE CITY, STATE, ZIP CODE

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

For Broker Use Only:

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



Exhibit 3

File No./Escrow No.: 288330

Print Date & Time: 10/3/2018 6:55:04 PM

Officer/Escrow Officer: Michelle Jolly

Stewart Title & Trust of Tucson

3939 E. Broadway Blvd

Tucson, AZ 85711

(520) 327-7373

Property Address:

VAC LAND, N SUNDOWN
TUCSON, AZ 85718 (PIMA)
(109-11-356B, 109-11-357B, 109-11-357C, 109-11)

Borrower:

TST CORONADO DEVELOPMENT LLC
Stavros Athansiou
,

Seller:

SKYLINE RIDGE LLC., AN ARIZONA LIMITED LIABILITY COMPANY

Settlement Date:

1/2/2019

Disbursement Date:

Seller		Description	Borrower	
Debit	Credit		Debit	Credit
		Deposits, Credits, Debits		
	\$320,000.00	Sale Price of Property	\$320,000.00	
		Deposit		\$10,000.00
		Prorations		
\$3.08		County Taxes 1/1/2019 to 1/2/2019 @ \$1,123.14/Year		\$3.08
\$2.04		Other (Unpaid) 1/1/2019 to 1/2/2019 @ \$744.41/Year		\$2.04
		Commissions		
\$9,600.00		Real Estate Commission to Long Realty Company		
\$9,600.00		Real Estate Commission to Russ Lyon Sotheby's International Realty		
\$199.00		commission retained by broker to Long Realty Company		
		Title Charges		
		Title - Lender's Title Insurance to Stewart Title & Trust of Tucson		
\$946.00		Title - Owner's Title Insurance to Stewart Title & Trust of Tucson		
\$294.00		Title - Settlement or closing fee to Stewart Title & Trust of Tucson	\$294.00	
\$20.00		Title - Courier Fee to Stewart Title & Trust of Tucson	\$20.00	
\$50.00		Title - Overnight Delivery Processing Fee to Stewart Title & Trust of Tucson	\$50.00	
\$85.00		Title - Lien Release/Reconveyance Fee to Stewart Title & Trust of Tucson		
\$25.00		Title - Wire Processing Fee to Stewart Title & Trust of Tucson	\$20.00	
		Government Recording and Transfer Charges		
\$72.00		Misc Recording Fee to Stewart Title & Trust of Tucson \$72.00		
		Additional Settlement Charges		
\$14,007.98		Past Due Property Tax (109 11 356 B) to Pima County Treasurer		
\$759.30		Past Due Property Tax #109 11 357C to Pima County Treasurer		
\$10,644.07		Past Due Property Tax #109 11 033A to Pima County Treasurer		
\$8,092.78		Past Due Property Tax #109 11 033 B to Pima County Treasurer		
Seller			Borrower	
Debit	Credit		Debit	Credit
\$54,400.25	\$320,000.00	Subtotals	\$320,384.00	\$10,005.12
		Due From Borrower		\$310,378.88
\$265,599.75		Due To Seller		
\$320,000.00	\$320,000.00	Totals	\$320,384.00	\$320,384.00

SUBSTITUTE FORM 1099 SELLER STATEMENT: The information contained herein is important tax information and is being furnished to the Internal Revenue Service. If you are required to file a return, a negligence penalty or other sanction will be imposed on you if this item is required to be reported and the IRS determines that it has not been reported.

SELLER INSTRUCTIONS: If this real estate was your principal residence, file form 2119, Sale or Exchange of Principal Residence, for any gain, with your income tax return; for other transactions, complete the applicable parts of form 4797, Form 6252 and/or Schedule D (Form 1040). This transaction does not need to be report on Form 1099-S if you sign a certification containing assurances that any capital gain from this transaction will be exempt from tax under new IRS Code Section 121. You are required by law to provide the Settlement Agent with your correct taxpayer identification number. If you do not provide the Settlement Agent with your correct taxpayer identification number, you may be subject to civil or criminal penalties imposed by law.

Acknowledgement

We/I have carefully reviewed the ALTA Settlement Statement and find it to be a true and accurate statement of all receipts and disbursements made on my account or by me in this transaction and further certify that I have received a copy of the ALTA Settlement Statement. We/I authorize Stewart Title & Trust of Tucson to cause the funds to be disbursed in accordance with this statement.

BORROWER(S)

TST Coronado Development LLC

By: _____ Date: _____
Stavros Athansiou

SELLER(S)

SKYLINE RIDGE LLC., AN ARIZONA LIMITED LIABILITY COMPANY

SETTLEMENT COORDINATOR

Michelle Jolly