

RESOLUTION 67-2011

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF BENSON, ARIZONA, APPROVING A CONTRACT FOR THE PURCHASE OF REAL PROPERTY WITHIN THE CITY OF BENSON AND AUTHORIZING THE CITY MANAGER TO EXECUTE SAME

WHEREAS, the City of Benson is growing and the City wishes obtain real property surrounding City Hall within the downtown area of the City of Benson; and

WHEREAS, Richard Fasanella is the owner of a parcel within the downtown area of Benson that has a physical addresses of 100 W. 6th Street; and

WHEREAS, the terms and conditions under which Mr. Fasanella is willing to sell and the City is willing to purchase the property is set forth in a contract for the purchase of real property, attached hereto as Exhibit "A".

BE IT NOW HEREBY RESOLVED that the Mayor and Council of the City of Benson, Arizona, hereby approve the purchase of the above property under the terms and conditions of the contract set forth in Exhibit "A", attached hereto and by reference incorporated herein, and the City Manager of the City of Benson is hereby authorized to execute any and all documentation necessary or convenient to conclude the transfer.

PASSED AND ADOPTED BY THE MAYOR AND COUNCIL OF THE CITY OF BENSON, ARIZONA this 14th day of November, 2011.



TONEY D. KING, SR., Mayor

ATTEST:



VICKI L. VIVIAN, City Clerk

APPROVED AS TO FORM:



MICHAEL J. MASSEE, City Attorney

COUNTER OFFER #1

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. This is a Counter Offer originated by the: Seller Buyer Landlord Tenant.
2. This is a Counter Offer to the Offer Counter Offer dated 10/04/2011 between the following Parties:
MO/DAYR
3. Seller/Landlord: Richard Fasanella,
4. Buyer/Tenant: City of Benson,
5. Premises Address: 100 W. 6th. Street, Benson, AZ 85602
6. Acceptance of the above Offer and/or Counter Offer is contingent upon agreement to the following:
7. Line 1c-8 of the original offer to read: \$25,000 full purchase price
8. Line 1c-10 of the original offer to read: \$24,000 cash at close of escrow
9. Buyers to pay all closing costs including sellers costs and real estate commission to
10. Coldwell Banker The DiPeso Group in the amount of 3% of the sales price.
11. _____
12. _____
13. _____
14. _____
15. _____
16. _____
17. _____
18. _____
19. _____
20. _____
21. _____
22. _____
23. _____
24. _____

25. **Time for acceptance:** Unless acceptance of this Counter Offer is signed by all parties and a signed copy delivered pursuant to Section 8m of the Contract and received by the originating party's Broker named in Contract Section 8r or 9a as applicable

26. by 10/26/2011 at 4:00 a.m. p.m., Mountain Standard Time, this Counter Offer shall be considered withdrawn.

27. Except as otherwise provided in this Counter Offer, the Parties accept and agree to all terms and conditions of the above offer /

28. counter offer. Until this Counter Offer has been accepted in the manner described above, the Parties understand that the Premises

29. can be sold or leased to someone else or either Party may withdraw the offer to buy, sell, or lease the Premises. The undersigned

30. acknowledges receipt of a copy hereof.

31. *Stenn H. Nichols* Date: _____ Time: _____

32. Seller Buyer Landlord Tenant

33. _____ Date: _____ Time: _____

34. Seller Buyer Landlord Tenant

35. _____ Date: _____ Time: _____

36. RESPONSE

37. An additional Counter Offer is attached, and is incorporated by reference. If there is a conflict between this Counter Offer and the

38. additional counter offer, the provisions of the additional counter offer shall be controlling.

39. _____ Date: _____ Time: _____

40. Seller Buyer Landlord Tenant

41. _____ Date: _____ Time: _____

42. Seller Buyer Landlord Tenant

43. ACCEPTANCE

44. The undersigned agrees to the terms and conditions of this Counter Offer and acknowledges receipt of a copy hereof.

45. _____ Date: _____ Time: _____

46. Seller Buyer Landlord Tenant

47. _____ Date: _____ Time: _____

48. Seller Buyer Landlord Tenant

RESIDENTIAL RESALE REAL ESTATE PURCHASE CONTRACT

Document updated:
February 2011



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



1. PROPERTY

- 1a. 1. BUYER: City of Benson BUYER'S NAME(S)
2. SELLER: Richard Fasanella SELLER'S NAME(S) or as identified in section 9c.
3. Buyer agrees to buy and Seller agrees to sell the real property with all improvements, fixtures, and appurtenances thereon
4. or incidental thereto, plus the personal property described herein (collectively the "Premises").
- 1b. 5. Premises Address: 100 W. 6th. Street Assessor's #: 123-23-265
6. City: Benson County: Cochise AZ, Zip Code: 85602
7. Legal Description: Benson Lots 15 16 Blk 28
- 1c. 8. \$ 52,000.00 Full Purchase Price, paid as outlined below
9. \$ 1,000.00 Earnest money
10. \$ 51,000.00 cash at close of escrow
11. \$ _____
12. _____
13. _____
14. _____
- 1d. 15. **Close of Escrow:** Close of Escrow ("COE") shall occur when the deed is recorded at the appropriate county recorder's office. Buyer
16. and Seller shall comply with all terms and conditions of this Contract, execute and deliver to Escrow Company all closing documents,
17. and perform all other acts necessary in sufficient time to allow COE to occur on
18. November 10, 2011 ("COE Date"). If Escrow Company or recorder's office is closed on COE Date,
MONTH DAY YEAR
19. COE shall occur on the next day that both are open for business.
20. Buyer shall deliver to Escrow Company a cashier's check, wired funds or other immediately available funds to pay any down
21. payment, additional deposits or Buyer's closing costs, and instruct the lender, if applicable, to deliver immediately available funds to
22. Escrow Company, in a sufficient amount and in sufficient time to allow COE to occur on COE Date.
- 1e. 23. **Possession:** Seller shall deliver possession, occupancy, existing keys and/or means to operate all locks, mailbox, security
24. system/alarms, and all common area facilities to Buyer at COE or _____
25. Broker(s) recommend that the parties seek appropriate counsel from insurance, legal, tax, and accounting professionals regarding
26. the risks of pre-possession or post-possession of the Premises.
- 1f. 27. **Addenda Incorporated:** AS IS Additional Clause Assumption and Carryback Buyer Contingency Domestic Water Well
28. H.O.A. Lead-Based Paint Disclosure On-site Wastewater Treatment Facility Short Sale
29. Other: _____
- 1g. 30. **Fixtures and Personal Property:** Seller agrees that all existing fixtures on the Premises, and any existing personal property
31. specified herein, shall be included in this sale, including the following:
32. • free-standing range/oven • light fixtures • draperies and other window coverings
33. • ceiling fans • towel, curtain and drapery rods • shutters and awnings
34. • attached floor coverings • flush-mounted speakers • water-misting systems
35. • window and door screens, sun screens • storm windows and doors • solar systems
36. • garage door openers and controls • attached media antennas/ • mailbox
37. • outdoor landscaping, fountains, and lighting satellite dishes • central vacuum, hose, and attachments
38. • pellet, wood-burning or gas-log stoves • attached fireplace equipment • built-in appliances
39. • storage sheds • timers

>>

Residential Resale Real Estate Purchase Contract • Updated: February 2011
Copyright © 2011 Arizona Association of REALTORS®. All rights reserved.

SELLER SELLER

<Initials

Initials>

BUYER BUYER

- 40. If owned by the Seller, the following items also are included in this sale:
- 41. • pool and spa equipment (including any mechanical or other cleaning systems)
- 42. • security and/or fire systems and/or alarms
- 43. • water softeners
- 44. • water purification systems
- 45. **Additional existing personal property included in this sale** (if checked): refrigerator washer dryer as described:
- 46. none
- 47. _____
- 48. Other: _____
- 49. _____
- 50. Additional existing personal property included shall not be considered part of the Premises and shall be transferred with no monetary
- 51. value, and free and clear of all liens or encumbrances.
- 52. Fixtures and leased items NOT included: _____
- 53. **IF THIS IS AN ALL CASH SALE, GO TO SECTION 3.**

2. FINANCING

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

>>

	
SELLER	SELLER

<Initials

Initials>

	
BUYER	BUYER



Residential Resale Real Estate Purchase Contract >>

3. TITLE AND ESCROW

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

93. **Pioneer Title**
ESCROW/TITLE COMPANY

94. **363 W. 4th. Street** **Benson** **AZ** **85602**
ADDRESS CITY STATE ZIP

95. **kimberly.lockhart@ptaaz.com** **(520) 586-3733** **(866) 712-4001**
EMAIL PHONE FAX

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

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

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

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

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

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

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

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


SELLER SELLER

<Initials

Initials>


BUYER BUYER



4. DISCLOSURE

- 4a. 134. **Seller Property Disclosure Statement ("SPDS"):** Seller shall deliver a completed AAR Residential SPDS form to the Buyer within 135. five (5) days after Contract acceptance. Buyer shall provide notice of any SPDS items disapproved within the Inspection Period or 136. five (5) days after receipt of the SPDS, whichever is later.
- 4b. 137. **Insurance Claims History:** Seller shall deliver to Buyer a written five-year insurance claims history regarding Premises (or a claims 138. history for the length of time Seller has owned the Premises if less than five years) from Seller's insurance company or an insurance 139. support organization or consumer reporting agency, or if unavailable from these sources, from Seller, within five (5) days after Contract 140. acceptance. (Seller may obscure any reference to date of birth or social security number from the document). Buyer shall provide 141. notice of any items disapproved within the Inspection Period or five (5) days after receipt of the claims history, whichever is later.
- 4c. 142. **Lead-Based Paint Disclosure:** If the Premises were built prior to 1978, the Seller shall: (i) notify the Buyer of any known lead-based 143. paint ("LBP") or LBP hazards in the Premises; (ii) provide the Buyer with any LBP risk assessments or inspections of the Premises in 144. the Seller's possession; (iii) provide the Buyer with the Disclosure of Information on Lead-based Paint and Lead-based Paint 145. Hazards, and any report, records, pamphlets, and/or other materials referenced therein, including the pamphlet "Protect Your Family 146. from Lead in Your Home" (collectively "LBP Information"). Buyer shall return a signed copy of the Disclosure of Information on Lead- 147. Based Paint and Lead-Based Paint Hazards to Seller prior to COE.
 - 148. LBP Information was provided prior to Contract acceptance and Buyer acknowledges the opportunity to conduct LBP risk 149. assessments or inspections during Inspection Period.
 - 150. Seller shall provide LBP Information within five (5) days after Contract acceptance. Buyer may within ten (10) days 151. or _____ days after receipt of the LBP Information conduct or obtain a risk assessment or inspection of the Premises for the 152. presence of LBP or LBP hazards ("Assessment Period"). Buyer may within five (5) days after receipt of the LBP Information or five 153. (5) days after expiration of the Assessment Period cancel this Contract.
 - 154. Buyer is further advised to use certified contractors to perform renovation, repair or painting projects that disturb lead-based paint in 155. residential properties built before 1978 and to follow specific work practices to prevent lead contamination.
- 156. If Premises were constructed prior to 1978, **(BUYER'S INITIALS REQUIRED)** _____
- 157. If Premises were constructed in 1978 or later, **(BUYER'S INITIALS REQUIRED)** _____

BUYER	BUYER
BUYER	BUYER

- 4d. 158. **Affidavit of Disclosure:** If the Premises is located in an unincorporated area of the county, and five or fewer parcels of property 159. other than subdivided property are being transferred, the Seller shall deliver a completed Affidavit of Disclosure in the form required 160. by law to the Buyer within five (5) days after Contract acceptance. Buyer shall provide notice of any Affidavit of Disclosure items 161. disapproved within the Inspection Period or five (5) days after receipt of the Affidavit of Disclosure, whichever is later.
- 4e. 162. **Changes During Escrow:** Seller shall immediately notify Buyer of any changes in the Premises or disclosures made herein, in 163. the SPDS, or otherwise. Such notice shall be considered an update of the SPDS. Unless Seller is already obligated by Section 5a 164. or otherwise by this Contract or any amendments hereto, to correct or repair the changed item disclosed, Buyer shall be allowed 165. five (5) days after delivery of such notice to provide notice of disapproval to Seller.

5. WARRANTIES

- 5a. 166. **Seller Warranties:** Seller warrants and shall maintain and repair the Premises so that at the earlier of possession or COE: (i) all 167. heating, cooling, mechanical, plumbing, and electrical systems (including swimming pool and/or spa, motors, filter systems, cleaning 168. systems, and heaters, if any), free-standing range/oven, and built-in appliances will be in working condition; (ii) all other agreed upon 169. repairs and corrections will be completed pursuant to Section 6j; (iii) the Premises, including all additional existing personal property 170. included in the sale, will be in substantially the same condition as on the date of Contract acceptance; and (iv) all personal property 171. not included in the sale and all debris will be removed from the Premises.
- 5b. 172. **Warranties that Survive Closing:** Seller warrants that Seller has disclosed to Buyer and Broker(s) all material latent defects and 173. any information concerning the Premises known to Seller, excluding opinions of value, which materially and adversely affect the 174. consideration to be paid by Buyer. Prior to the COE, Seller warrants that payment in full will have been made for all labor, 175. professional services, materials, machinery, fixtures, or tools furnished within the 150 days immediately preceding the COE in 176. connection with the construction, alteration, or repair of any structure on or improvement to the Premises. Seller warrants that the 177. information regarding connection to a sewer system or on-site wastewater treatment facility (conventional septic or alternative) is 178. correct to the best of Seller's knowledge.
- 5c. 179. **Buyer Warranties:** Buyer warrants that Buyer has disclosed to Seller any information that may materially and adversely affect the 180. Buyer's ability to close escrow or complete the obligations of this Contract. At the earlier of possession of the Premises or COE, 181. Buyer warrants to Seller that Buyer has conducted all desired independent inspections and investigations and accepts the Premises. 182. **Buyer warrants that Buyer is not relying on any verbal representations concerning the Premises except disclosed as follows:** 183. _____ 184. _____

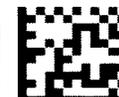
>>

SELLER	SELLER
--------	--------

<Initials

Initials>

BUYER	BUYER
-------	-------



6. DUE DILIGENCE

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

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

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

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

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

6f. 213. Sewer or On-site Wastewater Treatment System: The Premises are connected to a: 214. sewer system septic system alternative system 215. IF A SEWER CONNECTION IS A MATERIAL MATTER TO THE BUYER, IT MUST BE INVESTIGATED DURING THE 216. INSPECTION PERIOD. If the Premises are served by a septic or alternative system, the AAR On-site Wastewater Treatment 217. Facility Addendum is incorporated herein by reference. 218. (BUYER'S INITIALS REQUIRED) _____ BUYER _____ BUYER

6g. 219. Swimming Pool Barrier Regulations: During the Inspection Period, Buyer agrees to investigate all applicable state, county, and 220. municipal Swimming Pool barrier regulations and agrees to comply with and pay all costs of compliance with said regulations prior to 221. occupying the Premises, unless otherwise agreed in writing. If the Premises contains a Swimming Pool, Buyer acknowledges receipt 222. of the Arizona Department of Health Services approved private pool safety notice. 223. (BUYER'S INITIALS REQUIRED) _____ BUYER _____ BUYER

6h. 224. BUYER ACKNOWLEDGMENT: BUYER RECOGNIZES, ACKNOWLEDGES, AND AGREES THAT BROKER(S) ARE NOT 225. QUALIFIED, NOR LICENSED, TO CONDUCT DUE DILIGENCE WITH RESPECT TO THE PREMISES OR THE SURROUNDING 226. AREA. BUYER IS INSTRUCTED TO CONSULT WITH QUALIFIED LICENSED PROFESSIONALS TO ASSIST IN BUYER'S DUE 227. DILIGENCE EFFORTS. BECAUSE CONDUCTING DUE DILIGENCE WITH RESPECT TO THE PREMISES AND THE 228. SURROUNDING AREA IS BEYOND THE SCOPE OF THE BROKER'S EXPERTISE AND LICENSING, BUYER EXPRESSLY 229. RELEASES AND HOLDS HARMLESS BROKER(S) FROM LIABILITY FOR ANY DEFECTS OR CONDITIONS THAT COULD 230. HAVE BEEN DISCOVERED BY INSPECTION OR INVESTIGATION. 231. (BUYER'S INITIALS REQUIRED) _____ BUYER _____ BUYER

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

Residential Resale Real Estate Purchase Contract • Updated: February 2011 Copyright © 2011 Arizona Association of REALTORS®. All rights reserved. Initials: [SELLER SIGNATURE] SELLER SELLER Initials: [BUYER SIGNATURE] BUYER BUYER

- 6j. 236. **Buyer Disapproval:** If Buyer, in Buyer's sole discretion, disapproves of items as allowed herein, Buyer shall deliver to Seller notice
- 237. of the items disapproved and state in the notice that Buyer elects to either:
- 238. (1) immediately cancel this Contract and all Earnest Money shall be released to Buyer, or
- 239. (2) provide the Seller an opportunity to correct the items disapproved, in which case:
- 240. (a) Seller shall respond in writing within five (5) days or _____ days after delivery to Seller of Buyer's notice of items
- 241. disapproved. Seller's failure to respond to Buyer in writing within the specified time period shall conclusively be deemed
- 242. Seller's refusal to correct any of the items disapproved.
- 243. (b) **If Seller agrees in writing to correct items disapproved, Seller shall correct the items, complete any repairs in a**
- 244. **workmanlike manner and deliver any paid receipts evidencing the corrections and repairs to Buyer three (3) days**
- 245. **or _____ days prior to COE Date.**
- 246. (c) If Seller is unwilling or unable to correct any of the items disapproved, Buyer may cancel this Contract within five (5) days
- 247. after delivery of Seller's response or after expiration of the time for Seller's response, whichever occurs first, and all
- 248. Earnest Money shall be released to Buyer. If Buyer does not cancel this Contract within the five (5) days as provided,
- 249. Buyer shall close escrow without correction of those items that Seller has not agreed in writing to correct.

250. VERBAL DISCUSSIONS WILL NOT EXTEND THESE TIME PERIODS. Only a written agreement signed by both parties will extend

251. response times or cancellation rights.
252. BUYER'S FAILURE TO GIVE NOTICE OF DISAPPROVAL OF ITEMS OR CANCELLATION OF THIS CONTRACT WITHIN THE
253. SPECIFIED TIME PERIOD SHALL CONCLUSIVELY BE DEEMED BUYER'S ELECTION TO PROCEED WITH THE
254. TRANSACTION WITHOUT CORRECTION OF ANY DISAPPROVED ITEMS.

- 6k. 255. **Notice of Non-Working Warranted Items:** Buyer shall provide Seller with notice of any non-working warranted item(s) of which
- 256. Buyer becomes aware during the Inspection Period or the Seller warranty for that item(s) shall be waived. Delivery of such notice
- 257. shall not affect Seller's obligation to maintain or repair the warranted item(s).
- 6l. 258. **Home Warranty Plan:** Buyer and Seller are advised to investigate the various home warranty plans available for purchase. The
- 259. parties acknowledge that different home warranty plans have different coverage options, exclusions, limitations, service fees and
- 260. most plans exclude pre-existing conditions.

- 261. A Home Warranty Plan will be ordered by Buyer or Seller with the following optional coverage
- 262. _____, to be issued by _____ at a cost not
- 263. to exceed \$ _____, to be paid for by Buyer Seller
- 264. Buyer declines the purchase of a Home Warranty Plan.

- 6m. 265. **Walkthrough(s):** Seller grants Buyer and Buyer's inspector(s) reasonable access to conduct walkthrough(s) of the Premises for the
- 266. purpose of satisfying Buyer that any corrections or repairs agreed to by the Seller have been completed, warranted items are in
- 267. working condition and that the Premises is in substantially the same condition as of the date of Contract acceptance. If Buyer does
- 268. not conduct such walkthrough(s), Buyer releases Seller and Broker(s) from liability for any defects that could have been discovered.
- 6n. 269. **Seller's Responsibility Regarding Inspections and Walkthrough(s):** Seller shall make the Premises available for all inspections
- 270. and walkthrough(s) upon reasonable notice by Buyer. Seller shall, at Seller's expense, have all utilities on, including any propane,
- 271. until COE to enable Buyer to conduct these inspections and walkthrough(s).

7. REMEDIES

- 7a. 272. **Cure Period:** A party shall have an opportunity to cure a potential breach of this Contract. If a party fails to comply with any provision
- 273. of this Contract, the other party shall deliver a notice to the non-complying party specifying the non-compliance. If the non-
- 274. compliance is not cured within three (3) days after delivery of such notice ("Cure Period"), the failure to comply shall become a
- 275. breach of Contract.
- 7b. 276. **Breach:** In the event of a breach of Contract, the non-breaching party may cancel this Contract and/or proceed against the breaching
- 277. party in any claim or remedy that the non-breaching party may have in law or equity, subject to the Alternative Dispute Resolution
- 278. obligations set forth herein. In the case of the Seller, because it would be difficult to fix actual damages in the event of Buyer's
- 279. breach, the Earnest Money may be deemed a reasonable estimate of damages and Seller may, at Seller's option, accept the
- 280. Earnest Money as Seller's sole right to damages; and in the event of Buyer's breach arising from Buyer's failure to deliver the notice
- 281. required by Section 2b, or Buyer's inability to obtain loan approval due to the waiver of the appraisal contingency pursuant to Section
- 282. 2m, Seller shall exercise this option and accept the Earnest Money as Seller's sole right to damages. An unfulfilled contingency is not
- 283. a breach of Contract. The parties expressly agree that the failure of any party to comply with the terms and conditions of Section 1d
- 284. to allow COE to occur on the COE Date, if not cured after a cure notice is delivered pursuant to Section 7a, will constitute a material
- 285. breach of this Contract, rendering the Contract subject to cancellation.

>>

	SELLER
SELLER	SELLER

<Initials

Initials>

	BUYER
BUYER	BUYER



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

8. ADDITIONAL TERMS AND CONDITIONS

- 8a. 305. Buyers are aware that the home has asbestos siding and have also had the
- 306. opportunity to conduct an asbestos test on the home.
- 307. _____
- 308. _____
- 309. _____
- 310. _____
- 311. _____
- 312. _____
- 313. _____
- 314. _____
- 315. _____
- 316. _____
- 317. _____
- 318. _____
- 319. _____
- 320. _____
- 321. _____
- 322. _____
- 323. _____
- 324. _____
- 325. _____
- 326. _____
- 327. _____
- 328. _____
- 329. _____
- 330. _____
- 331. _____
- 332. _____
- 333. _____
- 334. _____

>>

	<Initials
SELLER	SELLER

Initials>	
BUYER	BUYER



Residential Resale Real Estate Purchase Contract >>

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

8r. 391. Broker on behalf of Buyer:

392. David DiPeso 14491 Coldwell Banker-The DiPeso Group 3002
393. 251 W. 4th. Street Benson AZ 85602
394. (520) 586-2122 (520) 586-4479 david.dipeso@dipesorealty.com

8s. 395. Agency Confirmation: The Broker named in Section 8r above is the agent of (check one):

396. [] the Buyer; [] the Seller; or [x] both the Buyer and Seller

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

399. [Signature] MO/DA/YR BUYER'S SIGNATURE MO/DA/YR
400. 120 W. 6th. Street ADDRESS
401. Benson, AZ 85602 CITY, STATE, ZIP CODE

9. SELLER ACCEPTANCE

9a. 402. Broker on behalf of Seller:

403. David DiPeso 14491 Coldwell Banker-The DiPeso Group 3002
404. 251 W. 4th. Street Benson AZ 85602
405. (520) 586-2122 (520) 586-4479 david.dipeso@dipesorealty.com

9b. 406. Agency Confirmation: The Broker named in Section 9a above is the agent of (check one):

407. [] the Seller; or [x] both the Buyer and Seller

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

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

412. [Signature] 10/5/11 MO/DA/YR SELLER'S SIGNATURE MO/DA/YR
413. Richard Fasanello SELLER'S NAME PRINTED
414. 10670 E. Escalante Road ADDRESS
415. Tucson, AZ 85730 CITY, STATE, ZIP CODE

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

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



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

Document updated:



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. Premises Address: 100 W. 6th. Street, Benson, AZ 85602
2. **Lead Warning Statement:** Every buyer of any interest in residential real property on which a residential dwelling was built prior to 1978 is notified that such property may present exposure to lead from lead-based paint, which may place young children at risk of developing lead poisoning. Lead poisoning in young children may produce permanent neurological damage, including learning disabilities, reduced intelligence quotient, behavioral problems, and impaired memory. Lead poisoning also poses a particular risk to pregnant women. The seller of any interest in residential real property is required to provide the buyer with any information on lead-based paint hazards from risk assessments or inspections in the seller's possession and to notify the buyer of any known lead-based paint hazards. A risk assessment or inspection for possible lead-based paint or lead-based paint hazards is recommended prior to purchase.

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

9. (a) Lead-based paint and/or lead-based paint hazards (check either 1 or 2 below):
10. 1. Seller is aware that lead-based paint and/or lead-based paint hazards are present in the residence(s) and/or building(s) included in this sale. (Explain) _____
11. 2. Seller has no knowledge of any lead-based paint and/or lead-based paint hazards in the residence(s) and building(s) included in this sale.
12. (SELLER'S INITIALS REQUIRED) _____
13. SELLER SELLER

15. (b) Records and reports available to the seller (check either 1 or 2 below):
16. 1. Seller has provided the buyer with all available records and reports relating to lead-based paint and/or lead-based paint hazards in the residence(s) and building(s) included in the sale. (List documents) _____
17. 2. Seller has no reports or records relating to lead-based paint and/or lead-based paint hazards in the residence(s) and building(s) included in this sale.
18. (SELLER'S INITIALS REQUIRED) _____
19. SELLER SELLER

21. (c) Seller acknowledges Seller's obligation to disclose to any real estate agent(s) to whom the seller directly or indirectly is to pay compensation with regard to the transaction contemplated by this disclosure any known lead-based paint or lead-based paint hazards in the premises to be sold, as well as the existence of any reports or records relating to lead-based paint or lead-based paint hazards in the premises to be sold. Seller further acknowledges that this disclosure accurately reflects the entirety of the information provided by the seller to the agent(s) with regard to lead-based paint, lead-based paint hazards, and lead-based paint risk-assessment or inspection reports and records.
22. (SELLER'S INITIALS REQUIRED) _____
23. SELLER SELLER

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

27. (a) Buyer has read the information set forth above, and has received copies of the reports, records, or other materials listed above, if any.
28. (BUYER'S INITIALS REQUIRED) _____
29. BUYER BUYER
29. (b) Buyer has received the pamphlet *Protect Your Family From Lead in Your Home*.
30. (BUYER'S INITIALS REQUIRED) _____
31. BUYER BUYER

31. (c) Buyer has (check one):
32. Received a 10-day opportunity (or mutually agreed upon period) to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead-based paint hazards; or
33. Waived the opportunity to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead-based paint hazards.
34. (BUYER'S INITIALS REQUIRED) _____
35. BUYER BUYER

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

37. The agent(s) whose initials appear below has (have) ensured the seller's compliance under the Residential Resale Lead-Based Paint Hazard Reduction Act of 1992 by the seller's use and completion of this disclosure form.
38. (AGENT'S INITIALS REQUIRED) _____
39. LISTING AGENT COOPERATING AGENT

40. **Certification of Accuracy:** By signing below, each signatory acknowledges that he or she has reviewed the above information, and certifies that, to the best of his or her knowledge, the information provided by the signatory is true and accurate.

42. ^ SELLER'S SIGNATURE Richard Fasanella MO/DA/YR 10/5/11 ^ BUYER'S SIGNATURE City of Benson MO/DA/YR _____

43. ^ SELLER'S SIGNATURE _____ MO/DA/YR _____ ^ BUYER'S SIGNATURE _____ MO/DA/YR _____

44. ^ LISTING AGENT'S SIGNATURE David DiPeso MO/DA/YR 10/4/11 ^ COOPERATING AGENT'S SIGNATURE David DiPeso MO/DA/YR 10/4/11



R RESIDENTIAL SELLER'S PROPERTY DISCLOSURE STATEMENT (SPDS) *(To be completed by Seller)*

Document updated:
August 2010



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.



MESSAGE TO THE SELLER:

Sellers are obligated by law to disclose all known material (important) facts about the Property to the Buyer. The SPDS is designed to assist you in making these disclosures. If you know something important about the Property that is not addressed on the SPDS, add that information to the form. Prospective Buyers may rely on the information you provide.

INSTRUCTIONS: (1) Complete this form yourself. (2) Answer all questions truthfully and as fully as possible. (3) Attach all available supporting documentation. (4) Use explanation lines as necessary. (5) If you do not have the personal knowledge to answer a question, use the explanation lines to explain. *By signing below you acknowledge that the failure to disclose known material information about the Property may result in liability.*

MESSAGE TO THE BUYER:

Although Sellers are obligated to disclose all known material (important) facts about the Property, there are likely facts about the Property that the Sellers do not know. Therefore, it is important that you take an active role in obtaining information about the Property.

INSTRUCTIONS: (1) Review this form and any attachments carefully. (2) Verify all important information. (3) Ask about any incomplete or inadequate responses. (4) Inquire about any concerns not addressed on the SPDS. (5) Review all other applicable documents, such as CC&R's, association bylaws, surveys, rules, and the title report or commitment. (6) Obtain professional inspections of the Property. (7) Investigate the surrounding area.

THE FOLLOWING ARE REPRESENTATIONS OF THE SELLER(S) AND ARE NOT VERIFIED BY THE BROKER(S) OR AGENT(S).

OWNERSHIP AND PROPERTY

- As used herein, "Property" shall mean the real property and all fixtures and improvements thereon and appurtenances incidental thereto, plus fixtures and personal property described in the Contract.

3. **PROPERTY ADDRESS:** 100 W. 6th. Street Benson AZ 85602
(STREET ADDRESS) (CITY) (STATE) (ZIP)

4. Is the Property located in an unincorporated area of the county? Yes No **If yes, and five or fewer parcels of land other than subdivided land are being transferred, the Seller must furnish the Buyer with a written Affidavit of Disclosure in the form required by law.**

6. **LEGAL OWNER(S) OF PROPERTY:** _____ Date Purchased: _____

7. Is the legal owner(s) of the Property a foreign person or a non-resident alien pursuant to the Foreign Investment in Real Property

8. Tax Act (FIRPTA)? Yes No **If yes, consult a tax advisor; mandatory withholding may apply.**

9. Is the property located in a community defined by the fair housing laws as housing for older persons? Yes No

10. Explain: _____

11. Approximate year built: _____. **If Property was built prior to 1978, Seller must furnish the Buyer with a lead-based paint disclosure form.**

12. **NOTICE TO BUYER: IF THE PROPERTY IS IN A SUBDIVISION, A SUBDIVISION PUBLIC REPORT, WHICH CONTAINS A VARIETY OF INFORMATION ABOUT THE SUBDIVISION AT THE TIME THE SUBDIVISION WAS APPROVED, MAY BE AVAILABLE BY CONTACTING THE ARIZONA DEPARTMENT OF REAL ESTATE OR THE HOMEBUILDER. THE PUBLIC REPORT INFORMATION MAY BE OUTDATED.**

15. The Property is currently: Owner-occupied Leased Estate Foreclosure Vacant **If vacant, how long?** 2 yr

16. If a rental property, how long? _____ Expiration date of current lease: _____ (Attach a copy of the lease if available.)

17. If any refundable deposits or prepaid rents are being held, by whom and how much? Explain: _____

18. _____

- | | | |
|------------------------------|-------------------------------------|--|
| YES | NO | |
| 19. <input type="checkbox"/> | <input checked="" type="checkbox"/> | Have you entered into any agreement to transfer your interest in the Property in any way, including rental renewals or options to purchase? Explain: _____ |
| 21. <input type="checkbox"/> | <input checked="" type="checkbox"/> | Are you aware if there are any association(s) governing this Property? |
| 22. _____ | | If yes, provide contact(s) information: Name: _____ Phone #: _____ |
| 23. _____ | | If yes, are there any fees? How much? \$ _____ How often? _____ |
| 24. <input type="checkbox"/> | <input checked="" type="checkbox"/> | Are you aware of any transfer fees or other fees due upon transfer of the Property? Explain: _____ |
| 25. _____ | | _____ |

>>

Initials> [Signature]
BUYER BUYER



Residential Seller's Property Disclosure Statement (SPDS) >>

- | YES | NO | |
|-----|--------------------------|---|
| 26. | <input type="checkbox"/> | <input checked="" type="checkbox"/> Are you aware of any proposed or existing association assessment(s)? Explain: _____ |
| 27. | | |
| 28. | <input type="checkbox"/> | <input checked="" type="checkbox"/> Are you aware of any pending or anticipated disputes or litigation regarding the Property or the association(s)? |
| 29. | | Explain: _____ |
| 30. | <input type="checkbox"/> | <input checked="" type="checkbox"/> Are you aware of any of the following recorded against the Property? (Check all that apply): |
| 31. | | <input type="checkbox"/> Judgment liens <input type="checkbox"/> Tax liens <input type="checkbox"/> Other non-consensual liens |
| 32. | | Explain: _____ |
| 33. | <input type="checkbox"/> | <input checked="" type="checkbox"/> Are you aware of any assessments affecting this Property? (Check all that apply): |
| 34. | | <input type="checkbox"/> Paving <input type="checkbox"/> Sewer <input type="checkbox"/> Water <input type="checkbox"/> Electric <input type="checkbox"/> Other |
| 35. | | Explain: _____ |
| 36. | <input type="checkbox"/> | <input checked="" type="checkbox"/> Are you aware of any title issues affecting this Property? (Check all that apply): |
| 37. | | <input type="checkbox"/> Recorded easements <input type="checkbox"/> Use restrictions <input type="checkbox"/> Lot line disputes <input type="checkbox"/> Encroachments |
| 38. | | <input type="checkbox"/> Unrecorded easements <input type="checkbox"/> Use permits <input type="checkbox"/> Other _____ |
| 39. | | Explain: _____ |
| 40. | <input type="checkbox"/> | <input checked="" type="checkbox"/> Are you aware of any public or private use paths or roadways on or across this Property? |
| 41. | | Explain: _____ |
| 42. | <input type="checkbox"/> | <input checked="" type="checkbox"/> Are you aware of any problems with legal or physical access to the Property? Explain: _____ |
| 43. | | The road/street access to the Property is maintained by the <input type="checkbox"/> County <input type="checkbox"/> City <input type="checkbox"/> Homeowners' Association <input type="checkbox"/> Privately |
| 44. | <input type="checkbox"/> | <input checked="" type="checkbox"/> If privately maintained, is there a recorded road maintenance agreement? Explain: _____ |
| 45. | <input type="checkbox"/> | <input checked="" type="checkbox"/> Are you aware of any violation(s) of any of the following? (Check all that apply): |
| 46. | | <input type="checkbox"/> Zoning <input type="checkbox"/> Building Codes <input type="checkbox"/> Utility Service <input type="checkbox"/> Sanitary health regulations |
| 47. | | <input type="checkbox"/> Covenants, Conditions, Restrictions (CC&R's) <input type="checkbox"/> Other _____ (Attach a copy of notice(s) of violation if available.) |
| 48. | | Explain: _____ |
| 49. | | |
| 50. | <input type="checkbox"/> | <input checked="" type="checkbox"/> Are you aware of any homeowner's insurance claims having been filed against the Property? |
| 51. | | Explain: _____ |
| 52. | | NOTICE TO BUYER: YOUR CLAIMS HISTORY, YOUR CREDIT REPORT, THE PROPERTY'S CLAIMS HISTORY |
| 53. | | AND OTHER FACTORS MAY AFFECT THE INSURABILITY OF THE PROPERTY AND AT WHAT COST. UNDER |
| 54. | | ARIZONA LAW, YOUR INSURANCE COMPANY MAY CANCEL YOUR HOMEOWNER'S INSURANCE WITHIN 60 |
| 55. | | DAYS AFTER THE EFFECTIVE DATE. CONTACT YOUR INSURANCE COMPANY. |

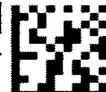
BUILDING AND SAFETY INFORMATION

- | YES | NO | |
|-----|--------------------------|--|
| 56. | | STRUCTURAL: |
| 57. | <input type="checkbox"/> | <input checked="" type="checkbox"/> Are you aware of any past or present roof leaks? Explain: _____ |
| 58. | | |
| 59. | <input type="checkbox"/> | <input checked="" type="checkbox"/> Are you aware of any other past or present roof problems? Explain: _____ |
| 60. | | |
| 61. | <input type="checkbox"/> | <input checked="" type="checkbox"/> Are you aware of any roof repairs? Explain: _____ |
| 62. | | |
| 63. | <input type="checkbox"/> | <input checked="" type="checkbox"/> Is there a roof warranty? (Attach a copy of warranty if available.) |
| 64. | <input type="checkbox"/> | <input type="checkbox"/> If yes, is the roof warranty transferable? Cost to transfer _____ |
| 65. | | NOTICE TO BUYER: CONTACT A PROFESSIONAL TO VERIFY THE CONDITION OF THE ROOF. |
| 66. | <input type="checkbox"/> | <input checked="" type="checkbox"/> Are you aware of any interior wall/ceiling/door/window/floor problems? Explain: _____ |
| 67. | | FLOOR REPAIR REQUIRED |
| 68. | <input type="checkbox"/> | <input checked="" type="checkbox"/> Are you aware of any cracks or settling involving the foundation, exterior walls or slab? Explain: _____ |
| 69. | | WAS RECENTLY LEVELLED |
| 70. | <input type="checkbox"/> | <input checked="" type="checkbox"/> Are you aware of any chimney or fireplace problems, if applicable? Explain: _____ |
| 71. | | |

>>

Initials>

<i>[Signature]</i>	
BUYER	BUYER



Residential Seller's Property Disclosure Statement (SPDS) >>

72. YES NO Are you aware of any damage to any structure on the Property by any of the following? (Check all that apply):
 73. Flood Fire Wind Expansive soil(s) Water Hail Other _____
 74. Explain: _____
75. **WOOD INFESTATION:**
 76. Are you aware of any of the following:
 77. Past presence of termites or other wood destroying organisms on the Property?
 78. Current presence of termites or other wood destroying organisms on the Property?
 79. Past or present damage to the Property by termites or other wood destroying organisms?
 80. Explain: _____
 81. _____
 82. Are you aware of past or present treatment of the Property for termites or other wood destroying organisms?
 83. If yes, date last treatment was performed: _____
 84. Name of treatment provider: _____
 85. Is there a treatment warranty? (Attach a copy of warranty if available.)
 86. If yes, is the treatment warranty transferrable?
87. **NOTICE TO BUYER: CONTACT STATE OF ARIZONA STRUCTURAL PEST CONTROL COMMISSION**
 88. **FOR PAST TERMITE REPORTS OR TREATMENT HISTORY.**
89. **HEATING & COOLING:**
 90. Heating: Type(s) REMINDERS
 91. Cooling: Type(s) COOLER ON ROOF
 92. Are you aware of any past or present problems with the heating or cooling system(s)?
 93. Explain: _____
94. **PLUMBING:**
 95. Are you aware of the type of water pipes, such as galvanized, copper, PVC, CPVC or polybutylene?
 96. If yes, identify: _____
 97. Are you aware of any past or present plumbing problems? Explain: HOME IS DEMOLISHED
 98. _____
 99. Are you aware of any water pressure problems? Explain: _____
 100. Type of water heater(s): Gas Electric Solar Approx. age(s): _____
 101. Are you aware of any past or present water heater problems? Explain: _____
 102. _____
 103. Is there a landscape watering system? If yes, type: automatic timer manual both
 104. If yes, are you aware of any past or present problems with the landscape watering system?
 105. Explain: _____
 106. Are there any water treatment systems? (Check all that apply):
 107. water filtration reverse osmosis water softener Other _____
 108. Is water treatment system(s) owned leased (Attach a copy of lease if available.)
 109. Are you aware of any past or present problems with the water treatment system(s)?
 110. Explain: _____
111. **SWIMMING POOL/SPA/HOT TUB/SAUNA/WATER FEATURE:**
 112. Does the Property contain any of the following? (Check all that apply):
 113. Swimming pool Spa Hot tub Sauna Water feature
 114. If yes, are either of the following heated? Swimming pool Spa If yes, type of heat: _____
 115. Are you aware of any past or present problems relating to the swimming pool, spa, hot tub, sauna or water feature?
 116. Explain: _____

>>

Initials>

	
BUYER	BUYER



Residential Seller's Property Disclosure Statement (SPDS) >>

YES NO

- ELECTRICAL AND OTHER RELATED SYSTEMS:**
117. Are you aware of any past or present problems with the electrical system? Explain: INT EXPOSED
118. Is there a security system? If yes, is it (Check all that apply):
119. Leased (Attach copy of lease if available) Owned Monitored Other _____
120. Are you aware of any past or present problems with the security system? Explain: _____
121. Does the Property contain any of the following systems or detectors?(Check all that apply):
122. Smoke/fire detection Fire suppression (sprinklers) Carbon monoxide detector
123. If yes, are you aware of any past or present problems with the above systems? Explain: _____
124. _____
125. _____
126. _____
127. _____

MISCELLANEOUS:

128. Are you aware of or have you observed any of the following on the Property? (Check all that apply):
129. Scorpions Rabid animals Bee swarms Rodents Reptiles Other: _____
130. Explain: _____
131. How often is the Property serviced or treated for pests, reptiles, insects or animals? _____
132. Name of service provider: _____ Date of last service: _____
133. Are you aware of any work done on the Property, such as building, plumbing, electrical or other improvements?
134. (If no, skip to line 144.)
135. Explain: INT IS EXPOSED
136. Are you aware of any rooms added to the Property or converted to bedrooms?
137. Were permits for the work required? Explain: YES - PERMIT WAS ISSUED & WORK INSPECTED
138. If yes, were permits for the work obtained? Explain: _____
139. Was the work performed by a person licensed to perform the work? Explain: _____
140. Was approval for the work required by any association governing the property? Explain: _____
141. If yes, was approval granted by the association? Explain: _____
142. Was the work completed? Explain: _____
143. Are there any security bars or other obstructions to door or window openings? Explain: _____
144. Are you aware of any past or present problems with any built-in appliances? Explain: _____
145. _____
146. _____
147. Are there any leased propane tanks, equipment or other systems on the Property? Explain: _____
148. _____

UTILITIES

149. **DOES THE PROPERTY CURRENTLY RECEIVE THE FOLLOWING SERVICES?**
- | YES | NO | PROVIDER |
|-------------------------------------|-------------------------------------|--|
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Electricity: _____ |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Fuel: <input checked="" type="checkbox"/> Natural gas <input type="checkbox"/> Propane <input type="checkbox"/> Oil _____ |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | Cable: _____ |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | Telephone: _____ |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | Garbage Collection: _____ |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Fire: _____ |
| <input type="checkbox"/> | <input type="checkbox"/> | Irrigation: _____ |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | Water Source: <input checked="" type="checkbox"/> Public <input type="checkbox"/> Private water co. <input type="checkbox"/> Private well <input type="checkbox"/> Shared well <input type="checkbox"/> Hauled water |
150. _____
151. _____
152. _____
153. _____
154. _____
155. _____
156. _____
157. _____
158. **If water source is a private or shared well, complete and attach DOMESTIC WATER WELL/WATER USE ADDENDUM.**
159. **If source is public, a private water company, or hauled water, Provider is: _____**
160. **NOTICE TO BUYER: IF THE PROPERTY IS SERVED BY A WELL, PRIVATE WATER COMPANY OR A MUNICIPAL WATER PROVIDER, THE ARIZONA DEPARTMENT OF WATER RESOURCES MAY NOT HAVE MADE A WATER SUPPLY DETERMINATION. FOR MORE INFORMATION ABOUT WATER SUPPLY, CONTACT THE WATER PROVIDER.**
161. _____
162. _____
163. _____

>>

Initials >
 BUYER BUYER



Residential Seller's Property Disclosure Statement (SPDS) >>

164. YES NO Are you aware of any past or present drinking water problems? Explain: _____
165. _____
166. YES NO Are there any alternate power systems serving the Property? If yes, indicate type (Check all that apply):
 167. Solar Wind Generator Other _____
168. If yes, are you aware of any past or present problems with the alternate power system(s)? Explain: _____
169. _____

ENVIRONMENTAL INFORMATION

170. YES NO Are you aware of any past or present issues or problems with any of the following on the Property? (Check all that apply):
 171. Soil settlement/expansion Drainage/grade Erosion Fissures Dampness/moisture Other
 172. Explain: _____
173. YES NO Are you aware of any past or present issues or problems in close proximity to the Property related to any of
 174. the following? (Check all that apply):
 175. Soil settlement/expansion Drainage/grade Erosion Fissures Other _____
176. Explain: _____
177. **NOTICE TO BUYER: THE ARIZONA DEPARTMENT OF REAL ESTATE PROVIDES EARTH FISSURE MAPS TO**
 178. **ANY MEMBER OF THE PUBLIC IN PRINTED OR ELECTRONIC FORMAT UPON REQUEST AND ON ITS WEBSITE**
 179. **AT www.azre.gov.**
180. YES NO Are you aware if the Property is subject to any present or proposed effects of any of the following? (Check all that apply):
 181. Airport noise Traffic noise Rail line noise Neighborhood noise Landfill Toxic waste disposal
 182. Odors Nuisances Sand/gravel operations Other _____
183. Explain: _____
184. YES NO Are you aware if any portion of the Property has ever been used as a "Clandestine drug laboratory" (manufacture of,
 185. or storage of, chemicals or equipment used in manufacturing methamphetamine, ecstasy or LSD)?
186. **NOTICE TO BUYER: THE ARIZONA BOARD OF TECHNICAL REGISTRATION (BTR) MAINTAINS A LIST OF**
 187. **UNREMIEDIATED SITES AT www.azbtr.gov. TO DETERMINE IF THE PROPERTY WAS ONCE ON THE LIST**
 188. **BUT HAS BEEN REMEDIATED, CONTACT THE BTR AT 602-364-4948.**
189. YES NO Are you aware if the Property is located in the vicinity of an airport (military, public, or private)?
 190. Explain: _____
191. **NOTICE TO SELLER AND BUYER: PURSUANT TO ARIZONA LAW A SELLER SHALL PROVIDE A WRITTEN**
 192. **DISCLOSURE TO THE BUYER IF THE PROPERTY IS LOCATED IN TERRITORY IN THE VICINITY OF A MILITARY**
 193. **AIRPORT OR ANCILLARY MILITARY FACILITY AS DELINEATED ON A MAP PREPARED BY THE STATE LAND**
 194. **DEPARTMENT. THE DEPARTMENT OF REAL ESTATE ALSO IS OBLIGATED TO RECORD A DOCUMENT AT THE**
 195. **COUNTY RECORDER'S OFFICE DISCLOSING IF THE PROPERTY IS UNDER RESTRICTED AIR SPACE AND TO**
 196. **MAINTAIN THE STATE LAND DEPARTMENT MILITARY AIRPORT MAP ON ITS WEBSITE AT www.azre.gov.**
197. YES NO Are you aware of the presence of any of the following on the Property, past or present? (Check all that apply):
 198. Asbestos Radon gas Lead-based paint Pesticides Underground storage tanks Fuel/chemical storage
 199. Explain: EXT FILE AS SHOWN ON REPORT
200. YES NO Are you aware if the Property is located within any of the following? (Check all that apply):
 201. Superfund/ WQARF/ CERCLA Wetlands area
202. YES NO Are you aware of any open mine shafts/tunnels or abandoned wells on the Property?
 203. If yes, describe location: _____
204. YES NO Are you aware if any portion of the Property is in a flood plain/way? Explain: _____
205. _____
206. YES NO Are you aware of any portion of the Property ever having been flooded? Explain: _____
207. _____
208. YES NO Are you aware of any water damage or water leaks of any kind on the Property? Explain: _____
209. _____
210. YES NO Are you aware of any past or present mold growth on the Property? If yes, explain: _____
211. _____

>>

Initials >

<i>[Signature]</i>	
BUYER	BUYER



Residential Seller's Property Disclosure Statement (SPDS) >>

SEWER/WASTEWATER TREATMENT

212. YES NO Is the entire Property connected to a sewer? Explain: _____
213. YES NO If yes, has a professional verified the sewer connection? If yes, how and when: 2 yrs ago
214. **NOTICE TO BUYER: CONTACT A PROFESSIONAL TO CONDUCT A SEWER VERIFICATION TEST.**
215. Type of sewer: Public Private Planned and approved sewer system, but not connected
216. Name of Provider _____
217. YES NO Are you aware of any past or present problems with the sewer? Explain: _____
218. YES NO Is the Property served by an On-Site Wastewater Treatment Facility? (If no, skip to line 226.)
219. If yes, the Facility is: Conventional septic system Alternative system; type: _____
220. YES NO If the Facility is an alternative system, is it currently being serviced under a maintenance contract?
221. If yes, name of contractor: _____ Phone #: _____
222. Approximate year Facility installed: _____ (Attach copy of permit if available.)
223. YES NO Are you aware of any repairs or alterations made to this Facility since original installation?
224. Explain: _____
225. _____
226. Approximate date of last Facility inspection and/or pumping of septic tank: _____
227. YES NO Are you aware of any past or present problems with the Facility? Explain: _____
228. _____
229. **NOTICE TO SELLER AND BUYER: THE ARIZONA DEPARTMENT OF ENVIRONMENTAL QUALITY REQUIRES A PRE-TRANSFER INSPECTION OF ON-SITE WASTEWATER TREATMENT FACILITIES ON RE-SALE PROPERTIES.**
230. _____

OTHER CONDITIONS AND FACTORS

231. What other material (important) information are you aware of concerning the Property that might affect the buyer's decision-making process, the value of the Property, or its use? Explain: PROP IS SELL AND BEING BOUGHT "AS-IS"
232. _____
233. SELLER HAS PLANS (OUTDATED) IF BUYER WOULD LIKE TO USE TO UPDATE FOR
234. REBUILD

ADDITIONAL EXPLANATIONS

235. _____
236. _____
237. _____

238. **SELLER CERTIFICATION:** Seller certifies that the information contained herein is true and complete to the best of Seller's knowledge as of the date signed. Seller agrees that any changes in the information contained herein will be disclosed in writing by Seller to Buyer prior to Close of Escrow, including any information that may be revealed by subsequent inspections.

241. [Signature] 12/5/11 MO/DAYR [Signature] MO/DAYR
 ^ SELLER'S SIGNATURE Richard Fasanella

242. Reviewed and updated: Initials: [Signature] 10/5/11 MO/DAYR
 SELLER SELLER MO/DAYR

243. **BUYER'S ACKNOWLEDGMENT:** Buyer acknowledges that the information contained herein is based only on the Seller's actual knowledge and is not a warranty of any kind. Buyer acknowledges Buyer's obligation to investigate any material (important) facts in regard to the Property. Buyer is encouraged to obtain Property inspections by professional independent third parties and to consider obtaining a home warranty protection plan.

247. **NOTICE:** Buyer acknowledges that by law, Sellers, Lessors and Brokers are not obligated to disclose that the Property is or has been: (1) the site of a natural death, suicide, homicide, or any other crime classified as a felony; (2) owned or occupied by a person exposed to HIV, diagnosed as having AIDS or any other disease not known to be transmitted through common occupancy of real estate; or (3) located in the vicinity of a sex offender.

250. **By signing below, Buyer acknowledges receipt only of this SPDS. If Buyer disapproves of any items provided herein, Buyer shall deliver to Seller written notice of the items disapproved as provided in the Contract.**

252. [Signature] MO/DAYR [Signature] MO/DAYR
 ^ BUYER'S SIGNATURE City of Benson

Initials>

<u>[Signature]</u>	
BUYER	BUYER

