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FENNEMORE CRAIG
A Professional Corporation
Timothy Berg
Theresa Dwyer
Darcy Renfro
3003 North Central Avenue
Suite 2600
Phoenix, Arizona 85012
Telephone (602) 916-5000

Arizona Corporation Commission

DOCKETED

AZ CORP COMMISSION
DOCUMENT CONTROL

NOV 01 2002

DOCKETED BY *CM*

Attorneys for Qwest Corporation

BEFORE THE ARIZONA CORPORATION COMMISSION

RESIDENTS OF PRESCOTT VALLEY,
TRACY AND TROY DENTON, ET. AL.,

Docket No. T-01051B-02-0535

Complainants,

**QWEST CORPORATION'S (1) REQUEST
FOR RULE 16 CONFERENCE, (2)
MOTION TO COMPEL and (3) MOTION
TO DISMISS COMPLAINANT
BERNSTEIN WITHOUT PREJUDICE**

vs.

QWEST CORPORATION,

EXPEDITED REVIEW REQUESTED

Respondent.

I. REQUEST FOR RULE 16 CONFERENCE AND ORDER

Qwest Corporation ("Qwest") respectfully requests that the Arizona Corporation Commission ("Commission") conduct a procedural conference pursuant to Rule 16 of the Arizona Rules of Civil Procedure for all parties in the above-captioned matter as soon as possible. Several issues remain unresolved, as set forth below, and Qwest asks the Commission for guidance on how to proceed to hearing. As stated in Rule 16(a), the objectives of such a conference is for the Commission to (1) expedite disposition of this matter; (2) establish control to avoid protracted proceedings; (3) discourage wasteful pretrial practices; and (4) improve the quality of this proceeding through more thorough preparation.

Given the volume of information, the potential magnitude of the outcome, and number of individuals involved this complaint, Qwest requests an order setting a time for parties to convene

1 prior to hearing to discuss any outstanding discovery disputes, trial exhibits and witnesses and
2 any other outstanding pre-trial issues that may arise between now and December 16, 2002.
3 Alternatively, Qwest asks the Commission to issue an order setting forth a discovery schedule
4 that applies to all parties; issue an order authorizing the release of third party records; grant
5 Qwest's Motion to Compel Complainants' responses to Commission orders and Qwest's data
6 requests; and dismiss or otherwise deal with Complainants who have not made themselves
7 available throughout the complaint process or who will not be available for hearing on December
8 16, 2002.

9 It should be noted that well-established law mandates that where parties conduct their
10 cases *in propria persona* they are entitled to no more consideration than if they had been
11 represented by counsel, and they are held to the same familiarity with required procedures and the
12 same notice of statutes, rules, and legal principals as would be attributed to a qualified member of
13 the bar. See *Ackerman v. Southern Arizona Bank and Trust Co.*, 39 Ariz. 484, 486, 7 P.2d 944
14 (1932), *Higgins v. Higgins*, 194 Ariz. 266, 270, 981 P.2d 134, 138 (App. 1999).

15 **II. REQUEST FOR ORDER TO RELEASE THIRD PARTY DOCUMENTS**

16 Qwest requests an order authorizing the release of certain third-party records and at the
17 request of Complainants. In their first set of data requests to Qwest, Complainants Thompson
18 asked Qwest to produce "service orders and any information pertaining to the service for The
19 Skipper Family, Dunn Family, Lehman Family, Chavez Family and the Hernandez Family."
20 Complainants have identified these families as having been provided telephone service by Qwest
21 out of its service territory. These families, however, are not party to this Complaint. The records
22 of these individuals contain private, proprietary personal information that Qwest is not authorized
23 to release to third parties without proper legal authority. As a result, Qwest has not released these
24 records to Complainants and will not do so without proper authorization from the Commission or
25 other legal authority. Complainants have placed these records at issue, and the records may be
26 relevant to both the complaints and to Qwest's defense in this matter.

1 Qwest thereby request that the Commission issue an order authorizing production of
2 records regarding third parties, Troy Skipper, Cobblestone Concrete, Inc., Heather Dunn, Loren
3 Chavez (all have service at 10195 N. Poquito Valley Rd.), Barbara Lehman (service at 10150 N.
4 Poquito Valley Rd.) and Raymond and Cassandra Hernandez (service at 7070 E. Moonlit Drive)
5 to Complainants Thompson.

6 **III. MOTION TO COMPEL**

7 Pursuant to Rule 37(a) of the Arizona Rules of Civil Procedure and R14-3-101 of the
8 Arizona Administrative Code, Qwest moves the Commission for an order compelling
9 Complainants Peters, White, and Bernstein to respond to Qwest's First Set of Data Requests, a
10 sample is attached hereto as Exhibit A.

11 The Arizona Rules of Civil Procedure advocate a policy of full disclosure between parties.
12 The purpose of discovery is to "provide a vehicle by which one party may be fairly apprised of
13 the other's case and be prepared to meet it if he can." Kott v. City of Phoenix, 158 Ariz. 415,
14 418, 763 P.2d 235, 238 (1988) (citing Watts v. Superior Court, 87 Ariz. 1, 347 P.2d 565 (1959)).
15 Discovery promotes the efficient and speedy disposition of a lawsuit, minimizes surprise, and
16 prevents a hearing or trial from becoming a guessing game. See Cornet Stores v. Superior Court,
17 108 Ariz. 85, 86, 492 P.2d 1191, 1193 (1972). In light of Arizona's policy of full disclosure, a
18 party must respond to data requests "**unless it appears affirmatively that the evidence sought is**
19 **patently objectionable and inadmissible.**" Id. at 87, 492 P.2d at 1194 (citations omitted)
20 (emphasis added).

21 In this case, Qwest served data requests on all Complainants, including Thompson,
22 Denton, Rodr, Fatheree, Limburg and Martin, on September 25, 2002. Complainants Martin and
23 Thompson replied timely. On October 10, 2002, Qwest sent a letter to all remaining
24 Complainants requesting responses within 10 days of the letter. To date, Complainants White,
25 Bernstein, and Peters have not responded. Qwest received responses from Complainant Limburg
26 on October 24, 2002. *See* Limburg Responses attached as Exhibit B. Qwest believes that while

1 the Limburgs made a good faith attempt to respond to Qwest's requests, the responses are clearly
2 incomplete. In addition, the Limburgs indicate that they will not be available for hearing due to
3 health problems. As Complainants and signatories to the Complainants' Reply, the Limburgs,
4 Whites, and Peters¹ have put all the issues that are the subject of Qwest's First Set of Data
5 Requests into dispute and must permit Qwest to discover relevant information pertaining to those
6 issues.

7 The hearing in this matter has been set for December 16, 2002, and for those
8 Complainants who have responded to the data requests, Qwest continues to evaluate the answers
9 provided and prepare additional data requests to clarify certain matters. Once the Complainants
10 who have not yet responded do so, Qwest will be in a similar situation and will need to move
11 quickly in order for adequate time to complete discovery. Qwest thereby moves the Commission,
12 pursuant to Rule 37(a) of the Arizona Rules of Civil Procedure, to enter an order compelling
13 Complainants White, Peters, and Bernstein to respond to its First Set of Data Requests within
14 three days of the issuance of such an order.

15 With respect to the Limburgs, Qwest will further attempt to obtain complete answers to its
16 data requests. While Qwest is sympathetic to the Limburg's situation and health issues, this
17 Commission must consider the implications of the Limburgs inability to attend the hearing as
18 scheduled. Rule 41(b) of the Arizona Rules of Civil Procedure provides for involuntary dismissal
19 with prejudice "for failure of the plaintiff to prosecute or to comply with these rules or any order
20 of court." The Rule certainly requires Complainants to attend scheduled hearings and prosecute
21 their complaints. If the Limburgs are not present, Qwest will be denied its basic due process
22 rights in defending the Limburg's Complaint. Qwest must be afforded the opportunity to cross-
23 examine any witnesses about its alleged discriminatory practices against the Limburgs and
24 present its own counter-testimony before this Commission reaches any decision.

25 Finally, pursuant to the Commission's October 7, 2002 Procedural Order, witness and

26 ¹ In their Reply, Complainants indicated that they were unable to locate Ms. Bernstein for signature.

1 exhibit lists were to be filed by all parties on October 15, 2002. To date, only Staff and Qwest
2 have filed a witness list and exhibit list. Not only may this information need to be updated by the
3 parties who already filed lists, the Complainants need to comply and provide some indication of
4 who they intend to call at hearing and what exhibits they intend to use at hearing. At this time, it
5 may be difficult for all parties to finalize this information since discovery is really just beginning.

6 **IV. MOTION TO DISMISS BERNSTEIN WITHOUT PREJUDICE**

7 Qwest respectfully requests an order dismissing Complainant Bernstein without prejudice.
8 As this Commission is aware, Qwest has been unable to locate Ms. Bernstein and serve her with
9 any pleadings or discovery requests. See Oct. 7, 2002 Procedural Order. In Ms. Bernstein's
10 Complaint, the Complainants' consolidated Reply to Qwest's Answer, several allegations were
11 made regarding Qwest and communications between it and Complainants. Although Ms.
12 Bernstein was not a signatory to that Reply, it is essential that Qwest be able to reasonably gather
13 as much relevant factual information regarding each Complainant as possible in order to defend
14 against these claims. To this end, Qwest sent Ms. Bernstein its First Set of Data Requests on
15 September 25, 2002 as well as all other pleadings, all of which have been returned to Qwest as
16 "return to sender, moved left no address." See Sept. 25 and 26, 2002, Oct. 10 and 15, 2002
17 mailing envelopes attached as Exhibit C.

18 In addition to Qwest's efforts to contact Ms. Bernstein through the mail, Qwest left a
19 message for her at the home number listed on her complaint on October 21, 2002. To date, Ms.
20 Bernstein has not responded at all to Qwest. If Qwest is unable to reach this Ms. Bernstein and
21 she later appears on behalf of herself or any other Complainant, Qwest will be significantly
22 prejudiced by not having the opportunity to assess her testimony and prepare an adequate defense.
23 Therefore, Qwest asks that Ms. Bernstein's complaint be dismissed without prejudice. Should
24 Ms. Bernstein wish to pursue her claim against Qwest, she may do so at some time after these
25 proceedings. Alternatively, Qwest requests an order compelling Ms. Bernstein to respond to
26 Qwest's First Set of Data Requests as outlined above.

1 A copy of the foregoing
was mailed this 1st day of
2 ~~October~~, 2002, to:
~~NOVEMBER~~

3 Ernest and Sherry Thompson
4 P.O. Box 27016
Prescott Valley, AZ 86312

5 Troy and Tracy Denton
6 PO Box 26343
Prescott Valley, AZ 86312

7 Bryant and April Peters
8 PO Box 27302
Prescott Valley, AZ 86312

9 John J. and Patricia J. Martin
10 PO Box 25428
Prescott Valley, AZ 86312

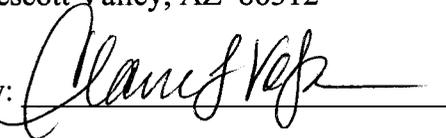
11 Arnold and Tammy Fatheree
12 PO Box 26268
Prescott Valley, AZ 86312

13 Tommy L. White
14 PO Box 27951
Prescott Valley, AZ 86312

15 Sandra Rodr
16 PO Box 25996
Prescott Valley, AZ 86312

17 Kirk and Bobbi Limburg
18 PO Box 27683
Prescott Valley, AZ 86312

19 Susan Bernstein
20 7835 East Memory Lane
Prescott Valley, AZ 86312

21 By: 
22 _____

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EXHIBIT

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Timothy Berg
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Attorneys for Qwest Corporation

BEFORE THE ARIZONA CORPORATION COMMISSION

RESIDENTS OF PRESCOTT VALLEY,
TRACY AND TROY DENTON, ET. AL.,

Complainants,

vs.

QWEST CORPORATION,

Respondent.

Docket No. T-01051B-02-0535

**QWEST CORPORATION'S FIRST SET
OF DATA REQUESTS TO TOMMY L.
WHITE**

Qwest Corporation ("Qwest") hereby submits its first set of data requests to Tommy L. White in the above-captioned docket and instructs that full and complete responses be made within ten (10) calendar days.

DEFINITIONS AND INSTRUCTIONS

The following definitions and instructions apply to this set of data requests:

A. The terms "document" or "documents" include written, typed or printed material of any kind, and material in any other medium used for preservation, duplication or recording of written or spoken words or data.

B. A request for documents is for anything that is in written form or that is a tangible recording of speech, sound, pictures, words or symbols however produced or reproduced, including but not limited to, drafts, preliminary versions, alterations, revisions, written comments of and concerning such material, correspondence, letters, memoranda, notes, reports, directions, studies, investigations, questionnaires, surveys, inspections, complaint papers, files, books, manuals, instructions, pamphlets, forms, contracts, contract amendments or supplements, contract

1 offers, tenders, acceptances, counteroffers, negotiating agreements, working papers, invoices,
2 statements, notes, computer outputs, agreements, entries, calendars, reports, diaries, financial or
3 accounting records, lists, reports of telephone or other oral meetings, telephone logs or
4 appointment records. The term "document" includes the original or copies when originals are not
5 available. The term "document" includes those documents in your possession, custody or control,
6 including without limitation, the possession, custody or control of Tommy L. White's agents,
7 servants, employees, members, consultants, respective present and former attorneys, and any
8 other person acting or who has acted on Tommy L. White's behalf.

9
10 C. If a data request calls for the production of a document that Tommy L. White
11 claims is attorney-client privileged, or attorney work product as a ground for withholding, set
12 forth with respect to each such document facts of sufficient specificity to permit the Arizona
13 Corporation Commission ("Commission") to make a full determination as to whether the claim of
14 privilege or work product is valid, including each and every fact or basis upon which said
15 privilege or work product objection is claimed.

16 D. "Identify" as used herein with respect to a document shall be ready to require a
17 statement of all of the following information relative to such document: (1) title; (2) nature and
18 subject matter; (3) date; (4) author; (5) addressee; (6) file number or other identifying mark or
19 code; (7) location by room, building, address, city and state; (8) identification of custodian; and if
20 so, the type of privilege claimed and a statement of all the circumstances which will be relied
21 upon to support such claim of privilege.

22 E. The term Complainants shall mean all persons named individually or collectively
23 in the above-captioned matter who are requesting service from Qwest Corporation.

24 F. The term "Complainants' area" or "Section 11" shall mean Township 15 North,
25 Range 1 West, Section 11, the area at issue in this matter, unless otherwise specified.

26 G. The term "you" and "your" shall mean Tommy L. White.

H. Since the factual circumstances differ in each case, the answers to these data
requests are to be done individually by each Complainant(s) having filed a Complaint against
Qwest not collectively in one consolidated answer.

I. With each response to a data request set forth herein, state the name, employer and
job title of each person who has assisted in responding to the data request and that person's
position in or relationship to Tommy L. White.

J. These data requests shall be deemed continuing. Tommy L. White is obliged to
change, supplement, and correct all answers to these data requests to conform to available
information, including such information as first becomes available to Tommy L. White after the
answers and documents are filed and/or provided.

1 K. In answering these data requests, you are requested to furnish all information that
2 is available to you or may reasonably be ascertained by you, not just information that is known to
3 you by personal knowledge, including, but not limited to, information in the possession of any of
4 your agents, attorneys or other persons authorized to act upon your behalf.

5 DATA REQUESTS

6 1.1. Provide copies of all purchase agreements and/or contracts entered into by you for
7 the property and house located in Section 11.

8 1.2 Identify the date you recorded the deed to your property in Section 11 and where it
9 was recorded

10 1.3 Identify what, if any, broker, real estate agent, real estate agency, escrow company
11 or any other individual or entity was hired by you in conjunction with the purchase of the property,
12 when they were hired, and what information, disclosures and/or reports were supplied to you by
13 such broker and/or agent concerning the property, including but not limited to information
14 regarding the provision of telecommunication services.

15 1.4 Provide copies of all correspondence, including but not limited to, any disclosures
16 and/or reports regarding the property supplied to you by your real estate agent(s), escrow company,
17 and/or the seller of your property as identified in Data Request 1.3. This should include, but is not
18 limited to, any disclosure provided to you regarding the provision of utilities to your property.

19 1.5 Provide copies of any and all reports and/or correspondence provided to you by
20 Yavapai County and any other governmental agency or body in conjunction with the purchase of
21 your home and/or property in Section 11, including but not limited to telecommunication services.
22 If the report(s) are no longer in your possession, please identify the contents of the report(s) and any
23 information that will assist Qwest in locating such report(s).

24 1.6 Identify the type of home referred to in your reply to Qwest's Answer to the
25 consolidated complaints and when construction/building began and when construction/building
26 was completed.

1 1.7 Identify and produce any and all documents necessary to close the transaction on
2 your property including, but not limited to, all notices, communications, deeds and affidavits of
3 value issued by the escrow company/agent, title company, seller and/or broker/agent.

4 1.8 Identify and produce any title report issued in conjunction with the sale of the
5 property.

6 1.9 Provide a copy of all documents, including but not limited to written and
7 electronic correspondence, with any individual or entity at Qwest regarding Qwest or services
8 related to Qwest from the date you purchased or otherwise obtained the property at issue in your
9 complaint to present.

10 1.10 Identify and describe any conversations you have had with any and all employees
11 or representative of Qwest regarding the provision of Qwest services in Complainants' area.
12 Include the name of the individual at Qwest and name of individual Complainant(s) who
13 participated in the conversation, the date of conversation, the subject matter and resolution or
14 outcome of the conversation if applicable.

15 1.11 Identify the date, the name of the individual at Qwest with whom you spoke, the
16 promised date of installation, and any confirmation or order code provided to you by Qwest when
17 you ordered service and were given a date for installation and a "new phone number" as alleged
18 in your reply to Qwest's answer to the consolidated complaints.

19 1.12 Provide a list of any and all telecommunication carriers with whom you spoke
20 and/or requested service to Complainants' property including but not limited to the date of and
21 the carrier's response to your request for telecommunication services.

22 1.13 Explain in detail and with particularity whether you believe that the Commission
23 has the authority to require Qwest to provide telecommunication services outside of its
24 certificated service area. If so, please identify the statute, rule, tariff provision or other authority
25 that forms the basis of your opinion.

26

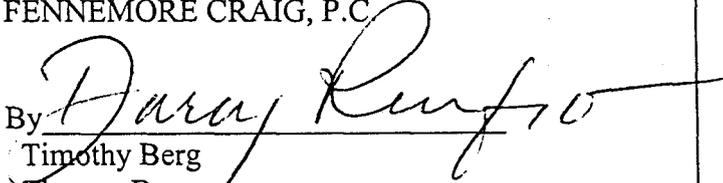
1 1.14 Explain in detail and with particularity whether you believe that other
2 telecommunication carriers in the state of Arizona should be similarly required to provide you
3 telecommunication services in Section 11. If the answer is no, please explain in detail and with
4 particularity the basis of your opinion.

5 1.15 Identify and list any and all witnesses that you intend to call at the hearing on this
6 matter and any and all exhibits you intend to use at the hearing whether or not they will actually
7 be used at the hearing.

8 1.16 Identify any and all persons with relevant knowledge of the facts in this matter
9 whether or not you intend to use them as witnesses at the hearing not already identified in your
10 Complaint.

11 DATED this 25th day of September 2002

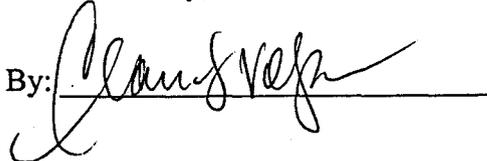
12 FENNEMORE CRAIG, P.C.

13 By 
14 Timothy Berg

15 Theresa Dwyer
16 Darcy Renfro
17 3003 North Central, Suite 2600
18 Phoenix, Arizona 85012
19 Attorneys for Qwest Corporation

18 A copy of the foregoing
19 was mailed this 25th day of
20 September, 2002, to:

21 Tommy L. White
22 PO Box 27951
23 Prescott Valley, AZ 86312

24 By: 

EXHIBIT

B

10-21-02

Kirk + Bobbi Limburg

PO Box 27083

Proscott Valley AZ 86312

928-848-0927

Docket # T-0105-1B-02-0535

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ACTION

To whom it may concern;
Thank you for the extension to
compile our records at your request.
I have been sick for 3 wks, and
greatly appreciate it.

I am not sure of any witness
list that I would be calling on our
behalf.

Due to medical reasons, I will
not be able to attend the hearing.

I still feel that Owest is
very discriminative to a section of
land that is not very big.

Thank you
Mrs. Bobbi Jo Limburg
MR. Kirk B. Limburg

In this contract the words, I ME, and MY refer to the Buyer and Co-Buyer signing this contract. The words YOU and YOUR refer to the Dealer.
 Subject to the terms and conditions on both pages of this agreement you agree to sell and I agree to purchase the following described unit.

BUYER(S) Kirk & Bobbie Limburg		PHONE (520) 899-9271		DATE 4-19-01	
ADDRESS PO Box 27683 Prescott Vly, AZ 86312		SALESPERSON Art Garcia			
DELIVERY ADDRESS 16220 N. Papuato Vly rd. Prescott Vly, AZ 86333		SALESPERSON'S LICENSE # 512470			
MAKE & MODEL Palm Harbor / Emp 464D9	YEAR 2001	BEDROOMS 4	FLOOR SIZE	HITCH SIZE 28x68	STOCK NUMBER 2429
SERIAL NUMBER PH1902429	<input checked="" type="checkbox"/> NEW <input type="checkbox"/> USED		COLOR Tan & White	PROPOSED DELIVERY DATE ASAP	KEY NUMBERS
LOCATION	R-VALUE	THICKNESS	TYPE OF INSULATION	BASE PRICE OF UNIT	53,850
CEILING	R-30	8.11	Blown Insulation	OPTIONAL EQUIPMENT	19,209
EXTERIOR	R-11	3.4	Raft Fiberglass		
FLOORS	R-22	5.9	Blown Insulation		
THIS INSULATION INFORMATION WAS FURNISHED BY THE MANUFACTURER AND IS DISCLOSED IN COMPLIANCE WITH THE FEDERAL TRADE COMMISSION RULE 16CRF, SECTION 460.16.				SALES TAX .65x6.3	2991.76
OPTIONAL EQUIPMENT, LABOR AND ACCESSORIES				NON-TAXABLE ITEMS	
Custom on Improvements				VARIOUS FEES AND INSURANCE	
Well & Pump					28,900
Lat Prep					
Skirting					
Plot Plans & Permits					
Impact Fee					
Set & Del. Inc.					
BALANCE CARRIED TO: OPTIONAL EQUIPMENT PRICE LINE				CASH PURCHASE PRICE	106,411.94
NOTE: SEE WARRANTY, EXCLUSIONS AND LIMITATIONS OF DAMAGES ON PAGE TWO				TRADE-IN ALLOWANCE	
DESCRIPTION OF TRADE-IN				LESS BAL. DUE ON ABOVE	
MAKE	MODEL	YEAR	SIZE	NET ALLOWANCE	
				CASH DOWN PAYMENT	2820
TITLE NO	SERIAL NO	BEDROOMS	COLOR	CASH AS AGREED	
				CASH AS AGREED	2070
AMOUNT OWING TO WHOM				LESS TOTAL CREDITS	4890.00
ANY DEBT I OWE ON THE TRADE-IN IS TO BE PAID BY (check one) <input type="checkbox"/> YOU <input type="checkbox"/> ME				SUB-TOTAL	101,521.94
				SALES TAX (If Not Included Above)	9216.89
				UNPAID BALANCE OF CASH SALES PRICE	110,738.83

Includes PALM HARBOR'S Exclusive One/Five Factory New Home Warranty with 1 Year Limited Warranty and Extended Protection Plan to Five Years.

Delivered, Set-Up and Tied Down to State Code.
 Customer Responsible for obtaining all permits unless specified in writing.

One Set of Small Steps.
 Purchase of Home does not include Furniture, Light Bulbs, or Decor items.
 Skirting and/or Ceiling Fans are 'Optional' and must be listed separately if included.

NOTE: See the 'Arbitration Provision and Agreement' which is part of this transaction.

Customer responsible for closing costs, points, fees, and insurance.
 Any site improvement allowances included in the purchase price are ESTIMATES ONLY. Any increase from that estimate will be the responsibility of the homeowner.

DEPOSIT ACKNOWLEDGMENT:
 We acknowledge Receipt of Earnest Money Deposited in the Amount of \$2820.
 These funds were tendered as Cash Check.

ANTICIPATED PAYMENT:
 Payable in 360 Consecutive Monthly Installments of \$578 based on 5% down and 8.75% APR.

THIS AGREEMENT CONTAINS THE ENTIRE UNDERSTANDING BETWEEN YOU AND ME AND NO OTHER REPRESENTATION OR INDUCEMENT, VERBAL OR WRITTEN, HAS BEEN MADE WHICH IS NOT CONTAINED IN THIS CONTRACT.
 You and I certify that the additional terms and conditions printed on page two of this contract are agreed to as part of this agreement, the same as if printed above the signatures. I am purchasing the above described trailer, manufactured home or vehicle; the optional equipment and accessories and the insurance as described has been voluntary; that my trade-in is free from all claims whatsoever, except as noted.
 I, OR WE, ACKNOWLEDGE RECEIPT OF A COPY OF THIS ORDER AND THAT I, OR WE, HAVE READ AND UNDERSTAND PAGE TWO OF THIS AGREEMENT.

Palm Harbor Homes Inc. dba Palm Harbor Homes DEALER

Not Valid Unless Signed and Accepted by the General Manager of the Sales Center Identified Above

By A. J. Violett Approved

BUYER SIGNATURE: MR Kirk & Bobbie Limburg

Social Security Number: 482-80-6664
 Birthdate: 9-27-59 Driver's License # & State: 427-20-6664 A

CO-BUYER SIGNATURE: Bobbie Limburg
 Social Security Number: 527-33-3259
 Birthdate: 4-12-39 Driver's License # & State: 527-33-3259

Palm Harbor Homes Lic# 7061
2665 S. Hwy. 89
Chino Valley, AZ 86323
(520) 636-1000 Fax: (520) 636-2420

Private Property Customer Responsibilities

I understand and accept the following statements as they are written and understand they are my financial responsibility.

1. It is my responsibility to have my site fully accessible for my home to be safely delivered to the location that I have chosen.
 - a) If trees need to be cut, it is my responsibility.
 - b) If I am told that my drive way access to my lot or property is too narrow, it is my responsibility to get it widened.
 - c) Any other miscellaneous obstacles (buildings, vehicles, debris, etc.) that may need to be moved, is my responsibility.
2. It is my responsibility to pay for assistance if needed (farm tractor, bull dozer, log skidder, wrecker, etc.) to locate my home in its prescribed location.
3. It is my responsibility to install locator stakes at each of the four corners where my house is to be located.
4. It is my responsibility to have my property mowed of any tall weeds, grass, or brush before installation of footers or delivery of the home.
5. It is my responsibility to see that my property is not plowed or soil is severely disturbed prior to the delivery of my home which could hinder the delivery and may increase the cost.
6. It is my responsibility to acquire all permits for transportation and placement of my home.
7. It is my responsibility to have all underground utilities located and marked by a licensed locating service prior to any sitework being done at the site. Underground utilities include, but are not limited to, electric lines, sewer lines, cable lines, water lines, phone lines, and the like.

MR. Kirk Blimburg
Customer Signature
4-19-01
Date

x Bobbi AdSemburg
Customer Signature
4-19-01
Date

Witness Signature

Date



VACANT LAND/LOT SELLER'S PROPERTY DISCLOSURE STATEMENT (SPDS) (TO BE COMPLETED BY SELLER)



THE PRINTED PORTION OF THIS FORM HAS BEEN APPROVED BY THE ARIZONA ASSOCIATION OF REALTORS*. THIS IS NOT INTENDED TO BE A BINDING CONTRACT.

MESSAGE TO THE SELLER:

Sellers are obligated by law to disclose all known material facts about the property to the Buyer. The SPDS is designed to assist you in making this disclosure. 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 in deciding whether and on what terms to buy the property. If you don't know the answer to a question, mark "unknown."

MESSAGE TO THE BUYER:

The information contained in the SPDS is a disclosure of the Seller's actual knowledge of the property and not a representation of every possible defect nor a warranty of any kind. You should confirm any information you consider material to your purchase and consider obtaining professional inspections, which may reveal information about the property that even the Seller did not know.

THE FOLLOWING ARE REPRESENTATIONS OF THE SELLER(S) AND ARE NOT THE REPRESENTATIONS OF THE AGENT(S), IF ANY. THIS INFORMATION IS A DISCLOSURE AND IS NOT INTENDED TO BE PART OF ANY CONTRACT BETWEEN THE BUYER AND SELLER.

I. GENERAL PROPERTY INFORMATION

1. THIS DISCLOSURE CONCERNS THE FOLLOWING REAL PROPERTY: Page 1's 177129 Lot 29

2. _____ COUNTY: YAV.

3. TAX PARCEL NUMBER: 115-01 1987A 103-01-172W ZONING: RCUZA

4. LEGAL OWNER OF PROPERTY: JES DATE PURCHASED: _____

YES NO UNKN

5. Is the property within a subdivision approved by the Arizona Department of Real Estate?

6. If yes, do you possess a copy of an Arizona Subdivision Public Report?

7. Is there a homeowner's/property owner's association governing this property?

8. Are there association dues? If yes, how much? _____

9. Paid: monthly quarterly semi-annually annually

10. Is the association professionally managed? If yes, by whom? _____

11. Name of President of Board of Directors _____

12. Address _____ Telephone _____

13. Is the property subject to Covenants, Conditions and Restrictions or any other deed restrictions?

14. Are there any pending or anticipated legal disputes regarding the property? Explain _____

15. _____

16. Are there any pending or anticipated eminent domain or condemnation proceedings that could affect the property?

17. Are there any liens against the property? Explain _____

18. Are there any current or proposed assessments, such as paving, sewer, water, or electric, regarding this property? Explain _____

19. _____

20. Are there any development, impact, or similar fees regarding the property? Explain _____

21. Have you agreed to convey any right, title, or interest in the property, e.g., right of first refusal, option? Explain _____

22. _____

23. Are there any zoning problems/violations/variances or conditional use permits affecting this property? Explain _____

24. _____

25. Are there conditions that make the property subject to any hillside, erosion control, or native species ordinances?

26. Is a survey, certified by a registered land surveyor, available?

27. Are there any lot line disputes, encroachments, or adverse possession issues concerning this property? Explain _____

28. _____

29. Are there any public or private use paths or roadways, formal or informal, on this property? Explain _____

30. _____

31. Is there legal (recorded) access to the property?

32. If yes, has the legal access been surveyed and certified by a registered land surveyor?

33. Is there physical access to the property?

34. Are the physical access and the legal (recorded) access the same?

35. Is this property bordering on a private road?

36. If yes, is there a road maintenance agreement?

37. Are there fences or walls on the property? If yes, are they solely owned or jointly owned? Explain _____

38. Does the property include any leased land? State Federal Privately owned How many acres _____

39. Is the property rented to a tenant? If rented, what is the expiration date of the rental agreement? _____
40. If rented, are security deposits or prepaid rents being held? By whom and how much? _____
41. _____

II. USE

- YES NO UNKN
42. _____ What is the current use of the property? Vacant
43. _____ What prior uses of the property are you aware of? _____
44. Does the current use conform with current zoning?
45. Are there any improvements on the property?
46. _____ Explain _____
47. Are there crops being grown on the property? If yes, is the property owner operated? tenant operated?
48. Do you currently have livestock on the property? If yes, is the property owner operated? tenant operated?

III. WATER

- YES NO UNKN
49. Is there a domestic water source to the property? Public Water
50. _____ If yes, is the water source public, private; water company name _____
51. Is the property in a CAP District? _____
52. Is the property in any other irrigation district? _____
53. Is there a well or wells on the property? If so, is the well owned; shared
54. _____ How many parcels share the well? _____ What is your share? _____
55. Is there a well agreement?
56. Is the well agreement recorded?
57. Is the well a Co-op? If yes, administered by _____
58. _____ Well location(s) _____
59. _____ Department of Water Resources registration # _____
60. Is the well an exempt well?
61. Well yield (GPM) _____ Pump capacity (GPM) _____
62. Are there any problems with the well? Explain _____
63. _____
64. Is the well operating currently? Date last serviced _____
65. If not operating currently, is the well capped?
66. Do you have grandfathered water rights? If yes, Type I Type II Irrigation
67. _____ Grandfathered Water Rights Certificate # _____
68. _____ What is the allotment? _____ acre feet _____
69. _____ Irrigated acres _____
70. Are there surface water rights? If yes, Certificate # _____

IV. ENVIRONMENTAL INFORMATION

- YES NO UNKN
71. Are there now or have there ever been any hazards or hazardous materials *on the property*, such as asbestos, dumps, pesticides, radon, oil, or chemicals? Explain _____
72. _____
73. Are there now or have there ever been any underground fuel storage tanks *on the property*?
74. _____ Explain _____
75. Are there now or have there ever been any hazards or hazardous materials *in close proximity to the property*, such as asbestos, dumps, pesticides, radon, oil, chemicals, or underground fuel storage tanks? Explain _____
76. _____
77. _____
78. Is the property within an area currently of environmental concern, e.g., Superfund, WQARF, or CERCLA sites, etc.?
79. _____ Explain _____
80. Have there been any environmental assessments or studies done on the property?
81. _____ If yes, Phase I Phase II Phase III Other _____
82. Is the property subject to any current or proposed noises, such as airports, freeways, or rail lines?
83. _____ Explain _____
84. _____

- 85. Is the property subject to any area odors, nuisances, or pollutants?
86. Explain _____
- 87. Are there any soil, settlement, or expansion problems?
88. Explain _____
- 89. Is any portion of the property situated on or near a sanitary landfill?
- 90. Is any portion of the property in a flood plain/way? Explain _____
- 91. Has the property ever been flooded? Explain _____

V. OTHER CONDITIONS AND FACTORS

- | YES | NO | UNKN | |
|--------------------------|-------------------------------------|-------------------------------------|--|
| <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | 92. Are any utility services at the property line? Explain _____ |
| <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | 93. Has there been a percolation test performed on the property? Explain _____ |
| <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | 94. Are there any archeological features or artifacts on the property? Explain _____ |
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | 95. Has an archeological study been done? |
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | 96. Do the mineral rights transfer with the title? |
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | 97. If no, who owns the mineral rights? _____ |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 98. Are there any mine shafts, tunnels or abandoned wells on the property?
99. If so, where _____ |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 101. Is the property located within or impacted by any federal, state or other natural conservation area, e.g., wetlands, endangered species, etc.? Explain _____ |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 103. Is there any other information concerning the property which might affect the decision of a buyer to buy, or affect the value of the property, or affect the property's use by a buyer? Explain _____ |

Additional Explanations

- 107. _____
- 108. _____
- 109. _____
- 110. _____
- 111. _____
- 112. _____
- 113. _____
- 114. _____
- 115. _____
- 116. _____
- 117. _____
- 118. _____

119. Additional explanation is attached on a separate page.

120. **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 by Seller to Buyer prior to close of escrow.

122. *Frank T. Spate* _____ 2-23-01
 SELLER MO/DAYR

123. *Joe E. Spate* _____ 2-23-01
 SELLER MO/DAYR

124. **BUYER'S ACKNOWLEDGEMENT OF RECEIPT** Buyer acknowledges that the information contained herein is based only on the Seller's knowledge and is not a warranty of any kind. Buyer acknowledges Buyer's obligation to investigate all material facts regarding the property to Buyer's satisfaction. Buyer is encouraged to obtain property inspections by an independent third party. By signing below, Buyer hereby acknowledges receipt of a copy of this Disclosure. Buyer's signature does not constitute approval of this Disclosure.

128. _____
 BUYER MO/DAYR

129. _____
 BUYER MO/DAYR



VACANT LAND PURCHASE CONTRACT AND RECEIPT FOR DEPOSIT



If subdivided land (36 acres or less) or unsubdivided land (36 acres to 160 acres) is being sold by a subdivider, i.e., a person who owns 6 or more lots, a public report will generally be required and an Addendum regarding subdivided or unsubdivided land must be executed by the Seller and Buyer.

THE PRINTED PORTION OF THIS CONTRACT HAS BEEN APPROVED BY THE ARIZONA ASSOCIATION OF REALTORS. THIS IS INTENDED TO BE A BINDING CONTRACT. NO REPRESENTATION IS MADE AS TO THE LEGAL VALIDITY OR ADEQUACY OF ANY PROVISION OR THE TAX CONSEQUENCES THEREOF. IF YOU DESIRE LEGAL, TAX OR OTHER PROFESSIONAL ADVICE, CONSULT YOUR ATTORNEY, TAX ADVISOR OR PROFESSIONAL CONSULTANT.

RECEIPT

1. Received From: Robbi Jo & Kirk Limburg & H&W ("Buyer")
2. Agency Confirmation: Broker named on Line 13 is the agent of (check one):
3. the Buyer exclusively; or the Seller exclusively; or both the Buyer and Seller.
4. Earnest Money: Earnest money shall be held by Broker until offer is accepted. Upon acceptance, Broker is authorized to deposit the earnest money with any Escrow Company to which the check is payable. If the check is payable to Broker, Broker may deposit the check in Broker's trust account or endorse the check without recourse and deposit it with a duly licensed Escrow Company. Buyer agrees that, if Buyer breaches this Contract, any earnest money is subject to forfeiture. If any check for earnest money is dishonored for any reason, at Seller's option, Seller shall be immediately released from all obligations under this Contract. Unless otherwise provided herein, all earnest money is considered to be part of the purchase price for the Property described below.
11. a. Amount of Deposit \$ 500 b. Form of Earnest Money: Personal Check c. Deposited With: Broker's Trust Account Escrow Company: _____
12. Received By: Michael Sabu Sr 3995 (PRINT SALESPERSON'S NAME AND AGENT CODE) [Signature] (SALESPERSON'S SIGNATURE) 5/11/01 (M/D/YR)
13. Exit Realty - Fair West (PRINT NAME OF FIRM) 5320 (OFFICE CODE) 772-9406 (TELEPHONE)

OFFER

14. Property Description and Offer: Buyer agrees to purchase the real property and all fixtures and improvements thereon and appurtenances incident thereto, plus personal property described below (collectively the "Property").
16. Property Address: To be provided Zoning: RCU2A
17. City: Phoenix Valley County: Yavapai AZ, Zip Code: 86314
18. Assessor's# 103-01-172W Legal description: _____
19. Paradise Valley Lot 29 Containing 2 Acres.
22. Incidental Improvements: Buyer is purchasing the Property as vacant land. Any improvements on the Property are merely incidental and are being transferred in this transaction "AS IS."
24. Personal property included herein shall be transferred in AS-IS CONDITION, FREE AND CLEAR OF ANY LIENS OR ENCUMBRANCES, and SELLER MAKES NO WARRANTY of any kind, express or implied (including, without limitation, ANY WARRANTY OF MERCHANTABILITY).
26. Additional Existing Personal Property Included: 0
28. Fixtures and Leased Equipment NOT Included: _____
29. Addenda Incorporated: AAR AAR Addendum to Vacant Land Regarding Subdivided or Unsubdivided Land Other _____
31. \$ 28,900 Full Purchase Price, paid as outlined below. Buyer acknowledges that failure to pay the required funds by the scheduled Close of Escrow other than as described in any of the following financing sections, shall be construed as a material breach, and all earnest money shall be subject to forfeiture.
34. \$ 500 Earnest money as indicated above.
35. \$ 28,400 due at close of escrow.
36. \$ _____
37. _____
38. _____
39. _____
40. _____
41. _____
42. _____
43. _____
44. _____
45. _____
46. _____
47. _____
48. _____
49. _____

50. Closing Date: Seller and Buyer will comply with all terms and conditions of this Contract and close escrow on 6/1/01. Any earlier closing date requires mutual agreement of Seller and Buyer. Seller and Buyer hereby agree that the Close of Escrow shall be defined as recordation of the documents. The parties to this Contract expressly agree that the failure of any party to comply with the terms and conditions of this Contract by the scheduled Close of Escrow will constitute a material breach of this Contract, rendering the Contract subject to cancellation as provided in Lines 327-330.
54. Possession: Possession shall be delivered to Buyer at Close of Escrow, or Seller shall provide Buyer keys and/or means to operate all locks and access to all common area facilities.
56. IF THIS IS AN ALL CASH SALE, GO TO LINE 158.

FINANCING OPTIONS

NEW CONVENTIONAL FIRST LOAN

57. This sale is contingent upon Buyer qualifying for a new first loan.
58. Loan Amount: \$ _____
59. Term Of Loan: Amortizing over _____ years If balloon payment, principal balance due on or before _____
60. Interest only payments, with principal balance due on or before _____
61. Type Of Loan Fixed Rate Adjustable Rate Other _____
62. Interest Rate: Interest rate shall not exceed _____ % as an annual rate for a fixed rate loan or an initial rate for an adjustable rate loan.
63. Buyer agrees to establish the interest rate and "points" by separate written agreement with the lender at the time of the loan application. If Buyer does not "lock" the interest rate and points at the time of application, and thereafter is unable to close escrow because the loan terms described herein no longer are available, earnest money shall be subject to forfeiture.
66. Conditional Loan Approval: Within ten (10) calendar days or _____ calendar days after acceptance of this Contract, Buyer must place in escrow a written conditional loan approval from the lender based on a completed loan application and preliminary credit report. Buyer agrees to supply all documentation required by the lender. If such conditional loan approval is not received within the time specified, then Seller may, at Seller's option, give Buyer a five (5) calendar day written notice to perform. If Buyer does not deliver to Escrow Company written conditional loan approval within said five (5) calendar days, then this Contract shall be deemed cancelled and all earnest money shall be released to Buyer without further written consent of the parties and without regard to cancellation provisions provided for elsewhere in this Contract. Buyer instructs lender to send copies of such approval to Broker(s) and Seller. Buyer authorizes the lender to provide loan status updates to Broker(s).
74. Appraisal: This sale is contingent upon an appraisal of the Property by an appraiser acceptable to the lender for at least the sales price or _____. The party responsible for paying for the appraisal shall do so within five (5) calendar days of _____.
76. Contract acceptance or _____
77. Loan Costs: The following may be paid by either party:
78. Discount points paid by: _____ Discount points shall not exceed: _____ total points. (Does not include origination fee)
79. Buyer Seller _____
- | | Buyer | Seller | | Buyer | Seller |
|--|--------------------------|--------------------------|---|--------------------------|--------------------------|
| 80. A.L.T.A. Lender Title Insurance Policy | <input type="checkbox"/> | <input type="checkbox"/> | Loan Origination Fee (Not to exceed ____% of loan amount) | <input type="checkbox"/> | <input type="checkbox"/> |
| 81. Appraisal Fee | <input type="checkbox"/> | <input type="checkbox"/> |Paid by Buyer and | <input type="checkbox"/> |Paid by Seller and |
| | | | reimbursed by Seller | | reimbursed by Buyer |
| | | | at closing | | at closing |
84. Any additional loan costs not otherwise agreed upon by Seller shall be paid by Buyer.

ASSUMPTION OF EXISTING FIRST LOAN

85. Buyer agrees to assume the existing loan(s) and pay all payments subsequent to Close of Escrow.
86. Assumption: This sale is is not contingent upon the Buyer qualifying for assumption of the existing first loan.
87. Release of Seller's Liability: This sale is is not contingent upon Seller being released from liability for loan being assumed. If Seller is not released from liability, Seller acknowledges that there may be continuing liability in the event of a Buyer default.
89. Type Of Loan: Conventional Other _____
90. Current Interest Rate: _____ Current Payment Amount: _____
91. Fixed Adjustable _____ % \$ _____ PIT PI Other _____
92. Loan Balance: \$ _____ If balloon payment, principal balance due on or before _____
93. The balance of any encumbrance being assumed is approximate. Any difference shall be reflected in the:
94. Cash Down Payment Seller Carryback Other: _____
95. Impounds: Buyer shall reimburse Seller for any impounds transferred to Buyer or _____
96. Loan Transfer and Assumption Fees: To be paid by Buyer Seller _____ All other lender charges
97. shall be paid by Buyer. If more than one loan is being assumed, go to Additional Terms and Conditions beginning on Line 348.

98. **Credit Evaluation:** This sale is is not contingent upon Seller's approval of Buyer's credit. If applicable, Buyer shall provide to Seller a current credit report from a credit reporting agency and a completed loan application on the current FNMA form within five (5) calendar days after acceptance of this Contract. Reasonable disapproval of Buyer's credit requires written notice from Seller to Escrow Company within five (5) calendar days after receipt by Seller of current credit report and completed loan application. Approval will not be unreasonably withheld. Escrow Company is directed to record a Request for Notice of Sale on behalf of the Seller and at Seller's expense.
103. **Lender Requirements:** Buyer and Seller agree to cooperate fully with lender and supply the necessary documentation to complete the assumption.

SELLER CARRYBACK FINANCING

104. A portion of the purchase price shall be financed by the Seller and paid by the Buyer as follows, with the first payment due _____ MO/DA/YR
105. **Loan Amount:** \$ _____ as adjusted, if necessary pursuant to Lines 92-94.
106. **Priority Of Loan:** First Second _____
107. **Type Of Financing Instrument.** Buyer shall execute a promissory note and deed of trust in favor of Seller or _____
108. _____ and record the security instrument against the Property.
109. **Interest Rate:** The unpaid balance shall bear interest at the rate of _____ % per year, beginning at the Close of Escrow.
110. **Payment Intervals:** Monthly Quarterly Semi-annually Annually Other _____
111. **Account Servicing:** Payments on this loan and all prior encumbrances shall be made concurrently through a single servicing account to be maintained by a duly licensed account servicing agent. Payments on this loan shall be made at least ten (10) calendar days prior to the due date of any periodic payment due on any prior encumbrance. The parties hereby instruct servicing agent not to accept any payment without all other concurrent payments.
115. **Setup and servicing fees** shall be paid by Buyer Seller _____
116. Account to be handled by _____
117. **Payment Amount:** \$ _____ or more, including the above stated interest.
118. If an adjustment in the loan amount is necessary pursuant to Line 105, parties agree to adjust the: Payment amount Term
119. **Loan Term:** Amortizing over _____ years If balloon payment, principal balance due on or before _____
120. Interest-only payments, with principal balance due on or before _____
121. **Late Payments:** If late, Buyer shall pay late fees: Yes No If "Yes", payments which are at least _____ calendar days past due
122. shall be subject to a late fee of _____ If any balloon payment is late, then the late fee per day will be \$ _____
123. **Default Rate:** If payment(s) are at least thirty (30) calendar days past due, then the principal balance shall bear interest at a default rate of five percent (5%) or _____ % over the interest rate of the carryback as stated herein. Said default rate shall begin on the 31st day following the due date of the payment(s) until payment(s) are brought current. Payments are first applied to accrued interest and penalties, then to principal.
126. **Credit Evaluation:** This sale is is not contingent upon Seller's approval of Buyer's credit. If applicable, Buyer shall provide to Seller a current credit report from a credit reporting agency and a completed loan application on the current FNMA form within five (5) calendar days after acceptance of this Contract. Reasonable disapproval of Buyer's credit requires written notice from Seller to Escrow Company within five (5) calendar days after receipt by Seller of current credit report and completed loan application. Approval will not be unreasonably withheld.
130. **Due On Sale:** Loan created is is not due on sale of the Property. If loan created herein is due on sale of the Property, and in the event that the Property is sold, transferred, or conveyed in any manner, the promissory note and deed of trust shall provide that the promissory note and deed of trust become immediately due and payable.
133. **Subordination:** The Seller carryback financing is is not to be subordinated to a construction loan obtained from a recognized lending institution. If Seller agrees to subordination, such subordination shall only be required if the Seller Carryback financing is not in default and if the Seller approves the terms and conditions of the construction loan to be recorded as a senior loan. IF SELLER SUBORDINATES THE SELLER CARRYBACK FINANCING TO A SENIOR LOAN, THE SELLER ACKNOWLEDGES THAT IN ORDER TO PROTECT THE SELLER CARRYBACK FINANCING, THE SELLER MAY HAVE TO MAKE PAYMENTS ON THE SENIOR LOAN IF THE SENIOR LOAN IS IN DEFAULT.
138. **Buyer's Liability:** The Buyer acknowledges that, unless otherwise agreed, Buyer shall have personal liability in case of default on any Seller Carryback financing. Buyer shall furnish to Seller, at Buyer's expense, a Standard Loan Policy in the full amount of any loan carried back by Seller and secured by the real property described in Lines 16-21 of this Contract. Such Standard Loan Policy shall show that Seller's lien has the priority agreed to by the parties.
142. **Taxes:** In the absence of a tax impound account, Buyer shall provide and pay for a tax service contract over the life of this loan which will provide a delinquency notice to Seller, or any successor in interest to the Seller, of any unpaid taxes.

GENERAL LOAN PROVISIONS

144. **Release Of Broker:** Any loan described in this Contract will be independently investigated and evaluated by Seller and/or Buyer, who hereby acknowledge that any decision to enter into any loan arrangements with any person or entity will be based solely upon such independent investigation and evaluation. Buyer and Seller further hold harmless and release Broker and acknowledge that no Broker is in any way responsible for Buyer's or Seller's decisions concerning the desirability or acceptability of any loan or any terms thereof.
148. **Changes:** Buyer shall not make any changes in the loan program or financing terms described in this Contract without the prior written consent of Seller unless such changes do not adversely affect Buyer's ability to qualify for the loan, increase Seller's closing costs or delay the closing date.
150. **Return Of Earnest Money:** Unless otherwise provided herein, Buyer is entitled to a return of the earnest money, if, after a diligent and good faith effort, Buyer does not qualify for a loan described in this Contract. Buyer is aware that failure to have the funds necessary to obtain the loan and close this transaction shall be considered a breach of contract and not a failure to qualify for the loan. Buyer acknowledges that prepaid items paid separately from earnest money are not refundable.
154. **RESPA:** The Real Estate Settlement Procedures Act (RESPA) requires that no seller of property that will be purchased with the assistance of a

215. **Inspection Period (Physical, Environmental and Other Inspections):** Buyer is advised to obtain inspections, including tests, survey, and other studies, at
 216. Buyer's expense to determine the value and condition of the Property. Seller warrants that, at the earlier of possession or Close of Escrow, the Property shall
 217. be in substantially the same condition as the date of acceptance of this Contract. If Buyer does not conduct or obtain such inspections, Buyer specifically
 218. releases Broker(s) of any liability for any defects in the Property which could have been discovered by such inspections. Buyer acknowledges that more
 219. than one inspection may be required to perform the selected inspections. The inspections may include physical, environmental, and other types of inspec-
 220. tions including, but not limited to, soil, square footage/acreage, designated flood hazard areas, wells, possible environmental hazards (including, but not limit-
 221. ed to, radon gas, fuel or chemical storage tanks, hazardous waste, petrochemicals, pesticides, industrial polymers, lead, sulfuric acid or high fertilizer con-
 222. centrates, and other substances, materials or products which are not natural to the Property or which are subject to regulation under environmental or public
 223. health and welfare laws and ordinances, location in a federal or state Superfund area), geologic conditions, location of property lines and water/utility use
 224. restrictions and fees for services (such as garbage or fire protection.) Seller shall make the Property available for all inspections. Seller understands that this
 225. inspection requires that any utilities be on, and the Seller is responsible for providing same at his expense. Buyer shall keep the Property free and clear of
 226. liens, shall indemnify and hold Seller harmless from all liability, claims, demands, damages, and costs and shall repair all damages arising from the inspec-
 227. tions. Buyer shall provide Seller and Broker(s) upon receipt, at no cost, copies of all reports concerning the Property obtained by Buyer. Buyer is also
 228. advised to make further inquiries and to consult government agencies, lenders, insurance agents, architects, and other appropriate persons and entities con-
 229. cerning the use of the Property and the surrounding areas under applicable building, zoning, fire, health, and safety codes, and for evaluation of potential
 230. hazards. Buyer shall conduct the inspection(s) and provide written notice to Seller of any items reasonably disapproved, excluding
 231. cosmetic items, within ten (10) calendar days or 15 calendar days after acceptance of the Contract. Any repairs agreed to shall be com-
 232. pleted prior to Close of Escrow. REFER TO LINES 268-276 FOR IMPORTANT TERMS.

233. **Flood Hazard:** If the Property is situated in an area identified as having any special flood hazards by any governmental entity, including but not limited to,
 234. being designated as a special flood hazard area by the Federal Emergency Management Agency (FEMA), the Buyer's lender may require the purchase of
 235. flood hazard insurance at the Close of Escrow or some future date. Special flood hazards may affect the ability to encumber or improve the Property now
 236. or at some future date. Flood hazard designation of the Property or cost of flood hazard insurance shall be determined by Buyer during the
 237. Inspection Period.

238. **SQUARE FOOTAGE/ACREAGE: BUYER IS AWARE THAT ANY REFERENCE TO THE SQUARE FOOTAGE/ACREAGE OF THE PROPERTY**
 239. **IS APPROXIMATE. IF SQUARE FOOTAGE/ACREAGE IS A MATERIAL MATTER TO THE BUYER, IT MUST BE VERIFIED BY BUYER DUR-**
 240. **ING THE INSPECTION PERIOD.**

241. **Percolation Test:** Percolation Test is or is not required, and if required, to be completed within ten (10) calendar days or calendar days.

242. The cost of the percolation test to be paid by Buyer Seller or . This sale is is not contingent

243. upon the Property accepting a standard septic system as defined by the applicable government authority. Buyer is entitled to waive any such
 244. contingency by notifying the Escrow Company in writing within five (5) calendar days after receipt of the report of the percolation test. REFER TO LINES
 245. 268-276 FOR IMPORTANT TERMS.

246. **Environmental Due Diligence:** Seller has not caused or permitted the generation, storage, treatment, or release or disposal of any hazardous
 247. waste or regulated substances at the Property except as disclosed herein. Buyer will have undertaken all appropriate inquiry into the previous own-
 248. ership and uses of the Property consistent with commercial or customary practice.

249. **Boundaries and Access:** Prior to the Close of Escrow, the Buyer shall, to his satisfaction, investigate boundaries, physical and legal access and, by
 250. closing, accepts the Property based on his independent investigation. Seller shall disclose to Buyer any road maintenance agreements currently in
 251. effect. Buyer shall have five (5) calendar days after receipt of road maintenance agreement to provide written notice to Seller of any reasonable dis-
 252. approval. REFER TO LINES 268-276 FOR IMPORTANT TERMS.

253. **Staking and Flagging:** Staking and flagging required not required to be paid by Seller Buyer

254. Corners of the Property shall be staked and flagged by a licensed surveyor within _____ calendar days after acceptance of this Contract.

255. Buyer shall have five (5) calendar days after receipt of written report of staking and flagging to provide written notice of reasonable disapproval to the
 256. Seller. REFER TO LINES 268-276 FOR IMPORTANT TERMS

OR

257. **Surveys:** Survey required not required to be paid by Seller Buyer within 15 calendar days

258. after acceptance of this Contract. Such survey shall be: certified by a licensed surveyor acceptable to Buyer and the Title Company in
 259. sufficient detail for an American Land Title Association ("ALTA") Owner's Policy of
 260. Title Insurance with boundary, encroachment or survey exceptions and showing all
 261. improvements, utility lines and easements on the Property or within five (5) feet thereof,
 262. or (describe) _____

263. _____
 264. _____
 265. _____

266. Buyer shall have five (5) calendar days after receipt of written report of survey to provide written notice of reasonable disapproval to the Seller.
 267. REFER TO LINES 268-276 FOR IMPORTANT TERMS.

268. **Buyer Reasonable Disapproval:** If Buyer reasonably disapproves of items as provided herein, Buyer shall deliver to Seller written notice of the items rea-
 269. sonably disapproved, and state in the written notice that Buyer elects to either: (a) immediately cancel this Contract without further written consent of the par-
 270. ties, in which event all earnest money will be released to Buyer, or (b) provide the Seller an opportunity to correct the items reasonably disapproved. If Buyer

271. elects option (b), Seller shall respond in writing within five (5) calendar days or _____ calendar days after delivery to Seller of Buyer's notice of items rea-

272. sonably disapproved. Seller acknowledges that items warranted by the Seller must be maintained or repaired as provided in Lines 216-217. Any agreed
 273. upon repairs or other actions to correct items reasonably disapproved shall be completed by Seller prior to Close of Escrow. If Seller is unwilling or unable to
 274. correct any of the items reasonably disapproved by Buyer, including making any repairs in a workmanlike manner, Buyer may by written notice to Seller can-
 275. cel this Contract within five (5) calendar days after receipt of Seller's response, or after expiration of the time for Seller's response, whichever occurs first,
 276. without further written consent of the parties, in which case all earnest money will be released to Buyer.

277. **BUYER'S FAILURE TO GIVE WRITTEN NOTICE OF REASONABLE DISAPPROVAL OF ITEMS OR CANCELLATION OF THIS CONTRACT WITHIN**
 278. **THE SPECIFIED TIME PERIODS SHALL CONCLUSIVELY BE DEEMED BUYER'S ELECTION TO PROCEED WITH THE TRANSACTION WITHOUT**
 279. **CORRECTION OF ANY REASONABLY DISAPPROVED ITEMS WHICH SELLER HAS NOT AGREED TO CORRECT.**

280. **Seller's Obligations Regarding Wells:** If any well is located on the Property, Seller shall deliver to Escrow Company, during Inspection Period, a
 281. copy of the Arizona Department of Water Resources (ADWR) "Registration of Existing Wells." Escrow Company is hereby instructed to send to the

282. ADWR a "Change of Well Information" (ARS §45-593). Seller does not warrant the gallons per minute as reflected on the ADWR certification of
 283. registration. Buyer may verify gallons per minute during the Inspection Period through a certified flow test.

284. **Transfer of Water:** The following water rights and wells are associated with the Property: None

285.
 286. At Close of Escrow Seller shall assign, transfer and convey to the Buyer all of the water rights associated with the Property. Seller warrants that
 287. none of the water rights held by the Seller have been lost by passage of time, failure to comply with any laws or regulations or by any sale or
 288. transfer thereof. Seller agrees to execute, acknowledge and deliver to Buyer such additional documents and instruments regarding the water
 289. rights including, but not limited to an assignment of or deed to any water rights acquired, grants or conveyances of water rights, use rights, well
 290. maintenance agreements or any other documents necessary for Buyer to acquire the rights to use any water and any wells on the Property.
 291. Buyer and Seller acknowledge that the Broker has made no representation or warranty, express or implied, concerning the rights to, adequacy or
 292. quality of any water supply or water rights with respect to the Property. IF WATER RIGHTS IS A MATERIAL MATTER TO THE BUYER, IT MUST
 293. BE VERIFIED BY BUYER DURING THE INSPECTION PERIOD.

294. **Final Walkthrough:** The Seller grants Buyer and any representative of Buyer reasonable access to conduct a final walkthrough of the Property for
 295. the purpose of satisfying Buyer that any repairs agreed to by the Seller have been completed and, further, that the Property is in substantially the
 296. same condition as on the date of acceptance of the Contract. Seller shall make the Property available for the final walkthrough. If Buyer does not
 297. conduct such walkthrough, Buyer specifically releases Broker(s) of any liability.

298. **Buyer Warranties:** Buyer warrants that he has disclosed to Seller any information which may materially and adversely affect the Buyer's ability to
 299. close escrow or complete the obligations of this Contract. At the earlier of possession of the Property or Close of Escrow, (a) Buyer warrants to
 300. Seller that Buyer has conducted all desired independent investigations and accepts the Property and (b) Buyer acknowledges that there will be no
 301. Seller warranty of any kind, except as stated in Lines 302-307.

302. **Warranties that Survive Closing:** Prior to the Close of Escrow, Seller warrants that payment in full will have been made for all labor, professional
 303. services, materials, machinery, fixtures or tools furnished within the 120 calendar days immediately preceding the Close of Escrow in connection
 304. with the construction, alteration or repair of any structure on or improvement to the Property. Seller warrants that the information regarding connec-
 305. tion to a public sewer system, septic tank, or other sanitation system is correct to the best of his knowledge. Seller warrants that he has disclosed
 306. to Buyer and Broker(s) all material latent defects and any information concerning the Property known to Seller, excluding opinions of value, which
 307. materially and adversely affect the consideration to be paid by Buyer.

REMEDIES

308. **Release of Brokers:** SELLER AND BUYER HEREBY EXPRESSLY RELEASE, HOLD HARMLESS AND INDEMNIFY ALL BROKER(S) IN
 309. THIS TRANSACTION FROM ANY AND ALL LIABILITY AND RESPONSIBILITY REGARDING THE CONDITION, SQUARE
 310. FOOTAGE/ACREAGE, LOT LINES OR BOUNDARIES, VALUE, ENVIRONMENTAL PROBLEMS, SANITATION SYSTEMS, COMPLIANCE
 311. WITH BUILDING CODES OR OTHER GOVERNMENTAL REGULATIONS, OR ANY OTHER MATERIAL MATTERS RELATING TO THE
 312. PROPERTY.

313. **Default and Remedies:** If either party defaults in any respect on any material obligations under this Contract, the non-defaulting party may elect to be
 314. released from all obligations under this Contract by cancelling this Contract as provided in Lines 327-330. The non-defaulting party may thereafter pro-
 315. ceed against the party in default upon any claim or remedy which the non-defaulting party may have in law or equity. In the case of the Seller, because
 316. it would be difficult to fix actual damages in the event of Buyer's default, the amount of the earnest money may be deemed a reasonable estimate of
 317. the damages; and Seller may, at Seller's option, accept the earnest money deposit, subject to any compensation to Broker(s), as Seller's sole right to
 318. damages. In the event that the non-defaulting party elects not to cancel this Contract, the non-defaulting party may proceed against the party in default
 319. for specific performance of this Contract or any of its terms, in addition to any claim or remedy which the non-defaulting party may have in law or equi-
 320. ty. In the event that either party pursues specific performance of this Contract, that party does not waive the right to cancel this Contract pursuant to
 321. Lines 327-330 at any time, and proceed against the defaulting party as otherwise provided herein, or in law or equity. If Buyer or Seller files suit
 322. against the other to enforce any provision of this Contract or for damages sustained by reason of its breach, all parties prevailing in such action, on trial
 323. and appeal, shall receive their reasonable attorneys' fees and costs as awarded by the court. In addition, both Seller and Buyer agree to indemnify and
 324. hold harmless all Brokers against all costs and expenses that any Broker may incur or sustain in connection with any lawsuit arising from this Contract
 325. and will pay the same on demand unless the court grants judgment in such action against the party to be indemnified. Costs shall include, without limita-
 326. tion: attorneys' fees, expert witness fees, fees paid to investigators, and court costs.

327. **Cancellation:** Except as otherwise provided herein, any party who wishes to cancel this Contract because of any material breach by another
 328. party, and who is not in material breach except as occasioned by a material breach by the other party, may cancel this Contract by delivering writ-
 329. ten notice of cancellation to either the breaching party or to the Escrow Company stating the nature of the breach. Cancellation shall become
 330. effective immediately upon delivery of the written notice of cancellation to either the breaching party or Escrow Company.

331. **Release of Earnest Money:** In the event of a dispute between Buyer and Seller regarding earnest money deposited with Escrow Company, Buyer
 332. and Seller authorize Escrow Company to release earnest money pursuant to the terms and conditions of this Contract. Buyer and Seller specifi-
 333. cally authorize Escrow Company to act in its sole and absolute discretion in the release of earnest money. Buyer and Seller agree to hold harm-
 334. less and indemnify Escrow Company against any claim, action or lawsuit of any kind, and from any loss, judgment, or expense, including costs and
 335. attorneys' fees, arising from or relating in any way to the release of earnest money. If Escrow Company does not release earnest money or if
 336. Buyer or Seller disagree with disbursement by the Escrow Company, Buyer and Seller acknowledge that mediation is generally required.

337. **Mediation:** Buyer and Seller agree to mediate any dispute or claim arising out of or relating to this Contract, any alleged breach of this Contract, or
 338. services provided in relation to this Contract before resorting to court action. Any agreement signed by the parties pursuant to the mediation con-
 339. ference shall be binding. All mediation costs will be paid equally by the parties to the Contract. Disputes shall include claims for earnest money or
 340. representations made by the Buyer or Seller in connection with the sale, purchase, financing, condition, or other aspect of the Property to which
 341. this Contract pertains, including without limitation, allegations of concealment, misrepresentation, negligence and/or fraud. The following matters
 342. are excluded from mediation hereunder: (a) judicial or nonjudicial foreclosure or other action or proceeding to enforce a deed of trust, mortgage, or
 343. agreement for sale; (b) an unlawful entry or detainer action; (c) the filing or enforcement of a mechanic's lien; (d) any action brought in the Small
 344. Claims Division of an Arizona Justice Court, so long as the matter is not thereafter transferred or removed from the Small Claims Division; or (e)
 345. any matter which is within the jurisdiction of a probate court. The filing of a judicial action to enable the recording of a notice of pending action, or
 346. order of attachment, receivership, injunction, or other provisional remedies shall not constitute a waiver of the obligation to mediate under this pro-
 347. vision, nor shall it constitute a breach of the duty to mediate.

ADDITIONAL TERMS AND CONDITIONS

348. _____
349. _____
350. Delete lines 57-65 & 77-143.
351. _____
352. Sale will be staged funding, buyer doing land/manufactured
353. home package. Lot will be paid for before any work or
354. improvements are to be done to property.
355. _____
356. Sale is still contingent on financing as addressed in this
357. contract.
358. _____
359. _____
360. _____
361. _____
362. _____
363. _____
364. _____
365. _____
366. _____
367. _____
368. _____
369. _____
370. _____
371. _____
372. _____

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

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

377. **Arizona Law:** This Contract shall be governed by Arizona law. Time is of the essence.

378. **Compensation:** Seller and Buyer acknowledge that Broker(s) shall be compensated for services rendered as previously agreed by separate writ-
379. ten agreement(s). Any separate written agreement(s) shall be delivered to Escrow Company for payment at Close of Escrow, if not previously paid,
380. and shall constitute an irrevocable assignment of Seller's proceeds at Close of Escrow. If any Broker hires an attorney to enforce the collection of
381. the brokerage fee payable pursuant to this Contract and is successful in collecting some or all of such brokerage fee, the party(ies) responsible for
382. paying such brokerage fee agree(s) to pay such Broker's costs including but not limited to: attorneys' fees, expert witness fees, fees paid to investi-
383. gators, and court costs. **COMMISSIONS PAYABLE FOR THE SALE, LEASING OR MANAGEMENT OF PROPERTY ARE NOT SET BY ANY**
384. **BOARD OR ASSOCIATION OF REALTORS® OR MULTIPLE LISTING SERVICE, OR IN ANY MANNER OTHER THAN BETWEEN THE BRO-**
385. **KER AND CLIENT.**

386. **Additional Compensation:** RESPA prohibits the paying or receiving of any fee, kickback, or thing of value for the referral of any business related to set-
387. tlement or closing of a federally regulated mortgage loan, including but not limited to, any services related to the origination, processing, or funding of a
388. federally regulated mortgage loan and includes such settlement related business as termite inspections and home warranties. RESPA does not prohibit
389. fees, salaries, compensation, or other payments for services actually performed. If any Broker performs any such services for a fee, Seller and Buyer
390. consent to the payment of this additional compensation as follows:

391. _____

392. _____

393. **Acceptance:** This is an offer to purchase the Property. Unless acceptance is signed by Seller and a signed copy delivered in person, by mail, or
394. facsimile, and received by Buyer or by Broker named on Lines 12-13 by 5/22, 1901 at 17:00 AM/PM, Mountain Standard Time,
395. or unless this offer to purchase has been previously withdrawn by Buyer, this offer to purchase shall be deemed withdrawn and the Buyer's earnest money
396. shall be returned.

397. **Subsequent Offers:** Buyer acknowledges that Seller has the right to accept subsequent offers until Close of Escrow. Seller understands that any
398. subsequent offer accepted by the Seller must be a backup offer, namely, contingent on the cancellation of this Contract.

399. **Entire Agreement:** This Contract, and any addenda and attachments, shall constitute the entire agreement between Seller and Buyer, and shall
400. supersede any other written or oral agreement between Seller and Buyer. This Contract can be modified only by a writing signed by Seller and
401. Buyer. A fully executed facsimile copy of the entire agreement shall be treated as an original Contract. The failure to initial any page of this
402. Contract will not affect the validity or terms of this Contract. This Contract may be executed in any number of counterparts, and will become effec-
403. tive upon delivery as provided for herein. All counterparts shall be deemed to constitute one instrument, and each counterpart shall be deemed an
404. original. Neither Seller, Buyer, nor any Broker shall be bound by any understanding, agreement, promise, or representation, express or implied,
405. written or verbal, not specified herein. The Seller and the Buyer acknowledge that the Broker(s) are third-party beneficiaries of this Contract.

406. THIS CONTRACT CONTAINS EIGHT (8) PAGES EXCLUSIVE OF ANY ADDENDA AND ATTACHMENTS, PLEASE ENSURE THAT YOU
407. HAVE RECEIVED AND READ ALL EIGHT (8) PAGES OF THIS OFFER AS WELL AS ANY ADDENDA AND ATTACHMENTS.

408. The undersigned agree to purchase the Property on the terms and conditions herein stated and acknowledge receipt of a copy hereof.

409. MR Kirk B. Simburg 5-21-01 Bobbie G. Simburg 5-21-01
BUYER MO/DAYR BUYER MO/DAYR

410. _____ ADDRESS ADDRESS

411. _____ CITY, STATE, ZIP CODE CITY, STATE, ZIP CODE

ACCEPTANCE

412. Agency Confirmation: The following agency relationship(s) is hereby confirmed for this transaction:

413. Listing Broker: Steve Meyer
(PRINT SALESPERSON'S NAME AND AGENCY CODE) (PRINT FIRM NAME AND OFFICE CODE) (TELEPHONE)

414. Is the agent of (check one): the Seller exclusively; or both the Buyer and Seller

415. Seller Receipt of Copy: The undersigned acknowledge receipt of a copy hereof and grant permission to Broker named on Lines 12-13 to
416. deliver a copy to Buyer.

417. Counter Offer is attached, and is incorporated herein by reference. Seller should sign both the Contract and the Counter Offer.
418. If there is a conflict between this Contract and the Counter Offer, the provisions of the Counter Offer shall be controlling.

419. The undersigned agree to sell the Property on the terms and conditions herein stated.

420. _____ SELLER MO/DAYR SELLER MO/DAYR

421. _____ ADDRESS ADDRESS

422. _____ CITY, STATE, ZIP CODE CITY, STATE, ZIP CODE

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

This form is available for use by the entire real estate industry. The use of this form is not intended to identify the user as a REALTOR®. REALTOR® is a registered collective membership mark which may be used only by real estate licensees who are members of the NATIONAL ASSOCIATION OF REALTORS® and who subscribe to its Code of Ethics.
©ARIZONA ASSOCIATION OF REALTORS® 1997 This Form Available Through Your Local Association of REALTORS® Form VL 07/97

Exhibit A

ALL THAT PORTION OF LOT 29, POQUITO VALLEY, AS RECORDED IN BOOK 8 OF LAND SURVEYS, PAGE 6, YAVAPAI COUNTY RECORDER'S OFFICE ALL IN SECTION 11, TOWNSHIP 15 NORTH, RANGE 1 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, YAVAPAI COUNTY, ARIZONA, DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHWEST CORNER OF SAID LOT 29 MARKED WITH A 5/8 INCH REBAR, L.S. 16826;

THENCE NORTH 89°56'31" EAST, ALONG THE NORTH LINE OF SAID LOT 29, 264.10 FEET;

THENCE SOUTH 00°07'58" EAST, 328.47 FEET;

THENCE NORTH 89°55'52" EAST, 262.99 FEET TO THE TRUE POINT OF BEGINNING;

THENCE CONTINUING NORTH 89°55'52" EAST, 262.99 FEET;

THENCE SOUTH 00°07'58" EAST, 331.27 FEET;

THENCE SOUTH 89°55'52" WEST, 262.99 FEET;

THENCE NORTH 00°07'58" WEST, 331.27 FEET TO THE TRUE POINT OF BEGINNING.

TOGETHER WITH AND RESERVING UNTO THE GRANTOR, AN EASEMENT FOR INGRESS, EGRESS AND PUBLIC UTILITIES 25 FEET ON EITHER SIDE OF THE FOLLOWING DESCRIBED CENTERLINE:

BEGINNING AT THE NORTHWEST CORNER OF THE ABOVE DESCRIBED PROPERTY;

THENCE NORTH 89°55'52" EAST, A DISTANCE OF 788.89 FEET.

K.B.L.
B.S.L.

CHICAGO TITLE INSURANCE COMPANY

COMMITMENT FOR TITLE INSURANCE

SCHEDULE A

1. Effective Date: May 14, 2001 at 7:30 A.M. Escrow/Title No.: 29011374-CS
Escrow Officer: Carol Staley Title Officer: Patsy Lollar
2. ALTA Form Policy or Policies to be Issued:
- A. Owner's Policy
- Standard Owner's Policy Amount: \$ 28,900.00
- Proposed Insured:
KIRK B. LIMBURG AND BOBBI JO LIMBURG
- B. Loan Policy
- None Amount: \$
- Proposed Insured:
- C. Loan Policy
- None Amount: \$
- Proposed Insured:
3. The Estate or Interest in the land described or referred to in this Commitment, and covered herein is:
FEE SIMPLE
4. Title to the Estate or Interest is at the effective date hereby Vested in:
GARY L. SPATES AND JUNE E. SPATES, Husband and Wife, as Joint Tenants With Right of Survivorship
5. The land referred to in this Commitment is situated in the County of Yavapai, State of Arizona, and is described as follows:
See Exhibit A attached hereto and made a part hereof.

Mr. Kirk B. Limburg
Bobbi Jo Limburg

CHICAGO TITLE INSURANCE COMPANY

SCHEDULE B — SECTION 1

REQUIREMENTS

Escrow/Title No.: 29011374-CS

The following are the requirements to be complied with:

1. Payment to or for the account of the Grantors or Mortgagors of the full consideration for the estate to be insured.
2. Instruments in insurable form which must be executed, delivered and duly filed for record:

SPECIAL REQUIREMENTS:

3. Proper showing as to the marital status of KIRK B. LIMBURG AND BOBBI JO LIMBURG prior to close of escrow and the name of the spouse, if any.
4. Record Deed from GARY L. SPATES AND JUNE E. SPATES, Husband and Wife, as Joint Tenants With Right of Survivorship to KIRK B. LIMBURG AND BOBBI JO LIMBURG.

Note: 2000 taxes paid: Tax Area Code: 2290 Parcel No. 103-01-172W-3.

Total Tax \$245.42

KBH
BSL

CHICAGO TITLE INSURANCE COMPANY

SCHEDULE B — SECTION 2

Escrow/Title No.: 29011374-CS

Schedule B of the Policy or Policies to be issued will contain exceptions to the following matters unless the same are disposed of to the satisfaction of the company:

1. Defects, liens, encumbrances, adverse claims or other matters, if any created, first appearing in the public records or attaching subsequent to the effective date hereof but prior to the date the proposed insured acquires for value of record the estate or interest or mortgage thereon covered by the Commitment.
2. Any American Land Title Association Policy issued pursuant hereto (except extended coverage) will contain under Schedule B the standard exceptions set forth at the inside cover hereof.

SPECIAL EXCEPTIONS:

1. Taxes for the full year 2001. First half due on October 1, delinquent on November 1, 2001. Second Half due on March 1, delinquent on May 1, 2002.
2. Liabilities and obligations that may arise by reason of the inclusion of said land within the following named district (s):
Name Central Yavapai Fire District
 Central Yavapai Hospital District
3. Reservations, exceptions, conditions, easements and rights of way as set forth in Book 102 of Deeds, page 444; in Book 131 of Deeds, page 325 and in Book 192 of Deeds, page 415.
4. Rights in connection with the mineral estate as reserved in Book 192 of Deeds, page 415.
5. Easements and rights incident thereto for pipelines, telephone line, power transmission line and road, as set forth in instrument recorded in Book 74, Page 313-319 of Official Records .
6. Rights in connection with the mineral estates as reserved in Book 115 of Official Records, pages 577-580.
7. The effect of Record of Survey recorded in Book 1 of Land Surveys, page 200.
8. Rights in connection with the mineral estate as reserved in Book 1772 of Official Records, page 713.
9. Easements and rights incident thereto for road or highway purposes, as set forth in instrument recorded in Book 1827, Page 23 of Official Records .
10. Declaration of Easement as set forth in Book 2042 of Official Records, page 604.

Correction to Declaration of Easement recorded December 20, 1995 in Book 3128 of Official Records, page 600.
11. Covenants, conditions and restrictions as set forth in the document recorded in Book 2042, Page 614; Book 2172, page 863 and in Book 3000, page 896 of Official Records, but omitting any covenant, condition or restriction, if any, based on race, color, religion, sex, handicap, familial status or national origin unless and only to the extent that the covenant, condition or restriction (a) is exempt under Title 42 of the United States Code, or (b) relates to handicap but does not discriminate against handicapped persons.
12. Easements and rights incident thereto for ingress, egress and public utility easement, as set forth in instrument recorded in Book 3546, Page 302 of Official Records

COMMITC

R B A.
R S L

CHICAGO TITLE INSURANCE COMPANY

SCHEDULE B — SECTION 2

(CONTINUED)

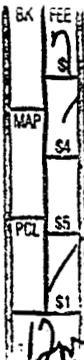
Escrow/Title No.: 29011374-CS

13. Any rights, easements, interests or claims which may exist by reason of or be reflected by the following facts shown on the survey recorded in Book 34, Page 10 of Land Surveys.

KBL
BJL

Recorded at the request of:
Chicago Title Insurance Company

when recorded mail to:
KIRK B. LIMBURG
8514 N. 38th Dr.
Phoenix AZ
85151



3368253 BK 3641 PG 861
Yavapai County
Patsy Jenney-Colon, Recorder
07/17/2001 04:12P PAGE 1 OF 2
CHICAGO TITLE INS CO (WTA)
RECORDING FEE 7.00
SURCHARGE 4.00
POSTAGE 1.00

Order No.: 29011374-029-CS

Warranty Deed Community Property with Right of Survivorship

For the consideration of Ten Dollars, and other valuable considerations,
GARY L. SPATES and JUNE E. SPATES, HUSBAND AND WIFE

do/does hereby convey to
KIRK B. LIMBURG and BOBBI JO LIMBURG, HUSBAND AND WIFE

as community property with right of survivorship, the following real property situated in the county of Yavapai ,
State of Arizona:
See Exhibit A attached hereto and made a part hereof.

SUBJECT TO: Current taxes and other assessments, reservations in patents and all easements, rights of way,
covenants, conditions and restrictions as may appear of record.

And I or we do warrant the title against all persons whomsoever, subject to the matters above set forth.

The Grantees by signing the acceptance below evidence their intention to acquire said premises as community
property with right of survivorship.

Dated this 4TH day of JUNE, 2001

Accepted and approved:

Grantees

Grantors

M.R. Kirk Blimborg
KIRK B. LIMBURG

Gary L. Spates
GARY L. SPATES

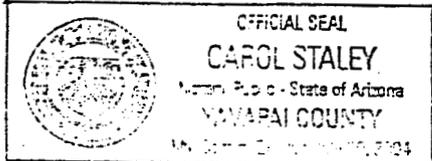
Bobbi Jo Limburg
BOBBI JO LIMBURG

June E. Spates
JUNE E. SPATES

STATE OF ARIZONA }
County of Yavapai } SS

This instrument was acknowledged before me this
11th day of June, 2001 by
GARY L. SPATES and JUNE E. SPATES

SEAL



Carol Staley
Notary Public
My commission will expire 7-30-04

do/does hereby convey to

KIRK B. LIMBURG and BOBBI JO LIMBURG, HUSBAND AND WIFE

as community property with right of survivorship, the following real property situated in the county of Yavapai , State of Arizona:

See Exhibit A attached hereto and made a part hereof.

SUBJECT TO: Current taxes and other assessments, reservations in patents and all easements, rights of way, covenants, conditions and restrictions as may appear of record.

And I or we do warrant the title against all persons whomsoever, subject to the matters above set forth.

The Grantees by signing the acceptance below evidence their intention to acquire said premises as community property with right of survivorship.

Dated this 4TH day of JUNE , 2001

Accepted and approved:

Grantees

Grantors

M. K. Kirk Blimburg
KIRK B. LIMBURG

Gary L. Spates
GARY L. SPATES

Bobbi Jo Limburg
BOBBI JO LIMBURG

June E. Spates
JUNE E. SPATES

STATE OF ARIZONA }
County of Yavapai } SS

This instrument was acknowledged before me this 11th day of June , 2001 by GARY L. SPATES and JUNE E. SPATES

SEAL



Carol Staley Notary Public
My commission will expire 7-30-04

STATE OF ARIZONA }
County of Yavapai } SS

This instrument was acknowledged before me this 2nd day of June , 2001 by KIRK B. LIMBURG and BOBBI JO LIMBURG

Carol Staley Notary Public
My commission will expire 7/30/04

Exhibit A

ALL THAT PORTION OF LOT 29, POQUITO VALLEY, AS RECORDED IN BOOK 8 OF LAND SURVEYS, PAGE 6, YAVAPAI COUNTY RECORDER'S OFFICE ALL IN SECTION 11, TOWNSHIP 15 NORTH, RANGE 1 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, YAVAPAI COUNTY, ARIZONA, DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHWEST CORNER OF SAID LOT 29 MARKED WITH A 5/8 INCH REBAR, L.S. 16826;

THENCE NORTH 89°56'31" EAST, ALONG THE NORTH LINE OF SAID LOT 29, 264.10 FEET;

THENCE SOUTH 00°07'58" EAST, 328.47 FEET;

THENCE NORTH 89°55'52" EAST, 262.99 FEET TO THE TRUE POINT OF BEGINNING;

THENCE CONTINUING NORTH 89°55'52" EAST, 262.99 FEET;

THENCE SOUTH 00°07'58" EAST, 331.27 FEET;

THENCE SOUTH 89°55'52" WEST, 262.99 FEET;

THENCE NORTH 00°07'58" WEST, 331.27 FEET TO THE TRUE POINT OF BEGINNING.

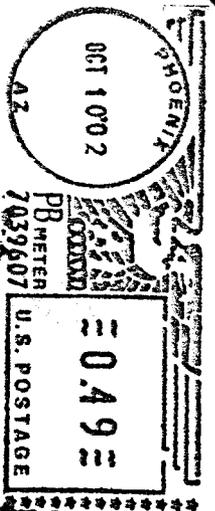
TOGETHER WITH AND RESERVING UNTO THE GRANTOR, AN EASEMENT FOR INGRESS, EGRESS AND PUBLIC UTILITIES 25 FEET ON EITHER SIDE OF THE FOLLOWING DESCRIBED CENTERLINE:

BEGINNING AT THE NORTHWEST CORNER OF THE ABOVE DESCRIBED PROPERTY;

THENCE NORTH 89°55'52" EAST, A DISTANCE OF 788.89 FEET.

EXHIBIT

C



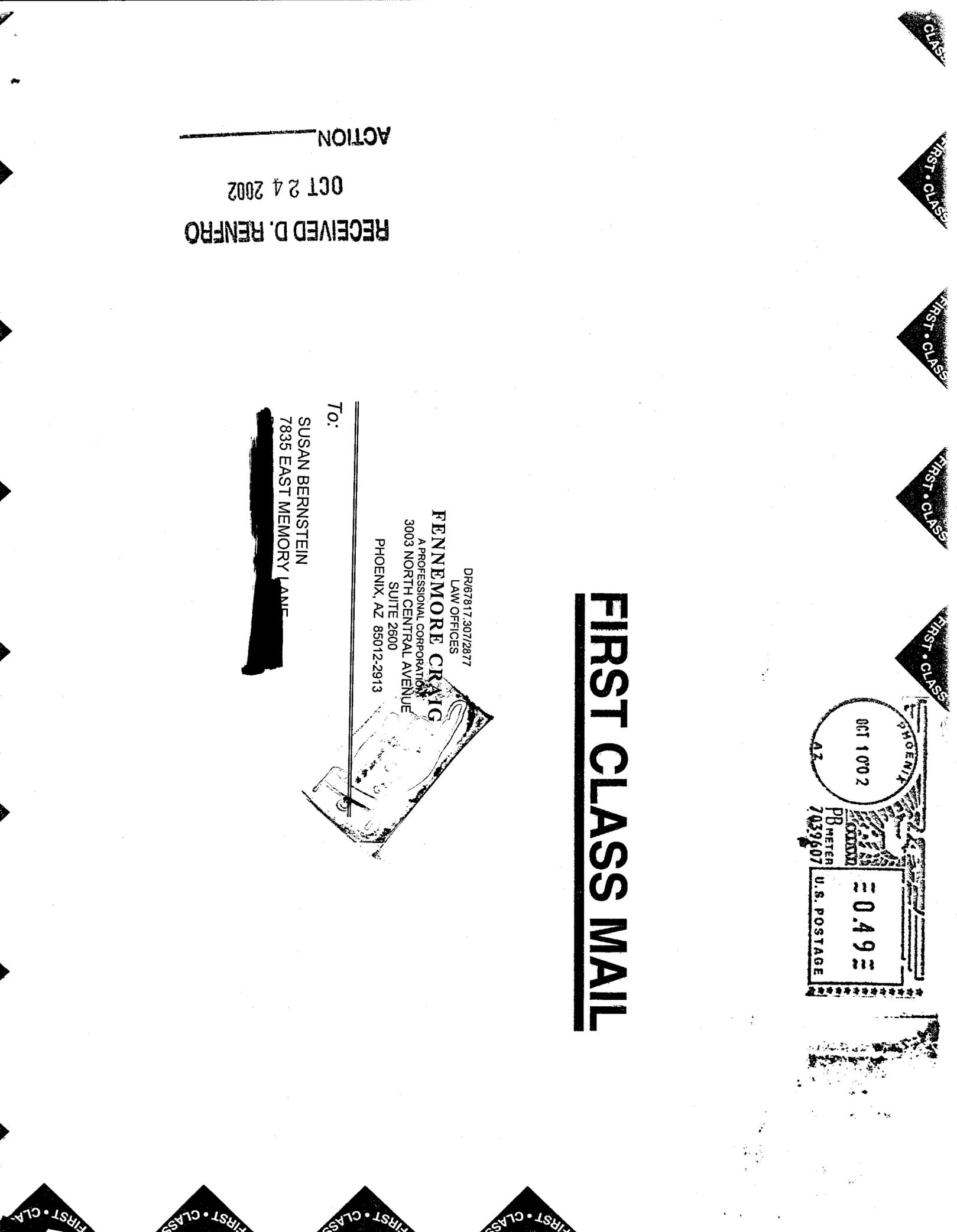
FIRST CLASS MAIL

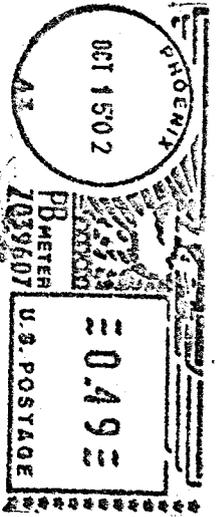
DR/67817.307/2877
LAW OFFICES
FENNEMORE CRAIG
A PROFESSIONAL CORPORATION
3003 NORTH CENTRAL AVENUE
SUITE 2600
PHOENIX, AZ 85012-2913

To:

SUSAN BERNSTEIN
7835 EAST MEMORY LANE
[REDACTED]

RECEIVED D. RENFRO
OCT 24 2002
ACTION





DRR67817.307/5510
LAW OFFICES
FENNEMORE CRAIG
A PROFESSIONAL CORPORATION
3003 NORTH CENTRAL AVENUE
SUITE 2600
PHOENIX, AZ 85012-2913

To:

SUSAN BERNSTEIN
7835 EAST MEMORY LANE



NO MAIL RECEIPT

RECEIVED D. RENFRO
OCT 24 2002
ACTION