

**SECTION G - REAL ESTATE PURCHASE CONTRACT**

**ITB NO.:** Tract 2302, Block 8, Parcel L RB

**ITB TITLE:** Pinion Tree Drive Residential Real Estate Sale Re-Bid

1. **Parties.** This Contract for sale and purchase, hereinafter referred to as "Contract" or "Agreement" is entered into by and between, hereinafter referred to as **Lake Havasu City (Seller)**, with an address of: 2330 McCulloch Blvd. N., Lake Havasu City, AZ 86403, and hereinafter referred to as **[Name of person/firm buying real estate] (Buyer)**, with an address of: [Insert Buyer's full address].

In consideration of the mutual covenants contained herein and other valuable consideration received, and with the intent to be legally bound, Seller and Buyer agree as follows:

2. **Sale Of Real Estate.** Seller agrees to sell Real Estate in State of Arizona, County of Mohave, and convey to Buyer, and Buyer hereby agrees to purchase from Seller, the obligations of each of them subject to the terms and conditions set forth herein, the following:

a. **Land.** That certain parcel of unimproved Real Estate more particularly described as: [Insert Legal Description of Real Estate], State of Arizona, County of Mohave, known as [Insert Physical Address of Real Estate], Lake Havasu City, Arizona 86403, hereto (the **Real Estate**). The County parcel identification number of the Real Estate is [Insert Parcel ID No].

b. **Appurtenances.** All rights, privileges, and appurtenances pertaining thereto, including but not limited to: mineral, oil, gas, and other hydrocarbon substances on and under the land, all development rights, air rights, water rights, claims, permits, strips and gores, easements, and cooperative or association memberships, rights-of-way, preliminary plat approvals, permits, licenses, and other rights appurtenant to or used in connection with the Real Estate (collectively, the **Appurtenances**).

The items described in Sections a. and b. above is herein collectively referred to as the **Real Estate**.

3. **Personal Property.** The sale shall include any items attached to the Real Estate and used in connection therewith, if any, including all improvements, fixtures, fixed equipment, such as carpeling, floor coverings, ceiling fans, dishwasher, range, range hood, drapery hardware, attached lighting fixtures, mailbox, fence, plants, shrubbery, retaining walls, wells, well pumps, etc., as now installed on the Real Estate, and shall include the following:

N/A

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The sale shall not include the following:

N/A

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Seller will deliver to Buyer on the closing a bill of sale for any personal property sold, which Seller guarantees items are fully paid.

4. **Real Estate Condition.** Seller agrees to deliver the Real Estate in its "PRESENT AS-IS CONDITION," except as otherwise set forth herein. Seller does hereby certify and represent that Seller has the authority and capacity to convey the Real Estate with all improvements. Seller further certifies and represents that Seller knows of no latent defects to the Real Estate and knows of no facts materially affecting the value of the Real Estate except the following:

a. **Inspections, Access and Utilities.** Buyer may have the Real Estate inspected by inspectors selected by Buyer and licensed by the State of Arizona or otherwise permitted by law to make inspections. Seller shall permit Buyer and Buyer's agent's access to the Real Estate at reasonable times. Seller shall pay for turning on existing utilities, if applicable. NOTICE: Buyer should determine the availability of utilities to the Real Estate suitable to satisfy Buyer's needs.

b. **Acceptance of Real Estate Condition.** Buyer has inspected the Real Estate and accepts the Real Estate in its "PRESENT AS-IS CONDITION," except as otherwise specified herein; provided Seller, at Seller's expense, shall complete the following:

N/A

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c. **Completion of Repairs.** Unless otherwise agreed in writing, Seller shall complete all agreed upon repairs prior to the Closing Date. All required permits must be obtained, and repairs must be performed by persons who are licensed or otherwise permitted by law to provide such repairs. At Buyer's election, any transferable warranties received by Seller with respect to the repairs will be transferred to Buyer at Buyer's expense. If Seller fails to complete any agreed repairs prior to the Closing Date, Buyer may do so and receive reimbursement from Seller at closing. The Closing Date will be extended up to fifteen (15) days, if necessary, to complete repairs.

d. **Environmental Matters.** Buyer is advised that the presence of wetlands, toxic substances, including asbestos and wastes or other environmental hazards, or the presence of a threatened or endangered species or its habitat may affect Buyer's intended use of the Real Estate. See "Attachment \_\_\_\_\_".  
[Delete if no known environmental matters exist]

e. **Seller's Disclosures.** Except as otherwise disclosed in this Contract, Seller has no knowledge of the following:

- 1) any flooding of the Real Estate which has had a material adverse effect on the use of the Real Estate;
- 2) any pending or threatened litigation, condemnation, or special assessment affecting the Real Estate;
- 3) any environmental hazards or conditions which materially affect the Real Estate;
- 4) any dumpsite, landfill, or underground tanks or containers now or previously located on the Real Estate;
- 5) any wetlands, as defined by federal or state law or regulation, affecting the Real Estate; or
- 6) any threatened or endangered species or their habitat affecting the Real Estate.

5. **Purchase Price.** The purchase price for the Real Estate and any items of personal Real Estate is as follows:
- |  |    |                 |
|--|----|-----------------|
| a. Bid Security portion payable by Buyer at bid closing..... | \$ | <u>1,250.00</u> |
| b. Sum of all financing described in Item 8 below.....       | \$ | <u>3,750.00</u> |
| c. Sale Price (Sum of a. and b.).....                        | \$ | <u>5,000</u>    |

6. **Financing.** The portion of Sales Price not payable in cash will be paid as follows: [Check one of the following two (2) items only:]

- \_\_\_\_\_ a. **THIRD PARTY FINANCING:** One or more third party mortgage loans in the total amount of \$\_\_\_\_\_. Real Estate must satisfy the lenders' underwriting requirements for the loan(s) indicated above, prior to bid closing.  
 [Check one of the following two (2) items only:]
- \_\_\_\_\_ 1) Buyer is pre-approved for financing from an appropriate Financial Institution (commercial/mortgage loan).
- \_\_\_\_\_ 2) Buyer is not subject to being approved for financing from a financial institution (credit line).
- X   b. **CASH/CERTIFIED FUNDS:** The Purchase Price shall be paid by Buyer in good and immediately available United States funds on the Closing Date.

7. **Bid Security Funds.** Not later than three (3) business days following bid award by Lake Havasu City Council, Seller shall deposit Bid Security Funds of \$ 1,250.00 with the following listed Escrow Holder within Lake Havasu City, Arizona.

At Closing, the Bid Security Funds shall be credited against the Purchase Price. In the event this transaction fails to close as a result of Seller's default, the failure of any condition precedent to Buyer's obligations or any reason other than Buyer's default, the Bid Security Funds shall be returned to Buyer. In the event this transaction fails to close as a result of Buyer's default, (i) Escrow Holder shall deliver the Bid Security Funds to Seller as liquidated damages as its sole remedy, or (ii) enforce this Contract and pursue any and all remedies available at law or equity, including an action for specific performance and damages for Buyer's failure to close

Escrow Agent shall deposit the Bid Security Funds in an interest-bearing account at a financial institution approved by Buyer and Seller, with all interest accruing thereon becoming a part of the Bid Security Funds.

8. **Escrow.** (Escrow Holder in its capacity as Title Company, and in its capacity as title insurer) with Pioneer Title Agency (firm name), as escrow agent, at 72 S. Lake Havasu Avenue, Lake Havasu City, Az 86403 (address), Lake Havasu City, AZ has been designated as Escrow Holder hereunder by mutual agreement of Seller and Buyer. Promptly upon receipt of a fully executed copy of this Contract, Escrow Holder shall open an escrow account in accordance with the terms of this Contract.

9. **Title Policy And Survey.**

- a. **Title Policy.** Buyer shall furnish at Buyer's expense an owner policy of title insurance (Title Policy) issued by: First American Title Insurance (Title Company) in the amount of the Sales Price, dated at or after closing, insuring Buyer against loss under the provisions of the Title Policy, subject to the promulgated exclusions (including existing building and zoning ordinances) and the following exceptions:
- 1) Restrictive covenants common to the platted subdivision in which the Real Estate is located.
  - 2) The standard printed exception for standby fees, taxes, and assessments.
  - 3) Liens created as part of the financing described in section items 5 and 6.
  - 4) Utility easements created by the dedication deed or plat of the subdivision in which the Real Estate is located.

- 5) Reservations or exceptions otherwise permitted by this Contract or as may be approved by Buyer in writing.
  - 6) The standard printed exception as to marital rights.
  - 7) The standard printed exception as to waters, tidelands, beaches, streams, and related matters.
  - 8) The standard printed exception as to discrepancies, conflicts, shortages in area or boundary lines, encroachments or protrusions, or overlapping improvements. Buyer, at Buyer's expense, may have the exception amended to read, "shortages in area".
- b. Commitment for Owner's Policy. Within twenty (20) days after the Title Company receives a copy of this Contract, Title Company shall furnish a commitment for title insurance (Commitment for Owner's Policy) to Buyer, at Buyer's expense, legible copies of restrictive covenants and documents evidencing exceptions in the Commitment (Exception Documents) other than the standard printed exceptions. Buyer authorizes the Title Company to mail or hand-deliver Commitment and Exception Documents to Buyer. If the Commitment and Exception Documents are not delivered to Buyer within the specified time, the time for delivery will be automatically extended up to ten (10) days or the Closing Date, whichever is earlier.
- c. Survey. Within five (5) business days after the effective date of this Contract, Seller shall furnish Seller's existing survey document(s) of the Real Estate to Buyer and the Title Company, along with Seller's affidavit acceptable to the Title Company for approval of the survey documents. If the survey document(s) are not approved by the Title Company or Buyer's lender, a new survey will be obtained at Buyer's expense.

Within ten (10) days of Commitment, and Exception documents issuance, Buyer or closing attorney, may, at Buyer's expense, obtain a new staked survey showing any improvements now existing thereon and certified to Buyer, lender and the title insurer. The survey must be made by a State of Arizona registered professional land surveyor acceptable to the Title Company and any lender. If no survey is required by Buyer, Title Company or Buyer's Lender, Buyer to initial here that no survey shall be required for closing.

- d. Objections. Within twenty (20) days after Buyer receives the Commitment, and Exception Documents and the survey, Buyer may object in writing to (i) defects, exceptions, or encumbrances to title: disclosed on the survey other than items 9, a., 1) through 7) above; disclosed in the Commitment other than items 9, a., 1) through 8) above; (ii) any portion of the Real Estate lying in the 100 year flood plain as shown on the current Federal Emergency Management Agency map; or (iii) any exceptions which prohibit the following use or activity: \_\_\_\_\_

\_\_\_\_\_. Buyer's failure to object within the time allowed will constitute a waiver of Buyer's right to object; except that the requirements in the Commitment are not waived. Seller shall cure the timely objections of Buyer or any third party lender within fifteen (15) days after Seller receives the objections and the Closing Date will be extended as necessary. If objections are not cured within a fifteen (15) day period, this Contract will terminate and the Bid Security Funds will be refunded to Buyer, unless Buyer waives the objections.

10. **Deed.** Upon closing, Seller will convey the Real Estate by a good and sufficient [Insert: bargain and sale, quitclaim, special warranty, or warranty] deed conveying a good and marketable title, free of all liens and encumbrances, except (i) all easements, rights of way, covenants and restrictions of record, (ii) current and future real estate taxes and assessments, (iii) zoning and other governmental laws, ordinances and regulations, provided none of the foregoing interfere with the continued use of the Real Estate for its present use. Seller, at its sole cost, shall furnish Buyer with a preliminary report or abstract of title from a title company as soon as possible after the execution of this Contract. Buyer shall give written notice to Seller of any objections to title within ten (10) days after receipt of preliminary report or abstract of title.

**11. Title Examination and Closing.**

- a. If title evidence and survey, as specified above, show Seller is vested with a marketable title, subject to the usual exceptions contained in title insurance commitments (such as exceptions for survey, current taxes, government laws, regulations, zoning ordinances, covenants, restrictions, and easements of record), the transaction will be closed and the deed and other closing papers delivered and the purchase price paid on or before [Insert Month/Day/Year], unless extended in writing by both parties, or by other conditions of this Contract, or this Contract is canceled by the Seller. The sale will be closed according to the usual and customary closing procedures in effect in the State of Arizona, County of Mohave, where the Real Estate is located. At the closing, Seller and Buyer agree to execute and deliver to the other all instruments required by law or which may reasonably be requested by the other party or the closing agent.
- b. If title evidence or survey reveals any defects which render the title unmarketable, Buyer will have five (5) business days from receipt of title commitment and survey to notify Seller of such title defects and Seller agrees to use reasonable diligence to cure such defects at Seller's expense and will have thirty (30) days to do so, in which event this transaction will continue.
- 12. Mechanic's & Materialman's Liens.** At the closing, Seller will furnish to Buyer an affidavit attesting that no work has been performed on the Real Estate for which a mechanic's or materialman's lien could be attach. If any work was performed on the Real Estate for which a lien has or may attach, Seller will obtain and deliver to Buyer appropriate lien waivers and releases executed by all contractors, subcontractors, and suppliers, in addition to the seller's affidavit.
- 13. Defective Title.** If Seller shall be unable to deliver title or make conveyance as provided herein, Buyer, at its option, may (i) terminate this Contract whereupon the deposit shall be refunded to Buyer and all obligations of the parties shall cease, or (ii) waive the defects and accept whatever title Seller is able to convey, without any reduction in the purchase price and as a full performance by Seller.
- 14. Possession.** Upon closing, the Real Estate and all improvements, fixtures and items of personal Real Estate, if any, will be delivered to Buyer in their present condition, reasonable wear and tear excepted. The Real Estate shall be free of all occupants, tenants and personal possessions, except as may otherwise be provided herein. Buyer shall be allowed to inspect the Real Estate prior to the closing to determine whether the Real Estate complies with this section.
- 15. Adjustments.** Current Real Estate taxes, regular and special assessments, water and sewer charges, fees, fuel, rents, interest, insurance, loans, operating expenses, and other customary matters, if any, shall be prorated between the parties upon closing.
- 16. Risk of Loss.** Seller, at its sole cost, shall keep the Real Estate insured for the full insurable value until closing, if applicable. Seller shall bear the risk of all loss or damage to the Real Estate from all causes until closing. Should there be any damage that is not restored by Seller to its former condition by closing, Buyer, at its option, may (i) terminate this Contract and any deposit shall be refunded to Buyer, or (ii) physical correction of all the damage incurred on the Real Estate prior to closing, or (iii) physical correction of all the damage incurred on the Real Estate within thirty (30) days after closing, or (iv) purchase the Real Estate and be entitled to all insurance proceeds upon payment of the purchase price for correction by the Buyer at a later date.
- 17. Loan Pre-authorization.** Buyer shall obtain pre-authorization and written commitment from a financial funding source, if applicable, prior to bid closing in the amount listed in Item 7, b. above, at prevailing interest rates. If Buyer is unable to secure financing by the time of closing date as stated herein and is unable to perform under this Contract by obtaining a loan for the purchase price, Buyer shall inform Seller in writing by such date and this Contract will terminate and any Bid Security Funds shall not be refunded to Buyer. If Buyer fails to notify Seller in writing by such date, Buyer shall be required to perform its obligations under this Contract.
- 18. Inspection(s).** The obligations of Buyer under this Contract are expressly subject to Buyer obtaining, at Buyer's expense, a satisfactory inspection report from a qualified professional for the following: [Insert any

inspections to be performed on Real Estate, e.g. "termites" or "termites and roof" etc.]. Buyer shall furnish Seller with a copy of such inspection report(s) by [Insert date by which buyer must complete these inspections]. If any such inspections reveal conditions unacceptable to Buyer, unless otherwise listed herein, Seller may, at its option, repair such conditions or afford Buyer a credit at the closing, or Buyer may terminate this Contract and any deposit will be refunded to Buyer. If Buyer fails to notify Seller in writing by such date, Buyer shall be required to perform its obligations under this Contract and this contingency shall lapse.

19. **Buyer's Default.** Upon default by Buyer, Seller, at its option, may (i) retain the Bid Security Funds as liquidated damages as its sole remedy, or (ii) enforce this Contract and pursue any and all remedies available at law or equity, including an action for specific performance and damages.
20. **Seller's Default.** Upon default by Seller, Buyer, at its option, may (i) treat this Contract as terminated and be entitled to the return of the Bid Security Funds, or (ii) enforce this Contract and pursue any and all remedies available at law or equity, including an action for specific performance and damages.
21. **Broker's Commission.** Seller and Buyer promise that they have not dealt with any broker or finder in connection with this sale. In the event of any claim by any broker or finder, the party who procured such broker or finder shall pay the claim in full.
22. **Attorney's Fees.** In the event of any litigation or other proceeding between the parties relating to this Contract, the prevailing party shall be entitled to recover all costs and expenses incurred, including reasonable attorney's fees.
23. **Sections and Other Headings.** The section and other headings contained in this Contract are for reference purposes only and shall not affect the meaning or interpretations of this Contract.
24. **Captions.** The captions in this Contract are inserted only for convenience and in no way construe, define, describe, extend, interpret, or limit the scope or intent of this Contract, or the intent of any provisions hereof.
25. **Typewritten or Handwritten Provisions.** Hand-written provisions inserted in this Contract and typewritten provisions initialed by both parties shall control over the typewritten provisions in conflict therewith.
26. **Additional Special Provisions and/or Stipulations:** The following stipulations, if in conflict with any of the preceding, shall control:  
  

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27. **Riders.** The riders and exhibits, if any, attached hereto and initialed by the parties are made a part of this Contract.
28. **Consult An Attorney.** Real estate licensees cannot provide legal advice. This is a binding legal contract between parties listed below. Contract will be construed under Law, and will not be recorded. If any provisions are not understood, parties should seek competent legal advice before signing.
29. **Contract Signatures.** The parties hereby agree that by signature below, parties are acknowledging and accepting all terms and conditions set forth and this document comprises the entire agreement/contract. It is further understood, that both parties are the authorized signatory for each party as shown below.

City Attorney Approval and Review

Reviewed:  
CITY ATTORNEY  
FOR LAKE HAVASU CITY, ARIZONA

By: \_\_\_\_\_  
City Attorney or Designee Date

A. SELLER

IN WITNESS WHEREOF, this Contract is executed under seal on the [Insert Day of Month] day of [Insert Month], 20[Insert Year].

Executed in the presence of: Charlie Cassens  
City Manager (Seller)

\_\_\_\_\_  
(Signature of witness) Signature of City Manager (Seller) or Designee (Seal)

In Lake Havasu City, Arizona on this [Insert Day of Month] day of [Insert Month], 20[Insert Year], before me, a Notary Public in and for the STATE OF ARIZONA and COUNTY OF MOHAVE, personally appeared [Insert City Manager Name], known to me or proved to be the person named in and who executed the foregoing instrument, and being first duly sworn, such person acknowledged that he or she executed said instrument for the purposes therein contained as his or her free and voluntary act and deed.

NOTARY PUBLIC

My Commission Expires: [Insert Month/Day/Year] (SEAL)

B. BUYER

IN WITNESS WHEREOF, this Contract is executed under seal on the [Insert Day of Month] day of [Insert Month], 20[Insert Year].

Executed in the presence of: John Todd Hayes  
Kristen Lee Hayes  
Print Buyer Name (Buyer)

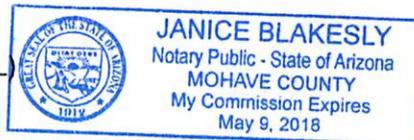
\_\_\_\_\_  
(Signature of witness) Kristen Lee Hayes (Seal)  
Signature of Buyer (Buyer)

*and Kristen Lee Hayes*

In [ ] on this [ 8-19-16 ] day of [ MOHAVE ], before me, a Notary Public in and for the STATE OF [ ARIZONA ] and COUNTY OF [ MOHAVE ], personally appeared [ John Todd Hayes ], known to me or proved to be the person named in and who executed the foregoing instrument, and being first duly sworn, such person acknowledged that he or she executed said instrument for the purposes therein contained as his or her free and voluntary act and deed.

Jan Blakesly  
NOTARY PUBLIC

My Commission Expires: [Insert Month/Day/Year] (SEAL)  
5-9-2018



**City Attorney Approval and Review**

Reviewed:  
CITY ATTORNEY  
FOR LAKE HAVASU CITY, ARIZONA

By: Kelly Sam 8/19/16  
City Attorney or Designee Date

**A. SELLER**

IN WITNESS WHEREOF, this Contract is executed under seal on the \_\_\_\_\_ day of \_\_\_\_\_, 2016.

Executed in the presence of: Charlie Cassens  
City Manager (Seller)

\_\_\_\_\_  
(Signature of witness) Signature of City Manager (Seller) or Designee (Seal)

In Lake Havasu City, Arizona on this \_\_\_\_\_ day of \_\_\_\_\_, 2016, before me, a Notary Public in and for the STATE OF ARIZONA and COUNTY OF MOHAVE, personally appeared Charlie Cassens, known to me or proved to be the person named in and who executed the foregoing instrument, and being first duly sworn, such person acknowledged that he or she executed said instrument for the purposes therein contained as his or her free and voluntary act and deed.

\_\_\_\_\_  
NOTARY PUBLIC

My Commission Expires: \_\_\_\_\_ (SEAL)

**B. BUYER**

IN WITNESS WHEREOF, this Contract is executed under seal on the \_\_\_\_\_ day of \_\_\_\_\_, 2016.

Executed in the presence of: \_\_\_\_\_  
Print Buyer Name (Buyer)

\_\_\_\_\_  
(Signature of witness) Signature of Buyer (Buyer) (Seal)

In \_\_\_\_\_, on this \_\_\_\_\_ day of \_\_\_\_\_, 2016, before me, a Notary Public in and for the STATE OF ARIZONA and COUNTY OF \_\_\_\_\_, personally appeared Todd and Kristen Hayes, known to me or proved to be the person named in and who executed the foregoing instrument, and being first duly sworn, such person acknowledged that he or she executed said instrument for the purposes therein contained as his or her free and voluntary act and deed.

\_\_\_\_\_  
NOTARY PUBLIC

My Commission Expires: \_\_\_\_\_ (SEAL)