

City of Las Cruces[®]

PEOPLE HELPING PEOPLE

Council Action and Executive Summary

Item # 9 Ordinance/Resolution# 10-194 Council District: 4 & 3

For Meeting of February 2, 2010
(Adoption Date)

TITLE: A RESOLUTION APPROVING THE PURCHASE OF PROPERTIES AT 1307 MAGOFFIN PLACE FOR \$143,500 AND 2872 ANCHO AVENUE FOR \$149,000, RESPECTIVELY, UNDER THE CITY'S NEIGHBORHOOD STABILIZATION PROGRAM. THE RESOLUTION AUTHORIZES THE CITY MANAGER TO EXECUTE THE PURCHASE DOCUMENTS ON THE CITY'S BEHALF AND FURTHER AUTHORIZES NECESSARY REHABILITATION AND DISPOSAL ACTIONS CONSISTENT WITH THE CITY'S NEIGHBORHOOD STABILIZATION PROGRAM (NSP).

PURPOSE(S) OF ACTION: To approve the purchase of three (3) properties under the City's NSP.

Name of Drafter: Jerry Nachison		Department: Community Development		Phone: 528-3208	
Department	Signature	Phone	Department	Signature	Phone
Community Development		528-3067	Budget		541-2300
			Assistant City Manager		541-2271
Legal		541-2128	City Manager		541-2076

BACKGROUND / KEY ISSUES / CONTRIBUTING FACTORS: In July 2008, President Bush signed the Housing and Economic Recovery Act of 2008 (HERA). HERA was created to provide neighborhood stabilization to communities throughout the United States due to rising foreclosures and abandoned residential properties due to tough economic times. HERA appropriated \$3.92 billion in funding as part of a special allocation of Community Development Block Grant (CDBG) funds for distribution to States and Local governments. The State of New Mexico received a total allocation of \$19.6 million. Las Cruces, received \$1.5 million from the State of New Mexico Department of Finance and Administration, Local Government Division.

In summary, the City's NSP Plan primarily focuses, through partner agencies in two areas. To (1) acquire, rehab, and resale abandoned or foreclosed properties or build new housing on acquired, vacant parcels for homeownership to serve persons between 50% and 120% of Area Median Income (AMI); and (2) acquire, rehab, and donate to qualified non-profit agencies as rental housing for persons below 50% of AMI, primarily for those with special needs. All properties must be foreclosed and available or vacant, abandoned, blighted and unused, with owners willing to sell.

Staff have been reviewing properties within the priority areas designated by the City for the NSP program and near-by. The two properties proposed for purchase under the resolution are:

- 1) 1307 Magoffin Place for \$143,000 (in Council District 4); and
- 2) 2872 Ancho Avenue for \$149,000 (in Council District 4).

The properties are proposed to be used for rental property. Should the City Council approve the proposed Resolution, this will allow staff to close and complete purchases on the properties. The properties will then be rehabilitated under standard City procedures and after rehabilitation, they will be transferred to La Casa, Inc. for use in perpetuity as rentals for victims of domestic violence, consistent with La Casa's NSP grant approved by the Council under Resolution 10-097.

SUPPORT INFORMATION:

Fund Name / Account Number	Amount of Expenditure	Budget Amount
HUD Special Projects – Fund 2010/ 20184230-722190-12005	\$397,500.00	\$397,500.00

1. Resolution
2. Exhibit "A" – Purchase Agreement for 1307 Magoffin Place
3. Exhibit "B" – Purchase Agreement of 2872 Ancho Avenue
4. Attachment "C" – Resolution 10-097
5. Attachment "D" – La Casa's NSP Grant Agreement with the City of Las Cruces

OPTIONS / ALTERNATIVES:

1. Vote YES and approve the Resolution approving the purchase of these three properties under the City's NSP. This will allow city staff to proceed with the purchases, complete necessary rehabilitation work, and then transfer them to La Casa.
2. Vote NO and disapprove the Resolution, thus not approving the purchases of the three properties under the City's NSP. This means that staff will need to cancel this offer and locate other properties, subject to any Council guidance. In such situations, the City may not be able to complete its obligations under the NSP grant from the State of New Mexico.
3. Modify the Resolution and vote YES to approve the modified Resolution. This action will be based on the Council's discretion. Such may or may not require the offers to be canceled.
4. Table or Postpone action on the requested Resolution. Direction would be required of the Council to staff. Tabling or postponing the approval means that the offers may expire or the properties will be purchased by other parties. If the offers expire or the properties are otherwise sold, staff will need to locate new properties, subject to any Council guidance. In such situations, the City may not be able to complete its obligations under its NSP grant.

RESOLUTION NO. 10-194

A RESOLUTION APPROVING THE PURCHASE OF PROPERTIES AT 1307 MAGOFFIN PLACE FOR \$143,500 AND 2872 ANCHO AVENUE FOR \$149,000, RESPECTIVELY, UNDER THE CITY'S NEIGHBORHOOD STABILIZATION PROGRAM. THE RESOLUTION AUTHORIZES THE CITY MANAGER TO EXECUTE THE PURCHASE DOCUMENTS ON THE CITY'S BEHALF AND FURTHER AUTHORIZES NECESSARY REHABILITATION AND DISPOSAL ACTIONS CONSISTENT WITH THE CITY'S NEIGHBORHOOD STABILIZATION PROGRAM (NSP).

The City Council is hereby informed that:

WHEREAS, the U.S. Department of Housing and Urban Development (HUD) is charged with implementing the Housing and Economic Recovery Act of 2008 (HERA); and

WHEREAS, HERA funds are a special allocation of Community Development Block Grant (CDBG) funds, and HERA creates a national program henceforth called the Neighborhood Stabilization Program; and

WHEREAS, due to the urgency expressed under HERA, the entire allocation of HERA funding were awarded to the State of New Mexico Department of Finance and Administration, Local Government Division, and the City of Las Cruces submitted a plan for use of the Neighborhood Stabilization Program within the corporate limits of the City; and

WHEREAS, the City of Las Cruces has received an allocation of \$1,500,000 for its Neighborhood Stabilization Program from the State of New Mexico; and

WHEREAS, part of the City's Neighborhood Stabilization Program calls for the purchase of foreclosed, abandoned, and/or vacant residential property for the development of affordable rental housing for La Casa, the local domestic violence services and housing provider.

NOW, THEREFORE, Be it resolved by the governing body of the City of Las Cruces:

(I)

THAT the City Council of the City of Las Cruces hereby authorizes the purchase of the properties at 1307 Magoffin Place for \$143,500, and at 2872 Ancho Avenue for \$143,000, respectively, in accordance with the Purchase Agreements, as shown in Exhibits "A" and "B," attached hereto and made part of this Resolution, plus all necessary closing costs per the Purchase Agreements, and the property purchases are hereby approved.

(II)

THAT the City Manager of the City of Las Cruces is hereby authorized to sign all necessary closing documents for the properties as identified in Paragraph (I) above, on the City's behalf.

(III)

THAT the City staff is hereby authorized to complete such necessary rehabilitation improvements to the respective properties, as identified within this Resolution, and such rehabilitation shall be in accordance with City standards for both procurement and construction, and in consultation with La Casa, Inc.

(IV)

THAT these properties will be transferred to the ownership of La Casa, with City staff overseeing the rehabilitation, consistent with its NSP grant approved by the Council in Resolution 10-097, and the City Manager of the City of Las Cruces is hereby authorized to sign all necessary closing documents for the properties, on the City's behalf, to La Casa, Inc.

(V)

THAT City staff is hereby authorized to do all deeds necessary in the accomplishment of the herein above.

DONE and APPROVED this _____ day of _____, 2010.

(SEAL)

APPROVED:

Mayor

ATTEST:

City Clerk

Moved by: _____

Seconded by: _____

VOTE:

Mayor Miyagishima:	_____
Councillor Silva:	_____
Councillor Connor:	_____
Councillor Pedroza:	_____
Councillor Small:	_____
Councillor Sorg:	_____
Councillor Thomas:	_____

APPROVED AS TO FORM:


City Attorney

Exhibit "A"

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**Steinborn
GMAC
Real Estate**

Steinborn GMAC Real Estate
141 N. Roadrunner Pkwy. Ste. 141
Las Cruces, NM 88011



REALTORS® ASSOCIATION OF NEW MEXICO
COUNTEROFFER NO. ONE - 2010

This Counteroffer is made a part of the Residential Commercial Vacant Land Farm and Ranch Purchase Agreement dated DECEMBER 17, 2009 between CITY OF LAS CRUCES, BY TERRANCE MOORE - CITY MANAGER ("Buyer") and ARTHUR J. & KRISTINE D. E. STERRA D. RUBASH ("Seller") and relating to the purchase of the following Property:

1307 MAGOFFIN PLACE LAS CRUCES 88007
City Zip Code

LOT B, BLOCK N, LEGENDE WEST SUBDIVISION PHASE 2
Legal Description

or see maps and bounds description attached as Exhibit DORA ANA County, New Mexico.

Counteroffers that are not expressly listed here are not incorporated into the Purchase Agreement.
Counteroffers are incorporated by reference into the Purchase Agreement of the parties, except as expressly modified by this Counteroffer.

Buyer and Seller accept the Purchase Agreement subject to the following changes:

- 1. PURCHASE PRICE TO BE \$145,300.00;**
- 2. PROPERTY TO BE SOLD AS IS CONDITION WITH NO COST OF REPAIRS TO SELLER.**

REALTOR ASSOCIATION OF NEW MEXICO
10000 Santa Fe Blvd., Santa Fe, NM 87507
Phone: (505) 833-1234 Fax: (505) 833-1235
www.ranm.org

KANN (505) 833-1234
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Member of the Las Cruces Association of REALTORS®

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REALTORS® ASSOCIATION OF NEW MEXICO
COUNTEROFFER NO. ONE - 2010

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All other terms and conditions of the Purchase Agreement remain the same.

This offer will expire unless acceptance is delivered in writing to Buyer or Buyer's Broker or Seller or Seller's Broker on or before DECEMBER 23, 2009 at 5:00 AM PM Mountain Time.
If not accepted, this offer can be withdrawn at any time before the expiration date.

It is recommended that the receiving party not sign this Counteroffer if it anticipates a subsequent Counteroffer. However, it is recommended the pages be initialed.

[Signature] BUYER 12/23/09
DATE OF THE OFFER DAY TIME

BUYER'S BROKER'S OFFER DATE TIME

[Signature] SELLER 12-20-09 12:30
DATE OF THE OFFER DAY TIME

[Signature] SELLER'S BROKER 12-20-09 1:30
DATE OF THE OFFER DAY TIME

REALTORS ASSOCIATION OF NEW MEXICO
1000 UNIVERSITY AVENUE, SUITE 1000, ALBUQUERQUE, NEW MEXICO 87102-1000



REALTORS® ASSOCIATION OF NEW MEXICO BROKER DUTIES - 2010

Every licensed New Mexico real estate Broker is obligated to disclose Broker Duties. Please acknowledge receipt of this information by signing or initialing at the bottom of this page. Disclosure: The following brokerage relationships are available in the State of New Mexico: (1) transaction broker, (2) exclusive agency, and (3) dual agency (see RANM Form 1401, p. 2).

Prior to the time an Associate Broker or Qualifying Broker generates or presents any written document that has the potential to become an express written agreement, the Associate Broker or Qualifying Broker shall disclose in writing to their prospective buyer, seller, landlord or tenant, the following list of Broker Duties that are owed to all Customers and Clients by all Brokers:

- (A) Honesty and reasonable care as set forth in the provisions of this section;
- (B) Compliance with local, state, and federal fair housing and anti-discrimination laws, the New Mexico Real Estate License Law and the Real Estate Commission Rules and other applicable local, state, and federal laws and regulations;
- (C) Performance of any and all oral or written agreements made with the Customer or Client;
- (D) Assistance to the Broker's Customer or Client in completing the Transaction, unless otherwise agreed to in writing by the Customer or Client, including (1) Presentation of all offers or counter-offers in a timely manner, and (2) Assistance in complying with the terms and conditions of the contract and with the closing of the Transaction;

If the Broker in a transaction is not providing the service, advice or assistance described in paragraphs D(1) and D(2), the Customer or Client must agree in writing that the Broker is not expected to provide such service, advice or assistance, and the Broker shall disclose such agreement in writing to the other Brokers involved in the Transaction;

- (E) Acknowledgment by the Broker that there may be matters related to the Transaction that are outside the Associate Broker's or Qualifying Broker's knowledge or expertise and that the Associate Broker or Qualifying Broker will suggest that the Customer or Client seek expert advice on these matters;
- (F) Prompt accounting for all monies or property received by the Broker;
- (G) Prior to the time the Associate Broker or Qualifying Broker generates or presents any written document that has the potential to become an express written agreement, written disclosure of (1) any written Brokerage Relationship the Broker has with any other Parties to the Transaction; and or (2) any material interest or relationship of a business, personal, or family nature that the Broker has in the Transaction; (3) other Brokerage Relationship options available in New Mexico;

(H) Disclosure of any adverse material facts actually known by the Associate Broker or Qualifying Broker about the Property or the Transaction, or about the financial ability of the parties to the Transaction to complete the Transaction. Adverse material facts do not include data from a sex offender registry or the existence of group homes;

(I) Maintenance of any confidential information learned in the course of any prior Agency relationship unless the disclosure is with the former Client's consent or is required by law;

(J) Unless otherwise authorized in writing, an Associate Broker or Qualifying Broker shall not disclose to their Customer or Client during the transaction that their Seller Client or Customer has previously indicated they will accept a sales price less than the asking or listed price of a property; that their Buyer Client or Customer has previously indicated they will pay a price greater than the price submitted in a written offer; the motivation of their Client or Customer for selling or buying property; that their Seller Client or Customer or their Buyer Client or Customer will agree to financing terms other than those offered; or any other information requested in writing by the Associate Broker's or Qualifying Broker's Customer or Client to remain confidential, unless disclosure is required by law.

Signature	12/16/2009	Date		12/16/2009	Date	Time
City of Las Cruces			By Terrance Moore-City Manager			

**REALTORS® ASSOCIATION OF NEW MEXICO
BROKER DUTIES - 2010**

Effective January 1, 2007, the New Mexico Real Estate Commission requires the disclosure of the following brokerage relationships (as quoted from 16.61.19.9 NMAC, 1-1-2004):

16.61.19.9 BROKERAGE RELATIONSHIPS: Brokerages working with consumers either as customers or clients may do so through a variety of brokerage relationships. These relationships include but are not limited to an exclusive agency relationship, a dual agency relationship, or a transaction broker relationship. For all regulated real estate transactions, a buyer, seller, landlord or tenant may enter into an express written agreement to become a client of a brokerage without creating an agency relationship, and no agency duties will be imposed.

A. Exclusive agency: an express written agreement between a person and a brokerage wherein the brokerage agrees to exclusively represent as an agent the interests of the person in a real estate transaction. Such agreements include buyer agency, seller agency, designated agency, and subagency agreements.

B. Dual agency: an express written agreement that modifies existing exclusive agency agreements to provide that the brokerage agrees to act as a facilitator in a real estate transaction rather than as an exclusive agent for either party to the transaction.

C. Transaction Broker: The non-fiduciary relationship created by Broker: 61.29.2A14 NMSA 1978, wherein a brokerage provides real estate services without entering into an agency relationship.



**REALTORS® ASSOCIATION OF NEW MEXICO
PURCHASE AGREEMENT – RESIDENTIAL RESALE – 2010
PART I – BROKER DUTIES**

Every licensed New Mexico real estate Broker is obligated to disclose Broker Duties. Please acknowledge receipt of this information by signing or initialing at the bottom of this page. Disclosure: The following brokerage relationships are available in the State of New Mexico: (1) transaction broker, (2) exclusive agency, and (3) dual agency (see RANM Form 1401, p. 2).

Prior to the time an Associate Broker or Qualifying Broker generates or presents any written document that has the potential to become an express written agreement, the Associate Broker or Qualifying Broker shall disclose in writing to their prospective buyer, seller, landlord or tenant, the following list of Broker Duties that are owed to all Customers and Clients by all Brokers:

- (A) Honesty and reasonable care as set forth in the provisions of this section;
- (B) Compliance with local, state, and federal fair housing and anti-discrimination laws, the New Mexico Real Estate License Law and the Real Estate Commission Rules and other applicable local, state, and federal laws and regulations;
- (C) Performance of any and all oral or written agreements made with the Customer or Client;
- (D) Assistance to the Broker's Customer or Client in completing the Transaction, unless otherwise agreed to in writing by the Customer or Client, including (1) Presentation of all offers or counter-offers in a timely manner, and (2) Assistance in complying with the terms and conditions of the contract and with the closing of the Transaction;

If the Broker in a transaction is not providing the service, advice or assistance described in paragraphs D(1) and D(2), the Customer or Client must agree in writing that the Broker is not expected to provide such service, advice or assistance, and the Broker shall disclose such agreement in writing to the other Brokers involved in the Transaction;

(E) Acknowledgment by the Broker that there may be matters related to the Transaction that are outside the Associate Broker's or Qualifying Broker's knowledge or expertise and that the Associate Broker or Qualifying Broker will suggest that the Customer or Client seek expert advice on these matters;

(F) Prompt accounting for all monies or property received by the Broker;

(G) Prior to the time the Associate Broker or Qualifying Broker generates or presents any written document that has the potential to become an express written agreement, written disclosure of (1) any written Brokerage Relationship the Broker has with any other Parties to the Transaction; and or (2) any material interest or relationship of a business, personal, or family nature that the Broker has in the Transaction; (3) other Brokerage Relationship options available in New Mexico;

(H) Disclosure of any adverse material facts actually known by the Associate Broker or Qualifying Broker about the Property or the Transaction, or about the financial ability of the parties to the Transaction to complete the Transaction. Adverse material facts do not include data from a sex offender registry or the existence of group homes;

(I) Maintenance of any confidential information learned in the course of any prior Agency relationship unless the disclosure is with the former Client's consent or is required by law;

(J) Unless otherwise authorized in writing, an Associate Broker or Qualifying Broker shall not disclose to their Customer or Client during the transaction that their Seller Client or Customer has previously indicated they will accept a sales price less than the asking or listed price of a property; that their Buyer Client or Customer has previously indicated they will pay a price greater than the price submitted in a written offer; the motivation of their Client or Customer for selling or buying property; that their Seller Client or Customer or their Buyer Client or Customer will agree to financing terms other than those offered; or any other information requested in writing by the Associate Broker's or Qualifying Broker's Customer or Client to remain confidential, unless disclosure is required by law.

**REALTORS® ASSOCIATION OF NEW MEXICO
PURCHASE AGREEMENT – RESIDENTIAL RESALE – 2010
PART II**

BROKERAGE RELATIONSHIPS DISCLOSURE: Transaction Broker, Exclusive Agency, and Dual Agency are brokerage relationships available in New Mexico. Brokers may, but are not required to, disclose unwritten agreements with Buyers and Sellers. However, Brokers must disclose written agreements.

1. John Lance Swarengin ("Buyer's Broker") is working with the Buyer in this transaction as a:

- Transaction Broker without a written agreement.
- Transaction Broker with a written agreement (RANM Form 1206, Buyer Broker Agreement).
- Agent with a written agreement (RANM Form 1206, Buyer Broker Agreement with Agency Addendum).

2. **IN-HOUSE TRANSACTION:**

- A. Buyer's Broker is licensed under the same Qualifying Broker in the same Brokerage as Seller's Broker. Seller's Broker has a written listing agreement with the Seller as Transaction Broker Agent.
- B. Buyer's Broker is also Seller's Broker for the property in this Transaction. Seller's Broker has a written listing agreement with Seller as Transaction Broker Agent.

3. **DUAL REPRESENTATION DISCLOSURE AND CONSENT:** Brokerage is representing both Buyer and Seller by means of written agreements with each of them, without creating Dual Agency. If there are two written agreements, Buyer and Seller hereby consent to this dual representation.

4. **DUAL AGENCY DISCLOSURE:** Brokerage is representing both Buyer and Seller by means of written agency agreements with each of them, and Designated Brokerage has not been chosen by the Qualifying Broker, thus creating Dual Agency. Prior to writing or presenting this offer, Broker must obtain written consent from the Buyer Client and Seller Client (RANM Form 1301, Agency Agreement - Dual).

5. Buyer's Broker does does not have a material interest or relationship of a business, personal or family nature in the transaction, including compensation from more than one party: Contracted as a Buyers Broker for City of Las Cruces

If the Brokerage or Qualifying Broker has a material interest or relationship of a business, personal, or family nature in the transaction, that interest or relationship must also be disclosed separately.

6. Buyer Seller is a licensed New Mexico real estate Broker.

The BROKERAGE RELATIONSHIPS DISCLOSURE is acknowledged by the parties below:

BUYER			SELLER		
Buyer <u>City Of Las Cruces</u>	Date	Time	Seller	Date	Time
	<u>12/17/09</u>				
Buyer by Terrance Moore-City Manager	Date	Time	Seller	Date	Time

BUYER'S BROKER

International Realty Plus NM
Buyer's Brokerage Firm

Broker Signature John Lance Swarengin

Broker is is not a REALTOR®

12.17.09
Date Time

SELLER'S BROKER

Seller's Brokerage Firm

Broker Signature

Broker is is not a REALTOR®

Date Time



REALTORS® ASSOCIATION OF NEW MEXICO
PURCHASE AGREEMENT - RESIDENTIAL RESALE - 2010



OFFER DATE: _____

1. PARTIES. City Of Las Cruces, by Terrance Moore-City Manager
("Buyer") agrees to buy from Seller and
("Seller") agrees to sell and convey to Buyer the Property described in paragraph 4 with a
Settlement/Signing Date of see addendum #2 (described in paragraph 5 below).

2. PURCHASE PRICE. \$ 136,800.00
A. APPROXIMATE CASH DOWN PAYMENT \$ 1,000.00
(Including Earnest Money referred to in paragraph 3)
B. AMOUNT OF THE LOAN(S) described in paragraph 7 below. \$

3. EARNEST MONEY. Buyer will deliver \$ 1,000.00
Earnest Money in the form of [X] check [] cash [] note dated December 17, 2009, to be escrowed upon
mutual acceptance of this Agreement by Buyer and Seller with Southwestern Abstract and Title Co.,
in accordance with New Mexico law. Earnest Money will be applied to Purchase Price and/or closing costs upon Funding
Date.

4. PROPERTY.
A. 1307 Magoffin Place Las Cruces NM 88007
Address City State/Zip Code

Lot 8, Block M, 4152-Legends West Subdivision Phase 2
Legal Description

or see metes and bounds or other legal description attached as Exhibit n/a, Dona Ana
County, New Mexico. If the legal description of the Property is not complete or is inaccurate, this Agreement will not be
invalid and the legal description will be completed or corrected to meet the requirements of the title company which will
issue the title policy.

B. TYPE: [X] site built [] manufactured housing [] modular [] off site built [] other:
(See RANM Form 2305 for further information.)

C. Description or explanation of any known mineral or water rights appurtenant to the Property and whether they will
be included in the sale: If water or
mineral rights are identified as being included in the sale of the Property, Buyer is advised to seek expert and legal advice
and assistance to ensure that those rights are properly transferred at closing.

D. The Property will include the following, if existing on the Property, unless excluded below, free of liens: smoke,
fire, security and water conditioning systems (if owned by Seller); heating, ventilating and air conditioning systems,
landscaping; sprinklers/irrigation equipment; storm windows and doors, screens, window coverings and rods; TV
antennas, satellite dishes and receiver with access card (if owned by Seller and if transferable); light fixtures; ceiling
fans; range; oven; dishwasher; garbage disposal; attached mirrors; attached floor coverings; awnings; mailboxes; fireplace
grate and screen; garage door openers and controls; pool and spa equipment; and outdoor plants and trees (other than in
movable containers). The following additional existing personal property, if checked, shall remain with the property:

- [X] Refrigerator [] Decorative mirrors above bath vanities
[X] Microwave [] Built-in/attached speakers and sub woofers
[] Washer [] TV
[] Dryer [] Audio components
[X] Other Stove, Dishwasher [] Other

The above additional existing personal property included shall not be considered part of the premises and shall be
transferred with no monetary value, and free and clear of all liens and encumbrances.

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resulting from its use. By use of this form the parties agree to the limitations set forth in this paragraph. The parties hereby release RANM, the real estate brokers,
their Agents and employees from any liability arising out of the use of this form. You should consult your attorney with regards to the effectiveness, validity, or
consequences of any use of this form. The use of this form is not intended to identify the user as a REALTOR®. REALTOR® is a registered collective membership
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Code of Ethics.

REALTORS® ASSOCIATION OF NEW MEXICO
PURCHASE AGREEMENT - RESIDENTIAL RESALE - 2010

E. The following items are excluded from the sale: _____

5. **CLOSING.** "Closing" is defined as a series of events by which Buyer and Seller satisfy all of their obligations in the Agreement. Closing is not completed until all parties have completed all requirements as stated below, as well as completing all other obligations under this Agreement. If either party elects to extend either of the following dates, they must do so in a writing signed by both parties. No extension is binding unless agreed to in writing by both parties. The parties further acknowledge that Seller will not receive the proceeds of sale until all the events stated under "Funding Date" have been completed.

A. Settlement/Signing date: see addendum #2 (as described in paragraph 1)

1. Buyer and Seller agree to sign and deliver to the responsible closing officer all documents required to complete the transaction and to perform all other closing obligations of this Agreement on or before the above date.

2. Buyer and Seller agree to provide for the delivery of all required funds, exclusive of Lender funds, if any, using wired, certified or other "ready" funds acceptable to the closing officer, on or before the above date.

B. **Funding Date** (Completion of Closing): on or before see addendum #2 para #3. The Funding Date is the date that the closing officer has funds available to disburse to all parties after recording all documents required to complete the transaction.

1. It is Buyer's responsibility to ensure that Buyer's lender, if any, makes available to the closing officer, wired certified or other "ready" funds with written instructions to disburse funds, on or before the Funding Date as set forth above.

2. Buyer and Seller acknowledge that possession of the Property will be in accordance with the terms of paragraph 6 below.

Unless otherwise agreed to in writing, failure to perform any of the above items by either party shall constitute a default under this Agreement.

6. **POSSESSION.**

A. Buyer and Seller agree that Seller will give possession of the Property to Buyer upon:

1. "Funding Date" as set forth above at 5:00 p.m.; or,

2. Other: _____

B. If possession date is other than "Funding Date" as set forth above, then Buyer and Seller shall execute a separate written Occupancy Agreement. (See RANM Forms 2201 and 2202)

7. **FINANCED OR CASH PURCHASE.**

A. **LOANS.** This Agreement is contingent upon Buyer's ability to obtain a loan in the amount stated above in paragraph 2B of the following type: Conventional FHA VA Deed of Trust Other: _____

1. Buyer has made written application for a loan, or agrees to make written application for a loan no later than _____ days after the Date of Acceptance ("Loan Application Period"). Buyer agrees to provide Seller with a letter of Preliminary Loan Approval from a lender no later than _____ days after the Date of Acceptance ("Financing Approval Period").

2. Preliminary Loan Approval must stipulate that: (1) a loan application has been made; (2) a credit report has been obtained and reviewed by a lender; (3) a preliminary loan commitment has been secured from the same lender; (4) financing equal to the loan amount provided in paragraph 2B is available to complete the transaction with no contingencies except those provided for in this Agreement.

3. If there are changes to the loan, loan program, financing terms, or a change in lender at any time after the Financing Approval Period which adversely affect Buyer's ability to obtain a loan, increase Seller's costs or delay Closing, Buyer shall have the obligation to notify Seller in writing within 2 days of such occurrence. In that event, within days of receipt of Buyer's notification, Seller may notify Buyer in writing of: (1) Seller's approval of such changes, or (2) Seller's decision to terminate the Agreement. If Seller does not notify Buyer within the 5 day period provided, Seller will be deemed to have waived Seller's right to terminate and shall proceed to Closing.

4. If Buyer cannot obtain Preliminary Loan Approval within the Financing Approval Period, this Agreement shall terminate and the Earnest Money shall be refunded to Buyer unless the parties agree in writing to an extension.

5. Buyer further agrees to provide Seller with written notification of Final Loan Approval from Buyer's lender with all loan contingencies removed _____ days before the Settlement/Signing Date ("Final Loan Approval"). In the event of a written rejection by the lender prior to Final Loan Approval, this Agreement shall terminate and the Earnest Money shall be refunded to Buyer.

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REALTORS® ASSOCIATION OF NEW MEXICO
PURCHASE AGREEMENT - RESIDENTIAL RESALE - 2010

- B. SELLER FINANCING:** The approximate balance of \$ _____ shall be financed by Seller and shall be secured by: Real Estate Contract Mortgage Deed of Trust. Terms and conditions of the above instrument shall be attached as Addendum _____. If RANM Real Estate Contract (RANM Form 2401) is selected, a completed Addendum to Purchase Agreement - Real Estate Contract (RANM Form 2402) shall be attached. Buyer shall provide Seller with: a current and complete financial statement and/or a current credit report no later than _____ days after the Date of this Agreement. Seller shall have the right to object to either of these documents within _____ days after receipt from Buyer (Financial Review Period). If Seller does not approve Buyer's qualifications during the Financial Review Period, Seller has the option to terminate this Agreement and Earnest Money shall be refunded to Buyer. If Seller does not object in writing to Buyer's qualifications within the Financial Review Period, Seller will be deemed to have waived Seller's right to object to Buyer's qualifications. Seller may not unreasonably withhold approval.
- C. CASH PURCHASE:** Buyer agrees to purchase the subject property for cash. No later than 59 days after the Date of Acceptance, Buyer agrees to provide Seller with verification of funds and proof satisfactory to Seller that Buyer has in Buyer's possession or control, the funds necessary to complete the transaction. This Agreement shall terminate in the event of failure of Buyer to provide timely proof of funds and Earnest Money shall shall not be refunded to Buyer.
- D. CONTINGENT SALE:** This Agreement is contingent on the future Closing of Buyer's property. Buyer's Sale Contingency - RANM Form 2503 is is not attached.

8. APPRAISAL

- A. CONVENTIONAL OR OTHER NON-FHA/VA LOAN:** (describe): _____
It is expressly agreed that, notwithstanding any other provisions of this Agreement, Buyer shall not be obligated to complete the purchase of the Property or incur any penalty for forfeiture of Earnest Money if the Purchase Price exceeds the current estimated market value ("Appraisal") as established by a real estate appraiser approved by the lender.
- B. FHA:** It is expressly agreed that, notwithstanding any other provisions of this contract, Buyer shall not be obligated to complete the purchase of the Property described herein or to incur any penalty by forfeiture of Earnest Money deposits or otherwise unless the Buyer has been given, in accordance with HUD/FHA or VA requirement, a written statement by the Federal Housing Commissioner or a Direct Endorsement Lender setting forth the appraised value of the property, or a VA Certificate of Reasonable Value (excluding closing costs) of not less than \$ _____ (Purchase Price). The appraised valuation is arrived at to determine the maximum mortgage the Department of Housing and Urban Development will insure. HUD does not warrant the value nor the condition of the property. Buyer should satisfy himself that the price and condition of the property are acceptable.
- C. VA:** It is expressly agreed that, notwithstanding any other provisions of this contract, Buyer shall not incur any penalty by forfeiture of Earnest Money or otherwise be obligated to complete the purchase of the real estate described herein, if the contract Purchase Price or cost exceeds the reasonable value of the real estate established by the Veterans Administration.
- D. CASH OR SELLER FINANCED:** It is expressly agreed that, notwithstanding any other provisions of this Agreement, Buyer shall not be obligated to complete the purchase of the Property or incur any penalty by forfeiture of Earnest Money if the Purchase Price exceeds the current estimated market value ("Appraisal") as established by a real estate appraiser engaged by and paid by Buyer Seller.

E. In the event the conventional appraisal, the FHA appraisal, the VA certificate of reasonable value, or an appraisal for a cash or seller financed transaction is less than the agreed upon Purchase Price, Buyer may still proceed with the consummation of this Agreement without regard to the amount of appraisal or certificate of reasonable value, provided Buyer delivers written notice to Seller of such election within 3 days of the receipt of said notice of value. If Buyer does not deliver written notice of such election within 3 days, Buyer shall be deemed to have elected not to proceed. If Buyer elects not to proceed, Seller and Buyer may agree to a Purchase Price acceptable to both parties within 5 days after receipt of said notice to both parties. If the parties cannot agree, this Agreement shall terminate and Earnest Money shall be refunded to Buyer.

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9. COSTS TO BE PAID. Buyer or Seller will pay the following marked items:

Loan Related Costs and Fees	Buyer	Seller	Not Required	Title Company Closing Costs	Buyer	Seller	Not Required
				Closing Fee	1/2	1/2	
Appraisal Fee	X			Legal Document Preparation			X
Appraisal Reinspection Fee	X			Special Assessment Search			X
Credit Report			X	Buyer Recording Fees	X		
Loan Assumption/Transfer			X	Seller Recording Fees		X	
Loan Documentation Preparation			X	Policy Premiums			
Origination Fee			X	Title Commitment		X	
Points - Buydown			X	Standard Owner's Policy		X	
Points - Discount			X	Mortgagee's Policy			X
Tax Service Fee			X	Mortgagee's Policy Endorsements			X
Underwriting Review Fee			X	Other:			
Flood Zone Certification		X		Miscellaneous			
Other:				Survey (§ 16C)		X	
Other:				Impact Fees			X
Prepays Required by Lender				Home Warranty contract (§ 17)			X
Flood Insurance			X	Transfer Fees (e.g. HOA, etc.)			X
Hazard Insurance			X	HOA Fees (e.g. processing)			X
Interest			X	Other:			
PMI or MIP			X	Escrow Fees			
Taxes			X	Set up			
Other:				Periodic			
Other:				Close Out			
				Other:			

Buyer agrees to pay all other allowed direct loan costs.

10. IRS 1031 TAX-DEFERRED EXCHANGE. Buyer Seller intends to use this property to accomplish a 1031 tax-deferred exchange. The parties agree to cooperate with one another in signing and completing any documents required. The exchanging party agrees that the other party will bear no additional expense.

11. PRORATIONS. Seller will be responsible for disclosing all applicable property-specific fees, or lease agreements, private memberships and/or association fees or dues, taxes and contract service agreements, all of which are to be prorated through Settlement/Signing Date. Any equipment rental or contract service agreement (e.g. alarm system, satellite system, propane and tank, private refuse collection, road maintenance, etc.) will be handled directly between the Buyer and Seller, and title company will not be responsible for proration thereof.

12. ASSESSMENTS. Buyer will assume all bonds, impact fees and assessments that are part of or paid with the property tax bill. If other bonds, impact fees or assessments are a lien upon the Property, the current installment will be prorated through Settlement/Signing Date. Buyer will assume future installments. This Agreement is conditioned upon both parties verifying and approving in writing the amount of all bonds, impact fees, or assessments to be assumed or paid within 10 days after receipt of the title commitment ("Approval Date"). In the event of disapproval, the disapproving party may terminate this Agreement by giving written notice to the other on or before the Approval Date. Future assessments for improvements such as, but not limited to, sidewalks, driveway cuts or roads will be paid by Buyer.

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13. EXAMINATION OF TITLE; LIENS; DEED.

A. Buyer Seller shall order a title commitment from Southwestern Abstract and Title Co. (Title Company) within 5 bus days after the Date of Acceptance. Buyer will have 5 bus days ("Review Period") to review and object to title exceptions after receipt of the title commitment and all documents referred to therein. Exceptions to the title, including the standard exceptions, shall be deemed approved unless written objection is delivered to the Seller within this Review Period. If Seller is unwilling or unable to remove such exception before Settlement/Signing Date, Seller shall provide written notice to Buyer within 5 bus days after receipt of Buyer's objections. Buyer may choose to close subject to exceptions, remove them at Buyer's expense or terminate this Agreement. If Buyer terminates this Agreement, the Earnest Money will be refunded to Buyer.

B. Seller will satisfy any judgments and liens, including but not limited to, all mechanics' and materialmen's liens of record on or before Settlement/Signing Date and will indemnify and hold Buyer harmless from any liens filed of record after Settlement/Signing Date and which arise out of any claim related to the providing of materials or services to improve the Property as authorized by Seller or Seller's agents, unless otherwise agreed to by the parties in writing.

C. Seller will convey the Property by General Warranty Deed other deed _____ subject only to any matters identified in the title commitment and not objected to by Buyer as provided in paragraph 13A. The legal description contained in the deed shall be the same legal description contained in the title commitment and any survey required under paragraph 16C.

14. FOREIGN SELLERS. The disposition of a U.S. Real Property interest by a Foreign Person is subject to Foreign Investment in Real Property Tax Act of 1980 (FIRPTA) income tax withholding. FIRPTA applies if Seller is a Foreign Person, Foreign Corporation or Partnership, or non-resident Alien, unless BOTH the purchase price is \$300,000 or less AND Buyer intends to use the property as Buyer's primary residence. Federal Law requires that if Seller is a Foreign Person, then Buyer must withhold ten percent (10%) of the amount realized from the sale of the Property and remit it to the Internal Revenue Service (IRS) within 20 days of Closing unless the Seller provides written confirmation from the IRS that Seller is not subject to withholding. Generally speaking, the "amount realized" is the sales/purchase price of the Real Estate. If Seller is Non-Foreign, the Seller must provide proof of Non-Foreign status by fully executing an Affidavit of Non-Foreign Seller (RANM Form 2303) and deliver it to either the Buyer or to a Qualified Substitute. Under FIRPTA, if Seller is a Foreign Person and Buyer fails to withhold taxes, the Buyer may be held liable for the tax, in addition to other fines and penalties and the Buyer's Broker may be fined up to the amount of their commission.

Buyer's offer is is not contingent upon the Seller completing the FIRPTA response box in the Acknowledgement by Seller Section of this Purchase Agreement, and providing the documents indicated there in no later than 10 days after Date of Acceptance. If Seller is providing an Affidavit of Non-Foreign Seller, Buyer agrees that Seller may, at Seller's option, provide this Affidavit either to Buyer or to a Qualified Substitute as provided by FIRPTA. If a Qualified Substitute is used, Buyer will not receive a copy of Seller's Affidavit.

For further information on FIRPTA, see the FIRPTA Information Sheet (RANM Form 2304), and consult with an attorney and/or tax professional.

15. INSURANCE CONTINGENCY/APPLICATION.

A. Buyer agrees to make application for insurance within _____ days after Date of Acceptance of this Agreement. If Buyer fails to make application within the agreed time, this insurance contingency shall be deemed waived. This Agreement is conditioned upon Buyer's ability to obtain a homeowner's or property insurance binder on the Property at normal and customary premium rates. Buyer understands that an insurance company may cancel or change the terms of a homeowner's insurance policy/binder for any reason prior to close of escrow or within sixty days after issuance of the homeowner's policy/binder (which generally occurs at close of escrow).

B. This insurance contingency shall be deemed satisfied, unless within _____ days after Date of Acceptance of this Agreement, Buyer gives notice of inability to obtain a binder for insurance or if Buyer gives notice that Buyer is unable to obtain a homeowner's or property insurance binder on the Property at normal and customary premium rates. If Buyer is unable to obtain such a binder for insurance after making a good faith effort and gives timely notice of such inability, then the Purchase Agreement shall terminate and the Earnest Money shall be refunded to Buyer.

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Unless otherwise agreed in writing, the Buyer will select the inspector. Whether or not the transaction closes, the following inspections will be paid for by:

INSPECTIONS	Buyer Pays	Seller Pays	Delivery Deadline	Objection Deadline	Resolution Deadline
Home	X		due diligence	due diligence	due diligence
Electrical	X		due diligence	due diligence	due diligence
Heating/Air Conditioning	X		due diligence	due diligence	due diligence
Plumbing	X		due diligence	due diligence	due diligence
Roof	X		due diligence	due diligence	due diligence
Structural	X		due diligence	due diligence	due diligence
Lead-Based Paint Evaluation					
Risk Assessment					
Paint Inspection					
Combination Risk Assessment/Inspection					
Other:					
Well Equipment (pump, pressure tank, lines)					
Well Water Potability Tests					
Well Water Yield Tests					
Well Water Nitrate Tests					
Pool/Spa/Hot Tub Equipment					
Wood-Destroying Insects	X		due diligence	due diligence	due diligence
Dry Rot	X		due diligence	due diligence	due diligence
Radon	X		due diligence	due diligence	due diligence
Mold	X		due diligence	due diligence	due diligence
Square-Foot Measurement:					
Sewer Line Inspections	X		due diligence	due diligence	due diligence
Ducts (type):	X		due diligence	due diligence	due diligence
Phase One Environmental Inspection					
Soil Test					
Other:					
Other:					

C. SURVEYS OR IMPROVEMENT LOCATION REPORT. Buyer has the right to have performed the item selected below or the right to accept an existing one. Unless otherwise agreed in writing the party paying for the item will select the surveyor and order the survey or report.

SURVEY/IMPROVEMENT LOCATION REPORT	Delivery Deadline	Objection Deadline	Resolution Deadline
Improvement Location	30 Days After Acceptance	32 Days After Acceptance	40 Days After Acceptance
Metes and Bounds Description			
Staked Boundary	30 Days After Acceptance	32 Days After Acceptance	40 Days After Acceptance
American Land Title Association Survey (ALTA)			
Flood Plain Designation	30 Days After Acceptance	32 Days After Acceptance	40 Days After Acceptance
Other:			

Each party is responsible for payment as shown above for any inspection or surveys ordered and performed whether or not the transaction closes.

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D. BUYER'S OBJECTIONS.

1. The Buyer may make any reasonable objections to any report or unsatisfactory condition disclosed by any document (16A), inspections (16B), survey or Improvement Location Report (16C) by submitting them in writing to Seller no later than applicable Objection Deadline. Any objections to any inspection, survey or report must be accompanied by a copy of the report. If Seller is responsible for ordering a report or document, and if Buyer does not receive that report or document by the Delivery Deadline, Buyer and Seller may agree to extend the Objection Deadline and Resolution Deadline or Buyer may terminate the Agreement. If Buyer is responsible for ordering a report or document, and fails to do so in a timely manner, Buyer may not use the failure to receive the report or document as cause to terminate the Agreement.

2. Upon objection, Buyer can request that Seller cure the objections or Buyer can terminate this Agreement. If no written objection or termination is delivered to Seller in writing by Objection Deadline, the contingency shall be deemed removed.

E. RESOLUTION. If Buyer makes specific objections and requests Seller to cure, Buyer and Seller may negotiate a resolution. If the objections are not resolved by the Resolution Deadline, this Agreement shall be terminated.

F. COST OF REPAIRS. Seller agrees to complete or pay for any repairs required by a FHA, VA, conventional lender, or with respect to any objections made by Buyer as a result of the above reports, at an aggregate cost not to exceed \$ _____. If the cost to cure the objections exceeds this amount, such excess costs may be negotiated and if no agreement is reached, the Agreement shall terminate.

G. OBJECTIONS COMPLETION. Seller agrees to cure objections not later than _____ days prior to Settlement/ Signing Date.

H. REFUND OF EARNEST MONEY. If this Agreement is terminated pursuant to this paragraph, the Earnest Money will be refunded to Buyer.

I. REASONABLE ACCESS; DAMAGES. Seller agrees to provide reasonable access to Buyer and any inspectors. The party selecting the inspector is responsible for and shall pay for any damages which occur to the Property as a result of such Inspection.

17. HOME WARRANTY CONTRACT. If provided for in paragraph 9, a home warranty service contract will be purchased from _____. The parties acknowledge that the home warranty service contract provides for limited coverage and for only limited components of the Property. In addition, the home warranty service contract contains specific exclusions and/or certain deductibles. Neither the Seller nor the Broker is responsible for home warranty coverage or lack thereof. The parties acknowledge that a home warranty service contract provider may or may not conduct an inspection of the Property. Any inspection report made available by the provider is not meant as a representation as to the condition of the Property, and is only a report used by the provider to determine the conditions under which the Property may be warranted.

18. DISCLAIMER. The Property is sold in its current condition including, but not limited to, the nature, location, amount, sufficiency or suitability of its: current or future value; future income to be derived therefrom or as to its current or future production; condition; size; location of utility lines; location of sewer, water and other utility lines or availability of utility services or the possibility of extending improvements (paving, sewer, water, utilities, access) to the Property; easements with which it is burdened or benefited; lot boundaries; adjacent property zoning; physical and legal access; soil conditions; permits, zoning, or code compliance; lot size or acreage; and improvements or their square footage; and water rights. Broker has not investigated and is not responsible for the foregoing aspects of the Property, among which lot size, acreage, and square footage may have been approximated, but are not warranted as accurate. Buyer will have had full and fair opportunity to inspect and judge all aspects of the Property with professional assistance of Buyer's choosing prior to settlement and is purchasing Property based solely upon Buyer's inspection and judgment and not by reason of any representation made to Buyer by Seller or Broker unless expressly set forth in this Agreement or Disclosure Statements. Buyer and Seller acknowledge that Brokers' only role in this transaction is to provide real estate advice to Broker's client and/or customer and real estate information to the parties. For all other advice or information that may affect this transaction, including but not limited to financial and legal, the parties must rely on other professionals.

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19. RELEASE. The parties hereby release the REALTORS® Association of New Mexico, all local REALTOR® Boards, Broker and the agents and employees of the foregoing from any liability arising out of use of this Purchase Agreement form. Buyer and Seller acknowledge that they are hereby advised to consult their own respective attorneys, accountants, or other advisors as to the legal and tax effect of this Agreement prior to signing.

20. MAINTENANCE. Seller agrees that until Seller gives possession of the Property to Buyer, the heating, air conditioning, electrical, solar, septic systems, well and well equipment, gutters and downspouts, sprinklers, plumbing systems including the water heater, pool and spa systems, as well as appliances and other mechanical apparatus, will be in the same condition as the Date of Acceptance, normal wear and tear excepted. Until the Property is delivered, Seller will maintain all structures, landscaping, grounds and pool. Seller agrees to deliver the Property with all debris and personal belongings removed. The following items are specifically excepted from the above: _____

21. PRE-CLOSING WALK-THROUGH. Within 2 days prior to Settlement/Signing Date, Buyer shall have the right to verify the Property is in the same condition as on the Date of Acceptance, reasonable wear and tear excepted, and all agreed upon improvements have been completed.

22. FLOOD HAZARD ZONE. If the Property is located in an area which is designated as a special flood hazard area, Buyer may be required to purchase flood insurance in order to obtain a loan secured by the Property from any federally regulated financial institution or a loan insured or guaranteed by an agency of the U.S. Government.

23. DEFINITIONS. BROKER includes Buyer's and Seller's brokers. **DAYS** means calendar days excluding weekends and bank holidays, unless otherwise specified. **DATE OF ACCEPTANCE** is the date this Agreement is fully executed and delivered. **DELIVERED** means personally delivered, delivered by facsimile, mailed postage prepaid, or by any method where there is evidence of receipt. The facsimile or e-mail transmission of a copy of this or any related document will constitute delivery of that document. The facsimile, e-mail or electronically transmitted signature shall have the same force and effect as an original signature. Delivery to the real estate Broker who is working with or who represents the Buyer or Seller will constitute delivery to the Buyer or Seller respectively, except if the same Broker works for or represents both Buyer and Seller, in which case, delivery to the principal is required. The **MASCULINE** includes the feminine. The **SINGULAR** includes the plural.

24. RISK OF LOSS. Prior to Funding Date, risk of fire or other casualty will be on Seller, and in the event of loss, Buyer will have the option (to be exercised by written notice to Seller within 5 days after receipt of notice of loss) of canceling this Agreement and receiving back the Earnest Money or closing and receiving assignment of Seller's portion of the insurance proceeds, if any, at Funding Date. If Buyer fails to timely notify Seller of Buyer's election, Buyer will be deemed to have elected to close.

25. MEDIATION. If a dispute arises between the parties relating to this Agreement, the parties agree to submit the dispute to mediation. The parties will jointly appoint a mediator and will share equally the costs of the mediation. If a mediator cannot be agreed on or mediation is unsuccessful, the parties may enforce their rights and obligations under this Agreement in any manner provided by New Mexico law.

26. EARNEST MONEY DISPUTE. Notwithstanding any termination of this Agreement, in the event that a controversy arises between Buyer and Seller, and the controversy cannot be resolved, the Holder of the Earnest Money may take no action or may choose to file an Interpleader action. Interpleader is a legal proceeding whereby the Holder of the Earnest Money names Buyer and Seller as defendants and deposits the funds in question with an appropriate court. Once the funds have been disbursed by final determination of the court, the prevailing party and the Holder of the Earnest Money shall be entitled to request recovery of all court costs and reasonable attorneys' fees related to the dispute from the non-prevailing party. Parties to all Earnest Money disputes are urged to review RANM Form 2310, "Earnest Money Dispute Information Sheet," and to consult a licensed attorney to fully understand all their rights and remedies.

27. DEFAULT. Time is of the essence. If any payment or any other condition hereof is not made, tendered or performed by either Seller or Buyer as required, then this Agreement may be terminated at the option of the party who is not in default. If the non-defaulting party elects to treat this Agreement as terminated, the non-defaulting party may elect to retain the Earnest Money and pursue any additional remedies allowable by law. In the event, however, the non-defaulting party elects to treat this Agreement as being in full force and effect, the non-defaulting party will have all rights and remedies available under this Agreement. Buyer and Seller acknowledge and agree that Broker will not in any circumstances be responsible for any breach by either party to this Agreement. Should any aspect of this Agreement result in dispute, litigation, or settlement, the prevailing party of such action including Broker shall be entitled to an award of reasonable attorneys' fees and court costs.

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- 28. FAIR HOUSING.** Seller and Buyer understand that the Fair Housing Act and the New Mexico Human Rights Act prohibit discrimination in the sale or financing of housing on the basis of race, age, color, religion, sex, sexual orientation, gender identity, familial status, spousal affiliation, physical or mental handicap, serious medical condition, national origin or ancestry.
- 29. COUNTERPARTS.** This Agreement may be executed in one or more counterparts, each of which is deemed to be an original, and all of which will together constitute one and the same instrument.
- 30. GOVERNING LAW.** This Agreement will be interpreted in accordance with the laws of the State of New Mexico.
- 31. SEVERABILITY.** If any portion of this agreement is found by any court of competent jurisdiction to be invalid or unenforceable, the remainder of this agreement will remain in full force and effect.
- 32. ENTIRE AGREEMENT.** The parties understand that this offer, if accepted in writing by Seller and delivered to Buyer, constitutes a legally binding contract. This Agreement together with the following addenda and any exhibits referred to in this Agreement contains the entire agreement of the parties and supersedes all prior agreements or representations with respect to the Property which are not expressly set forth herein. This Agreement may be modified or canceled only by a writing signed and dated by both parties.

- | | |
|-----------------------------------------------------------------------------------------------|----------------------------------------------------------------------------|
| <input type="checkbox"/> Addendum No. _____ (5101) | <input type="checkbox"/> Occupancy Agreement - Buyer/Seller (2201/2202) |
| <input type="checkbox"/> Buyer's Sale Contingency
(Right of First Refusal) Addendum (2503) | <input type="checkbox"/> Real Estate Contract Addendum (2402) |
| <input type="checkbox"/> Lead-Based Paint Addendum (5112) | <input type="checkbox"/> Residential Resale Condominium Addendum (2302) |
| <input checked="" type="checkbox"/> Other: <u>Addendum #1</u> | <input checked="" type="checkbox"/> Other: <u>Exhibit #2-Tax Levy Form</u> |
| <input checked="" type="checkbox"/> Other: <u>Addendum #2</u> | <input checked="" type="checkbox"/> Other: <u>Exhibit #3-MLs Doc</u> |
| <input checked="" type="checkbox"/> Other: <u>Exhibit #1-Property Disclos</u> | <input type="checkbox"/> Other: _____ |

33. EXPIRATION OF OFFER. This offer will expire unless acceptance is delivered in writing to Buyer or Buyer's Broker on or before December 23, 2009, at 5:00 am pm Mountain Time. If not accepted, this offer can be withdrawn at any time before the expiration date.

OFFER BY BUYER:

Buyer acknowledges that Buyer has read the entire Purchase Agreement and understands the provisions thereof.

Buyer Signature _____	Offer Date _____	Time _____
Buyer Signature _____	Offer Date <u>12/17/09</u>	Time _____
<u>City of Las Cruces, by Terrance Moore-City Manager</u>	Email Address _____	
Buyer Names (Print) _____	<u>Las Cruces</u>	<u>NM</u> <u>88001</u>
Buyer Address _____	City	State Zip Code
Buyer Home Phone _____	Buyer Cell Phone _____	Buyer Business Phone _____
		Buyer Fax _____

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PURCHASE AGREEMENT – RESIDENTIAL RESALE – 2010

ACKNOWLEDGEMENT BY SELLER:

With regard to Paragraph 14, FOREIGN SELLERS, Seller agrees to;

Execute an Affidavit of Non-Foreign Seller (RANM Form 2303), or

Provide written documentation from the IRS that withholding is not required.

If Seller does not provide the Affidavit of Non-Foreign Seller (if applicable) within the time-frame provided, Buyer, in his sole discretion, may choose to terminate this Agreement or to proceed to Settlement/Signing. If Buyer chooses to terminate, Earnest Money will be returned to Buyer. If Seller fails to provide either of the above documents prior to the Settlement/Signing date, Buyer may still proceed with the consummation of this Agreement and may in his sole discretion, instruct the Title Company closing this transaction to withhold ten percent (10%) of the amount realized from the sale of the Property to be remitted to the IRS on Buyer's behalf. Generally speaking, the "amount realized" is the sales/purchase price of the Real Estate.

By signature hereto, Seller hereby acknowledges Buyer's obligations under FIRPTA and in the event Seller fails to provide the necessary documentation as provided for in this Agreement authorizes the Title Company closing this transaction to withhold ten percent (10%) of the amount realized from the sale of the Property to be remitted to the IRS on Buyer's behalf.

Seller acknowledges that Seller has read the entire Purchase Agreement and understands the provisions thereof.

Seller (select one):

- ACCEPTS this Offer and agrees to sell the Property for the price and on the terms and conditions specified in this Agreement.
- REJECTS this Offer and submits a Counteroffer (RANM 5102).
- SUBMITS an Invitation to Offer (RANM 5103).
- REJECTS this Offer.

Seller Signature	Date	Time
Seller Signature	Date	Time
Seller Names (Print)	Email Address	
Seller Address	City	State Zip Code
Seller Home Phone	Seller Cell Phone	Seller Business Phone Seller Fax

BUYER'S BROKER

International Realty Plus NM Buyer's Brokerage Firm	1705 N. Valley Dr. Ste 1, Las Cruces, NM 88007 Address	(575) 522-0487 Office Phone	(575) 524-4252 Fax
John Lance Swarengin By (Print)	Email Address	Broker <input checked="" type="checkbox"/> is <input type="checkbox"/> is not a REALTOR®	

SELLER'S BROKER

Seller's Brokerage Firm	Address	Office Phone	Fax
By (Print)	Email Address	Broker <input type="checkbox"/> is <input type="checkbox"/> is not a REALTOR®	



City of Las Cruces®

ADDENDUM (1)

December 10, 2009
L-09-642

Arthur J & Kristine D. Rubash
1307 Magoffin
Las Cruces, NM 88007

Dear Mr. & Mrs. Rubash:

The City of Las Cruces is interested in acquiring property you own at 1307 Magoffin, Las Cruces, NM 88007, for a proposed project which will receive funding assistance from the U.S. Department of Housing and Urban Development (HUD) through the State of New Mexico, Local Government Division (LGD) under the Neighborhood Stabilization Program (NSP).

Please be advised that the City of Las Cruces possesses eminent domain authority to acquire property. However, in the event we cannot reach an amicable agreement for the voluntary purchase of your property, we will not pursue its acquisition under eminent domain. Your property is not a necessary part of the proposed project and is not intended, planned, or in a designated project area where substantially all of the property within the area is to be acquired.

We are offering you \$138,600 to purchase your property (See attached formal offer). We believe this amount represents the Fair Market Value (FMV) of your property. FMV will be confirmed through a formal appraisal after an offer is negotiated or accepted. The FMV price must then be discounted by one percent (1%) to meet the requirements of the NSP at Article IX.C, as amended, of the grant agreement from the State of New Mexico, Local Government Division, to the City of Las Cruces.

If you have any questions about this notice or the proposed project, please contact Jerry Nachison, City of Las Cruces, Community Development Department, Housing Development Coordinator at 575-528-3208 or at his office, 575 S. Alameda, Room 152, in Las Cruces.

Sincerely,

David Weir
Community Development Director

cc: David Dollahon, Neighborhood Services Administrator (RD)
Jerold Nachison, Housing Development Coordinator
Ray Sartin, Home Rehabilitation Coordinator
Grantee File

Seller's Initials



REALTORS® ASSOCIATION OF NEW MEXICO
GENERAL ADDENDUM No. 2 2010

This Addendum is part of the Residential Resale Form-2104 Agreement (the "Agreement")
dated December 17, 2009, between City of Las Cruces
and Seller relating to the following Property:

1307 Magoffin Place Las Cruces 88007
Address City Zip Code

Lot 8, Block M, 4152-Legends West Subdivision Phase 2
Legal Description

or see metes and bounds description attached as Exhibit _____, Dona Ana County, New Mexico.

The following is added to the Agreement:

1. Settlement/Signing Date Shall be on or before 59 days of acceptance of the agreement.
2. The buyer has 21 working days Due Diligence to receive bids and reach a conclusion on feasibility of purchase of property.
3. The funding shall be on or before 60 days from acceptance of offer.

If there is any conflict between the provisions of the Agreement and this Addendum, the provisions of this Addendum will control. The remaining provisions of the Agreement will remain in effect.

Signature _____ City of Las Cruces	Date _____ Time _____	Signature _____	Date _____	Time _____
Signature _____ By Terrance Moore-City Manager	Date <u>12/17/09</u> Time _____	Signature _____	Date _____	Time _____

REALTORS® Association of New Mexico (RANM) makes no warranty of the legal effectiveness or validity of this form and disclaims any liability for damages resulting from its use. By use of this form the parties agree to the limitations set forth in this paragraph. The parties hereby release RANM, the real estate brokers, their agents and employees from any liability arising out of the use of this form. You should consult your attorney with regards to the effectiveness, validity, or consequences of any use of this form. 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 the Association's strict Code of Ethics.

Exhibit # 1



Steinborn GMAC Real Estate

Steinborn GMAC Real Estate
141 N. Roadrunner Pkwy, Ste. 141
Las Cruces, NM 88011



REALTORS® ASSOCIATION OF NEW MEXICO
PROPERTY DISCLOSURE STATEMENT - RESIDENTIAL - 2009

INSTRUCTIONS AND ACKNOWLEDGMENT REGARDING THIS FORM

This Statement discloses Seller's current, actual knowledge of the condition of the Property as of the date signed by Seller, and is not a substitute for any inspections or warranties that Buyer may wish to obtain. This Statement is designed to assist Seller to provide information about the Property and to assist Buyer in evaluating the Property being considered. Conditions may exist which are unknown to Seller. Buyer is encouraged to address concerns about the Property whether or not included in this Statement. This Statement does not relieve Seller of the obligation to disclose a condition of the Property that may not be addressed on this form or a change in any condition after the date of this Statement, and is not a substitute for inspection by the Buyer. Neither the Broker, nor the board or association of REALTORS® nor the REALTORS® Association of New Mexico warrant or guarantee the information in this disclosure.

1301 Magoffin Ave Dona Ana 88007
LOT 8 Block M City Zip Code

or see metes & bounds description attached as Exhibit Dona Ana County, New Mexico.

OCCUPANCY: Does seller currently occupy the Property? [X] Yes. If yes, years/months seller occupied.
[] No. If no, years/months since seller occupied. [] Never occupied property.

TITLE, ZONING, LEGAL INFORMATION

Is the Seller aware of:

- 1. Any title problems (for example, unrecorded or disputed easements, lot line disputes, liens, encroachments, access issues, third party claims)? [] Yes [X] No
2. Any property taxes that are not current? [] Yes [X] No
3. Any existing or proposed bonds, assessments, liens, mortgages, judgments, deeds of trust, real estate contracts, etc. against the property? [] Yes [X] No If yes, explain:
4. Any violations of applicable subdivision laws at the time the property was subdivided? [] Yes [X] No If yes, explain:
5. Any alleged violations of applicable laws, regulations, ordinances or zoning laws? [] Yes [X] No
6. Any zoning variances/exceptions or non-conforming use of the property? [] Yes [X] No If yes, explain:
7. Any legal issues, proposed buildings, bridges, roadways or real estate developments, etc. in the immediate area? [] Yes [X] No If yes, explain:
8. Any restrictive covenants or other limitations on use? [] Yes [X] No If yes, explain:
9. Any violation thereof? [] Yes [X] No If yes, explain:
10. Any building code or environmental regulation violations? [] Yes [X] No If yes, explain:
11. Any necessary permits, approvals or inspections for all construction, repairs and improvements that have not been obtained? [] Yes [X] No If yes, explain:

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PROPERTY DISCLOSURE STATEMENT - RESIDENTIAL - 2009

12. Any existing or threatened legal actions concerning the property or the homeowners association? Yes No
 If yes, explain: _____
13. Any well-sharing, road-sharing or other contract to which the property is subject? Yes No If yes, explain: _____
14. Anyone with a right of refusal to buy, to option, or to lease the property? Yes No If yes, explain: _____
15. Any other restrictions on resale? Yes No If yes, explain: _____
16. Any exemptions you claim to property taxes (i.e., veteran, head of household)? Yes No If yes, explain: _____

For additional information or further explanation (indicate item #) _____

BUILDINGS/STRUCTURAL INFORMATION

1. What year was the house built? 2007

If a residence on the Property was constructed prior to 1978, federal law and regulations create specific disclosure and information requirements, which are set forth in RANM Form 5112, Lead-based Paint Disclosure Before Sale. Form 5112 must be attached to the Purchase Agreement. The Seller is not permitted to accept a Buyer's offer prior to making the required disclosures and providing the required information.

2. Was this home built entirely on this site? Yes No If no, explain: _____
3. Type of construction: _____
4. House is built on Slab Crawlspace Basement Don't know
5. Type of exterior finish: Stucco
6. Is there an exterior synthetic stucco system or exterior synthetic coating? Yes No Don't know
7. Type of floor under carpets or linoleum: Ceramic

Is the Seller aware of:

8. Any doors or windows that are inoperable or which may interfere with ingress or egress? Yes No
9. Any problems with interior walls, ceilings, doors, windows, floors, or attached floor coverings? Yes No
10. Any significant cracks in foundations, exterior walls, interior walls, slab floors, ceilings, chimneys, fireplaces, decks or garage floors? Yes No
11. Any minor damage that has occurred to the property or to any structure on the property? Yes No
12. Smoke damage or a fire on the property? Yes No
13. Any problems with driveways, walkways, sidewalks or patios (such as large cracks, potholes or raised sections)? Yes No
14. Any structural wood members below soil level? Yes No
15. Any history of wood infestation, insects, pests or tree root problems? Yes No Specify date and type of last treatment: _____
16. Any water or moisture in Crawlspace Basement Garage W/S
17. Any flowing or drainage problems on the property? Yes No On adjacent properties? Yes No
 Don't know Any standing water after rainfalls? Yes No Any active springs? Yes No
18. Any history of moldy conditions or treatment for mold? Yes No
19. Any history of water leaks or repairs of conditions involving water leaks, water infiltration, ponding, under or around structure/crawlspace or other conditions which could be conducive to mold? Yes No
20. Any land on the property that has been filled in? Yes No
21. Any problems with retaining walls cracking or bulging? Yes No
22. Any earth movement, subsidence, or settlement problems? Yes No
23. Any additional structures? Yes No If yes, list: _____

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REALTORS® ASSOCIATION OF NEW MEXICO
PROPERTY DISCLOSURE STATEMENT - RESIDENTIAL - 2009

For additional information or further explanation (indicate item #): _____

MANUFACTURED HOME INFORMATION

1. Is this home a manufactured home? Yes No
2. If yes, has this home been located anywhere other than dealer's lot and its current location? Yes No
 Don't Know
3. Does Seller have possession of the manufactured home titles? Yes No
4. Have the titles been deactivated? Yes No Don't Know
5. Does Seller have a permanent foundation permit? Yes No
6. Was the installation performed by a New Mexico Manufactured Housing Division licensed installer?
 Yes No Don't Know
7. Does the home have its HUD tags (metal tags located on each section of the home)? Yes No

PLUMBING

1. Type of water supply pipes Lead Galvanized Polybutylene Other _____ Don't know
2. Approximate age of water heater: _____ Capacity: _____ Fuel source: _____
3. Is there a sump pump? Yes No Any problems? _____
4. Is there a water softener? Yes No Owned Leased Leased from: _____
Transferable? Yes No Any problems? _____
5. Is there a reverse osmosis system? Yes No Owned Leased Leased from: _____
Transferable? Yes No Any problems? _____
6. Is there a refrigerator water line? Yes No Any problems? No

Is the Seller aware of:

7. Any water pressure problems? Yes No
8. Any plumbing system problems, leaks, freezing? Yes No
9. Any bathroom ventilation problems? Yes No
10. Any domestic hot water problems? Yes No

For additional information or further explanation (indicate item #): _____

WATER SUPPLY

1. Is the water supply city/municipal? Yes No Any water supply problems? Yes No If yes, explain: _____
2. Any restrictions or regulation concerning water use? Yes No If yes, explain: _____
3. Is the water supply community/subdivision? Yes No Name and address of supplier: _____
Any problems? Yes No If yes, explain: _____
Fees per month: \$ _____ Any restrictions or regulations? Yes No If yes, explain: _____
Written agreement available? Yes No
4. Is water supply to the house private? Yes No Any problems with well equipment? Yes No Any
restrictions or regulations? Yes No If shared, is written agreement available? Yes No Is well
registered with the State Engineer's office? Yes No Permit number: _____ Does seller have well
record? Yes No Is well metered? Yes No Is there sufficient water yield at all times? Yes No
If no, explain: _____
5. Is there any other water source for the property for any other use? _____
(For more information, please see RANM Form 2308a.)

For additional information or further explanation (indicate item #): _____

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REALTORS® ASSOCIATION OF NEW MEXICO
PROPERTY DISCLOSURE STATEMENT - RESIDENTIAL - 2009

SEWER/WASTEWATER TREATMENT

1. Is the sewer/wastewater treatment system city/municipal? Yes No Any problems? NO
2. Is the sewer/wastewater system community/subdivision? Yes No Any problems? _____
Name and address of provider: _____ Fees per month? \$ _____
Any restrictions or regulations? Yes No Written agreement available? Yes No
3. Is there an on-site liquid waste system? Yes No Type: Conventional Advanced treatment system
 Cesspool Any problems? _____ Name and address of service company: _____
Date last pumped: _____ Available installation permit? Yes
 No NMED (EID) certification? Yes No NMED (EID) certification number and date: _____
Location of the system: _____

If the property has an onsite liquid waste system, it is subject to the regulations of the New Mexico Environmental Department (NMED), which require inspections and possible repair. Contact the NMED for information regarding appropriate inspection forms and requirements.

(For more information, please see RANM Form 2308.)

For additional information or further explanation (indicate item #): _____

ROOFS, GUTTERS AND DOWNSPOUTS

1. Type of roof and approximate age: Pitched 2 yrs. Pueblo/Flat _____ yrs. Pitched & Flat _____ yrs. If flat, does the roof have a positive slope? Yes No Don't know
2. Type of roofing material (tar & gravel, asphalt shingles, etc.): _____
Additional comments: _____
3. Has all or part of the roof been resurfaced or replaced? Yes No Don't know If yes, what year? _____
By whom? _____ What portions? _____
Additional comments: _____
4. Is there a transferable written guarantee? Yes No Don't know
If yes, until what date? _____ By whom? _____
5. Has the roof ever leaked while you have owned the property? Yes No
If yes, what has been done to correct the problem? _____
6. Do spouts and gutters drain away from the property? Yes No Don't know
7. Are you aware of any faulty drainage or water penetration on the structure? Yes No Don't know If yes, describe: _____

For additional information or further explanation (indicate item #): _____

ELECTRICAL

1. Is the electrical wiring copper? Yes No Don't know Is it aluminum? Yes No Don't know
If aluminum, has the aluminum wiring been pig-tailed with copper wiring? Yes No Don't know
2. Are you aware of any damaged or malfunctioning receptacles or switches? Yes No If yes, which ones? _____

3. Is the house wired for 220 Volts? Yes No Don't know
4. Are you aware of any extension cords used to create new electrical outlets? Yes No
If yes, explain: _____
5. Are you aware of any defective, malfunctioning, or improperly installed electrical equipment inside or outside the house? Yes No If yes, explain: _____
6. Has electrical service been modified since originally installed? Yes No Don't know
Comments: _____
7. Do any circuits trip regularly? Yes No If yes, which ones? _____
Comments: _____
8. Are you aware of any electric lines encroaching on the property? Yes No Don't know
If yes, explain: _____
9. Are there encroachment agreements with any utility companies? Yes No Don't know
If yes, explain: _____

For additional information or further explanation (indicate item #): _____

HEATING AND COOLING

1. Type of heat and approximate age: Central Forced Air 2 yrs. Hot Water Baseboard ___ yrs. In Floor Radiant ___ yrs. (Type of Hose) _____ Entran II? Yes No Wall Furnace ___ yrs. Floor Furnace ___ yrs. Electric Baseboard ___ yrs. Woodburning ___ yrs. Gas logs ___ yrs. Pellet ___ yrs. Other: _____ yrs. If applicable, approved for your community's burning restrictions? Yes No Don't know
2. Is the house all electric? Yes No Don't know
3. Does the house have Natural gas? Propane? If propane, is the tank Owned? Leased? Lease Co.: _____
4. Are there any rooms without a direct heat source? Yes No Don't know If yes, please provide location: _____
5. Type of cooling and approximate age: Evaporative ___ yrs. Refrigerated 2 yrs. None Don't know
Number of units: 1 How ducted? _____ Central? Yes No Don't know
6. Are there any furnaces/coolers and/or A/Cs that have been abandoned? Yes No Don't know
7. Do all heaters, coolers and A/Cs work properly? Yes No Don't know If no, please explain: _____
8. Is there a fireplace? Yes No If yes, type: Woodburning Gas logs Pellet Insert Other: _____
9. Is there a gas log lighter? Yes No Don't know
10. Does damper work? Yes No Don't know If no, explain: _____
11. Are flues welded open? Yes No Don't know
12. Do you have approved glass enclosure? Yes No Don't know
13. Do all fireplaces work properly? Yes No Don't know If no, explain: _____
14. When was the fireplace chimney last swept? 12/2007
15. Any problems with condition or functioning of duct work (such as mildew, restricted air flow, physical deterioration, odor, etc.)? Yes No Don't know If yes, please explain: _____

For additional information or further explanation (indicate item #): _____

POOL, SAUNA, HOT TUB, WATER FEATURE

1. Is there a swimming pool on the property, including filled in? Yes No Don't know
2. When was the pool installed? _____ Is the pool Above ground? In ground?
3. Is the pool Fiberglass? Gunite? Vinyl?
4. Is there a pool heater? Yes No Don't know If yes, is it Gas? Electric? Solar?
5. Is there a pool sweep which conveys? Yes No
6. Is there a cover for the pool? Yes No If yes, specify type: _____ Age: _____ Condition: _____
7. Will the cover convey with the sale of the property? Yes No
8. Is all the pool equipment in good working condition? Yes No Don't know
9. Is the pool maintained by a regular pool service? Yes No If yes, name of service: _____
10. Has the pool been winterized? Yes No If yes, name of service: _____
11. Is there a hot tub or spa? Yes No
12. Is the equipment in good working order? Yes No Don't know
13. Does it have a cover in good condition? Yes No
14. Is there a water feature? Yes No If yes, are there any problems? Yes No Don't know If yes, explain: _____

For additional information or further explanation (indicate item #): _____

MISCELLANEOUS

1. Does the property include a landscape watering system? Yes No Don't know
If yes, is it Auto-timed? Manual? Front yard? Back yard? Side yard?
Type: Sprinklers Bubblers Drip system Other: _____
2. Are they in good working order? Yes No Don't know
3. Are there any areas where the sprinklers do not properly water? Yes No Don't know
If yes, please explain: _____
4. Are there any areas of excessive standing water? Yes No Don't know
5. Are any areas not served by the watering system? Yes No Don't know
6. Is the drip and/or sprinkler system (if present) on auto-timer? Yes No Don't know
7. Are you aware of any of the above equipment that is in need of repair or replacement or is improperly installed?
 Yes No Don't know If yes, please explain: _____
8. Number of electric garage door operators: _____
9. Is/are garage door operator(s) in good working condition? Yes No Don't know
10. How many remote garage door openers will you be giving to the new buyer: _____
11. Is/are garage door opener(s) in good operating condition? Yes No Don't know
12. Are garage doors in good operating condition? Yes No Don't know If no, please explain: _____
13. Has the garage been modified to alter its original size? Yes No Don't know
14. Does the property have a security system? Yes No Type: _____ Owned Leased
Leased from: _____ Transferable? Yes No Any problems? _____
15. Does the property have smoke detectors? Yes No How many? _____ 110V Battery
16. Does the property have kitchen range hook-up? Yes No Electric Gas
17. Does the property have oven hook-up? Yes No Electric Gas

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REALTORS® ASSOCIATION OF NEW MEXICO
PROPERTY DISCLOSURE STATEMENT - RESIDENTIAL - 2009

18. Does the property have clothes dryer hook-up? Yes No Electric Gas Vented outside? Yes No
19. Does the property have built-in vacuum? Yes No If yes, do canisters, hoses and all attachments convey?
 Yes No Any problems? _____
20. Are there any problems in obtaining utility or phone service? Yes No Don't know If yes, explain: _____
21. Can you obtain cable TV service? Yes No Don't know
22. Can you obtain DSL service to your house? Yes No Don't know
23. Have any pets resided in the home? Yes No Any pet odors or damage? Yes No
24. Are you aware of any past or present existence of any pests (i.e., termites, ants, mice, etc.)? Yes No
If yes, please explain: _____
25. Have any insurance claims been made in the past five years? Yes No Don't know If yes, please explain: _____
- Were repairs completed? Yes No
26. Has any insurance application or prior coverage regarding all or any part of the property been rejected or will not be renewed? Yes No If yes, explain: _____
27. Has notice been received that any existing insurance coverage will be subjected to increased premium rates?
 Yes No

For additional information or further explanation (indicate item #): _____

HOMEOWNERS' AND CONDOMINIUM OWNERS' ASSOCIATIONS

The following questions can be used for various types of Homeowner Associations. If the Property is a residential resale condominium that is subject to be Condominium Act, the Seller should obtain from the Homeowners' Association a resale certificate for the Buyer that includes all the disclosures that are required by law (including some items not listed here). (See RANM Form 2302A.)

1. Name, address and phone number of homeowners' association: _____
2. Does the homeowners' association have a right of first refusal? Yes No
3. Association fees? \$ _____ per yr. What is included in the association fees? Water/sewer Trash
 Building insurance Gas utility Electric utility Grounds maintenance Property taxes Streets
 Snow removal Other _____
4. Any contemplated future dues increases or special assessments? Yes No Don't know If yes, give details: _____
5. Security: Intercom Closed circuit TV Guards Electric gate Other: _____
6. Does each unit have its own designated parking space(s)? Yes No Don't know If yes, how many? _____
7. Please check the existence of the following documents: Covenants, Conditions and Restrictions or Declaration of Condominium Regulations currently in force Current financial statement of Association Articles of Incorporation of Association Association Bylaws Minutes of Board Meetings

For additional information or further explanation (indicate item #): _____

ENVIRONMENTAL

Is the Seller aware of:

1. Any noticeable continuous or periodic odors (such as from waste, agriculture, industry, etc.)? Yes No
2. Any excessive noises (such as airplanes, trains, trucks, freeways, etc.)? Yes No
3. Any hazards or hazardous materials on or in close proximity to the property (such as asbestos, dumps, pesticides, chemical labs, underground fuel storage tanks or leaks)? Yes No
4. Any radon tests performed on the property? Yes No Results? _____
Reports attached? Yes No
5. Any part of the property located in a designated special flood hazard zone? Yes No
6. Any portion of the property having ever flooded? Yes No
7. Mine shaft(s) or abandoned well(s) on the property? Yes No

For additional information or further explanation (indicate item #): _____

RENTAL INFORMATION

1. Is the property rented or occupied by a tenant? Yes No If yes, attach copy of Lease or Rental Agreement.
2. Does the tenant have the right to extend the rental agreement? Yes No
3. Are security deposits or prepaid rents being held? Yes No If yes, by whom and how much? _____

For additional information or further explanation (indicate item #): _____

IRRIGATION RIGHTS

1. Is the property irrigated from a ditch or acequia? Yes No (See RANM Form 2308a)
Ditch name: _____
Mayordomo: _____
Association name: _____
Fees? \$ _____
2. Are Association or ditch fees current? Yes No If no, explain: _____
3. Are water rights registered with the State Engineer? Yes No File/permit number _____

For additional information or further explanation (indicate item #): _____

OTHER

Does the Seller know of any other information pertaining to the condition of the Property not addressed in the questions listed above? If so, please explain: _____

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REALTORS® ASSOCIATION OF NEW MEXICO
PROPERTY DISCLOSURE STATEMENT - RESIDENTIAL - 2009

PLEASE NOTE: There is currently no legal or statutory requirement in the State of New Mexico that obligates or requires Sellers or Brokers to disclose to any prospective Buyer that the subject property is or has been: (1) the site of a natural death, homicide, suicide or any other crime classified as a felony; (2) owned or occupied by a person or persons exposed to HIV or diagnosed with AIDS or any other disease not known to be transmitted through the common occupancy of real estate; or (3) located in the vicinity of a convicted sex offender. If Buyer has concerns about any of the conditions cited above, Buyer is urged to conduct his/her own due diligence and contact the appropriate local, state or Federal health and law enforcement authorities to obtain accurate and reliable information.

THIS IS NOT A CONTRACT.

The above disclosures are made to the best of the Seller's knowledge. The person who signed as or on behalf of Seller lacks actual knowledge of the Property for the following reason:

- Personal Representative Administrator of Estate Trustee Receiver Does not occupy the Property
 Other

The law does not protect a Seller who makes an intentional misrepresentation.

SELLER

Art Lopez
Tim D. Dixon
Erica D. Liberman

5-23-09
Date Time
5-23-09
Date Time
5/15/09

It is Buyer's responsibility to undertake his/her own due diligence and verify the accuracy of the Property Disclosure Statement. Buyer is not relieved of this responsibility by virtue of delivery of this Statement to Buyer.

BUYER

Buyer acknowledges receipt of this Statement.

[Signature]

Buyer _____ Date *12/17/09* Time _____
Buyer _____ Date _____ Time _____



**REALTORS® ASSOCIATION OF NEW MEXICO
INFORMATION SHEET
ESTIMATED PROPERTY TAX LEVY DISCLOSURE – 2010**

PURPOSE: The Property tax levied on a residential Property for the current year may be a misleading guide to property tax levies in the years following the sale of that Property. Therefore, New Mexico law provides that prospective Buyer needs information regarding the Property tax obligation in the year following the Property's sale to properly judge the affordability of a contemplated purchase.

SELLER OR SELLER'S BROKER OBLIGATIONS: Prior to accepting an Offer to Purchase, the Property Seller or the Seller's Broker must request from the County Assessor of the county in which the Property at issue is located the Estimated Property Tax Levy with respect to the Property and provide a copy of the Assessor's response in writing to the prospective Buyer or Buyer's Broker.

BASIS FOR ESTIMATED PROPERTY TAX LEVY: The listed price shall be provided to the County Assessor and shall be used as the value of the Property for purposes of calculating the Estimated Property Tax Levy.

BUYER'S BROKER OBLIGATIONS: A Buyer's Broker must provide the Estimated Property Tax Levy to the prospective Buyer immediately upon receiving the estimate from the Seller or Seller's Broker and receive in writing the prospective Buyer's acknowledgment of receipt of the Estimated Property Tax Levy.

BUYER'S OPTION TO WAIVE RIGHT TO RECEIVE DISCLOSURE: The prospective Buyer may waive the disclosure requirements by signing a written document prior to the time the Offer to Purchase is to be made in which the Buyer acknowledges that the required Estimated Property Tax Levy is not readily available and waives disclosure of the Estimated Property Tax Levy.

COUNTY ASSESSOR'S OBLIGATIONS: Upon request, a County Assessor must furnish in writing an Estimated Property Tax Levy with respect to a residential Property in the County, calculated at a Property value specified by the requestor. The County Assessor must comply with the request by the close of business of the business day following the day the request is received. A County may satisfy this obligation through an internet site or other automated format that allows a user to print the requested Estimated Property Tax Levy.

USE OF ESTIMATE IN FUTURE VALUATIONS: A document associated with the request is not a public record or a valuation record. County Assessors are prohibited from using the information provided with a request, including the specified value, to assess the valuation of the Property. Neither the County nor any jurisdiction levying a tax against residential Property in the County is bound in any way by the estimate given.

CONTENTS OF DOCUMENT PROVIDED BY COUNTY ASSESSOR: The County Assessor's Estimated Property Tax Levy must contain the following: 1) the actual amount of Property tax levied for the Property for the current calendar year if the tax rates for the current year have been imposed or in all other cases, the amount

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[Signature] Date 12/17/09



**REALTORS® ASSOCIATION OF NEW MEXICO
INFORMATION SHEET
ESTIMATED PROPERTY TAX LEVY DISCLOSURE – 2010**

of Property tax levied with respect to the Property for the prior calendar year; 2) the Estimated Property Tax Levy for the calendar year following the year in which the transaction takes place; and 3) a disclaimer similar to the following.

"The Estimated Property Tax Levy is calculated using the stated price and estimates of the applicable tax rates. The County Assessor is required by law to value the Property at its current and correct value, which may differ from the listed price. Further the estimated tax rates may be higher or lower than those that will actually be imposed. Accordingly, the actual Property tax levied may be higher or lower than the estimated amount. New Mexico law requires your real estate Broker or agent to provide you an Estimate Property Tax Levy on the Property on which you have submitted or intend to submit an Offer to Purchase. All real estate Brokers and agents who have complied with these disclosure requirements shall be immune from liability arising from suit relating to the Estimated Property Tax Levy."

SELLER AND REAL ESTATE BROKER LIABILITY: All Property Sellers and real estate Brokers and agents who have complied with these provisions are immune from suit and liability arising from or relating to the Estimated Property Tax Levy.

Exhibit # 2



Steinborn
GMAC
Real Estate

Steinborn GMAC Real Estate
141 N. Roadrunner Pkwy. Ste. 141
Las Cruces, NM 88031



REALTORS® ASSOCIATION OF NEW MEXICO
COUNTY ASSESSOR'S PROPERTY TAX LEVY
REQUEST AND CERTIFICATE - 2009

Anna Marie Duran Listing Broker, on behalf of Seller
Dora Pae County Tax Assessor furnish the following information for the list price of
\$ 158,000.00 in accordance with the New Mexico Estimated Property Tax Levy Disclosure with respect to the
following property:

Property Address: 1301 Washington Place
Parcel ID: 12-32934
Legal Description: Lot 7 E. Block 11, Escondido Hills

New Mexico law requires that upon request, a County Assessor must furnish in writing an Estimated Property Tax Levy with respect to a residential property in the County, calculated at a Property value specified by the requestor. The County Assessor must comply with the request by the close of business of the business day following the day the request is received. A County may satisfy this obligation through an internet site or other automated format that allows a user to print the requested Estimated Property Tax Levy.

REQUESTED BY SELLER:

Seller: Anna Marie Duran Date: July 20, 2009 Time: 8:00 AM
Broker: STEINBORN GMAC REAL ESTATE Date: _____ Time: _____

PLEASE RETURN VIA FAX TO THE ABOVE BROKER AT: (575) 522-4994
Or via email to: _____

PROPERTY TAX LEVY CERTIFICATE
(To be completed by the County Assessor's Office)

The following items are required to be provided by the County Assessor:
Actual amount of Property tax levied for the current calendar year: \$ 129.63 (or if not available) the amount of
Property tax levied for the prior calendar year: \$ 123.11
The ESTIMATED Property Tax Levy for the year following the current tax year based upon the above list price:
\$ 1491.16

The Estimated Property Tax Levy is calculated using the stated price and estimates of the applicable tax rates. The County Assessor is required by law to value the Property at its "current and correct" value, which may differ from the listed price. Further, the estimated tax rate may be higher or lower than those that will actually be imposed. Accordingly, the actual tax levied may be higher or lower than the estimated amount. New Mexico law requires you, real estate broker or agent, to provide you an Estimated Property Tax Levy for the Property you have submitted or intended to submit an offer to purchase. All real estate brokers and agents who have complied with these disclosure requirements shall be immune from suit and liability from suit relating to the Estimated Property Tax Levy.

[Signature] Date: 8-3-09 Time: 11:40
County Tax Assessor Representative



Steinborn GMAC Real Estate
141 N. Roadrunner Pkwy. Ste. 141
Las Cruces, NM 88031
Phone: _____ Fax: _____
Equal Housing Opportunity



REALTORS® ASSOCIATION OF NEW MEXICO
CERTIFICATION OF DELIVERY AND ACKNOWLEDGMENT
OF RECEIPT OF ESTIMATED PROPERTY TAX LEVY - 2010

TAX YEAR 2008

Buyer(s) City Of Las Cruces, by Terrance Moore-City Manager

Seller(s)

Property Address 1307 Magoffin Place, Las Cruces, NM 88007

Parcel ID

[X] COUNTY ASSESSOR'S ESTIMATED PROPERTY TAX LEVY IS ATTACHED.

I, Seller's Broker, provided a copy of the Assessor's response to my request for the Estimated Property Tax Levy on the above-identified Property to [] Buyer [] Buyer's Broker on this ___ day of ___, ___.

Seller's Broker Date

I, Buyer's Broker, do hereby acknowledge that I received an Estimated Property Tax Levy on the above referenced Property from [] Seller [X] Seller's Broker on the 16th day of December, 2009 and that I provided the same to Buyer on the 16th day of December, 2009.

[Signature] December 16, 2009
Buyer's Broker John Lance Swarengin Date

I, Buyer, hereby acknowledge receipt of the Estimated Property Tax Levy provided to me by [X] Buyer's Broker [] Seller's Broker on this 16th day of December, 2009.

[Signature] December 16, 2009
Buyer(s) City Of Las Cruces, by Terrance Moore-City Manager Date

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MLS #	808047	340	# Bedrooms	3
Status	Active		# Baths	2
Type	House		# Fireplaces	1
Address	1307 MAGOFFIN PLACE		Year Built	2007
Address 2			Garage Capacity	2
City	LAS CRUCES		Carpport Capacity	0
State	NM			
Zip	88007			
Area	San Andres			
Class	RESIDENTIAL			
Asking Price	\$152,000			
Sale/Rent	For Sale			
IDX Include	Yes			

GENERAL

County	Dona Ana	New Vs. Resale	Resale
Agent	EILEEN F HERNANDEZ - cell: (575) 621-7653	Listing Office 1	Steinborn GMAC Real Estate - main: (575) 522-3698
Listing Agent 2		Listing Office 2	
Entry Only Listing	No	Limited Service Listing	No
Code	2.5	Listing Date	5/23/2009
Expiration Date	6/23/2010	Owner	Rubash
Phone Number		Phone Type	
Subdivision	Legends West	Type of Structure	Site Built Home
Style	Contemporary	How to Show	Vac/LB
Alarm Activated	No	SQFT Source	Public Records
Appx House Sq Footage	1575	Bedroom Size	
Kitchen Size		Living Room Size	
Dining Room Size		Family Room Size	
Age	1 to 2 years	Garage Type	Attached
Carpport Type	None	Lot Size	.0 to .24 AC
Actual Lot Size	5227 sq ft	Actual Lot Size Source	Public Records
Impact Fees	Yes	Parcel ID	02-32934
Add Parcel ID		Associated Document Count	3
Legal	Lot , Block M, Legends West	Landscaping	Front - Rock
Association/Condo Fee	No	Earnest Money Payable To	
3rd Party Approval	No	Short Sale	No
Automated Valuation	Yes	Blogging	Yes
Court Approval	No	Builder	Desert View
Cumulative DOM	207	Cumulative DOMLS	204
Mapping		Tax ID	
Update Date	12/7/2009	Status Date	5/26/2009
HotSheet Date	12/7/2009	Price Date	12/7/2009
Input Date	5/26/2009 12:33:00 PM	Off Market Date	
Original Price	\$161,950	Contingency Remarks	
Days On Market	207	Price/Apx SQFT	\$96.51
Days On MLS	204		

FEATURES

FENCE	DINING ROOM	MASTER BEDROOM	UTILITIES
Block	Blinds	Blinds	City Gas
POSSESSION	Kitchen Combo	Ceiling Fan	City Sewer
Closing	Carpet	Carpet	City Water
FAMILY ROOM	KITCHEN	On Ground Floor	Telephone
Blinds	Country	BEDROOMS/OTHER	El Paso Electric
Ceiling Fan	Eating Area	Blinds	WINDOWS
Cth/Vaulted Ceiling	Linoleum/Vinyl	Carpet	Double Pane
Fireplace	Built-In Dishwasher	BATHROOMS/OTHER	Vinyl Clad
Carpet	Formica Counters	Tub/Bath	BASEMENT
	Garbage Disposal	Sky Light	None
	Gas Range	DOCUMENTS ON FILE	FLOORING/FOUNDATION
	Pantry	Lead Based Paint	Concrete Slab
	Refrigerator	INTERIOR FEATURES	PORCH/PATIO/DECK
	Wood Cabinets	Alarm Pre-Wire	Open Patio
	Microwave Oven	Dryer	CONSTRUCTION
	MASTER BATHROOM	Smoke Alarm	Frame

FEATURES

Double Sinks
Tub/Bath
Walk-In Closet

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Washer
HEATING
Gas Fireplace
COOLING
Refrigerated Central
WATER HEATER
Gas

Stucco
ROOF
Pitched
Shingle
EXTERIOR FEATURES
Cable TV Available

SOLD STATUS

How Sold
Buyer From Location
Closing Date
Selling Agent 1
Selling Agent 2
Sale Concessions

Buyer Profile
Contract Date
Sold Price
Selling Office 1
Selling Office 2

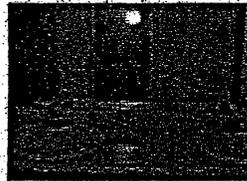
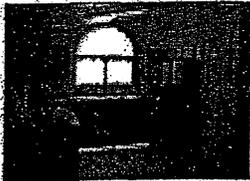
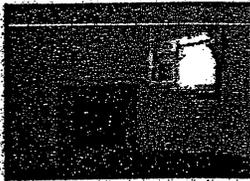
DIRECTIONS

Valley to Tashiro, left on Magoffin Place

PUBLIC INFO

Charming and affordable home in Legends West is ready to go! Built in 2007, this home includes a kitchen appliance upgrade, gas stove with griddle, refrigerator, built-in microwave and dishwasher. Washer and dryer also convey with sale. Great floor plan with vaulted ceilings, fireplace, refrigerated air and two car garage.

ADDITIONAL PICTURES



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REALTORS® ASSOCIATION OF NEW MEXICO INFORMATION SHEET - FIRPTA - 2010

FIRPTA EXPLAINED. FIRPTA is the Foreign Investment in Real Property Tax Act of 1980 (26 USC §1445 et. Sec.) ("FIRPTA"). Under FIRPTA, nonresident Sellers are taxed similarly to U.S. real estate owners when selling their properties by placing the tax-remittance onus on the resident Buyer.

BUYER'S OBLIGATIONS UNDER FIRPTA. In transactions with foreign persons, the Buyer MUST submit ten percent (10%) of the amount realized from the sale of the property to the Internal Revenue Service ("IRS") within 20 days of closing. Generally speaking, the "amount realized" is the sales/purchase price of the Real Estate. The Buyer must determine the Seller's status as a foreign or non-foreign person. If the Seller is foreign, but an exemption applies, then the Buyer must obtain proof of qualification to avoid IRS sanctions. If a Seller asserts that he/she is a non-foreign person, the Buyer should obtain an Affidavit of Non-Foreign Seller (RANM Form 2303) or a Qualified Substitute Statement (RANM Form 2303A).

A "FOREIGN PERSON" UNDER FIRPTA. A foreign person includes: a nonresident alien individual; a foreign corporation, partnership, trust, or estate; and any other person that is not a U.S. person. A nonresident alien is defined as an individual who is neither a U.S. citizen nor a resident of the U.S. within the meaning of section 7701(b) of the Internal Revenue Code. Two tests apply. Under the "green-card" test, an alien individual is a resident of the U.S. if he/she has been admitted for U.S. permanent residence (i.e., has a green card) at any time during the calendar year. Under the substantial-presence test, an alien individual is a resident for U.S. federal tax purposes if the alien is physically present in the U.S. for 183 days or more during the current calendar year. Alternatively, if the alien is physically present for at least 31 days during the current year, the alien may be treated as a U.S. tax resident in the current year under a three-year look-back test which requires an analysis of the alien's presence over the preceding three years. If the alien is from a country that has an income tax treaty with the United States, the treaty may act to change these results.

EXCEPTIONS TO WITHHOLDING UNDER FIRPTA. The following are the most common: 1) the property is purchased for less than \$300,000 AND the Buyer is using the property as a primary residence; 2) the Seller has an IRS statement that specifies the Seller is exempt from withholding, is entitled to a reduced withholding amount, has provided adequate security for payment or has made arrangements with the IRS for payment; 3) the Seller provides the Buyer with a Non-Foreign Seller Affidavit (RANM Form 2303); 4) a Qualified Substitute provides the Buyer with a Qualified Substitute Statement (RANM Form 2303A); or 5) the Seller is participating in a SIMULTANEOUS Section 1031 Exchange. In order for the home to be considered the Buyer's "primary residence" for purposes of the exception, the Buyer or a member of the Buyer's family must have definite plans to reside at the property for at least 50% of the number of days the property is used by any person during each of the first two 12-month periods following the date of transfer. When counting the number of days the property is used, do not count the days the property will be vacant.

AFFIDAVIT OF NON-FOREIGN SELLER (FORM 2303) AND QUALIFIED SUBSTITUTE STATEMENT (FORM 2303A). The Affidavit of Non-Foreign Seller (Seller's Affidavit) is a sworn statement completed and signed by the Seller which includes the Seller's tax identification number (most often a Social Security number) and in which the Seller states under Penalty of Perjury that the Seller is not a foreign person as defined under FIRPTA, and thus, is not subject to tax withholding under FIRPTA. The Seller can provide a completed and signed Seller's Affidavit directly to the Buyer or to a Qualified Substitute. A Qualified Substitute is a person or entity as defined under FIRPTA that

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Received _____
Date 12/17/09

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REALTORS® ASSOCIATION OF NEW MEXICO
INFORMATION SHEET - FIRPTA - 2010

accepts a Seller's completed and signed Seller's Affidavit in the Buyer's stead. The Qualified Substitute retains the Seller's Affidavit and must provide the Buyer with a Qualified Substitute Statement. The Qualified Substitute Statement is a sworn statement made under Penalty of Perjury in which the Qualified Substitute states that the Qualified Substitute has a completed and signed Seller's Affidavit from the Seller. The Buyer must retain the Qualified Substitute Statement in his/her records. If the Buyer receives a Qualified Substitute Statement, the Buyer never receives the Seller's Affidavit, nor the Seller's tax identification number.

QUALIFICATIONS OF A "QUALIFIED SUBSTITUTE" UNDER FIRPTA. Under FIRPTA, the Buyer's Broker or any person (including an attorney or Title Company) responsible for closing the transaction may be a "Qualified Substitute". The Seller's Broker may NOT be a "Qualified Substitute".

EXCEPTION FOR NON-FOREIGN SELLERS DOES NOT APPLY IF THERE IS KNOWLEDGE OR NOTICE THAT THE SELLER'S AFFIDAVIT OR QUALIFIED SUBSTITUTE STATEMENT IS FALSE. In the case of any of the following, the Buyer must retain and remit ten percent (10%) of the amount realized from the sale of the property to the IRS within 20 days of closing (Generally speaking, the "amount realized" is the sales/purchase price of the Real Estate):

- 1) The Buyer or Qualified Substitute has actual knowledge that either the Seller's Affidavit or the Qualified Substitute Statement is false;
- 2) The Buyer receives notice from the Seller's Broker, Buyer's Broker or the Qualified Substitute that the Seller's Affidavit or the Qualified Substitute Statement is false;
- 3) The Qualified Substitute receives notice from the Seller's Broker or Buyer's Broker that the Seller's Affidavit is false;
- 4) The United States Secretary of Treasury, by regulations, requires the Buyer or the Qualified Substitute to furnish a copy of the Seller's Affidavit or the Qualified Substitute Statement to the Secretary of Treasury and the Buyer or Qualified Substitute fails to furnish a copy of the Affidavit or Statement at the time and in the manner as required by the regulations.

AGENT TO THE TRANSACTION OR A QUALIFIED SUBSTITUTE LEARNS THE SELLER'S AFFIDAVIT OR QUALIFIED SUBSTITUTE STATEMENT, AS MAY BE THE CASE, IS FALSE. Such agent or Qualified Substitute MUST notify the Buyer at such time and in such manner as required by the regulations. If the Seller's Broker, Buyer's Broker or Qualified Substitute fails to provide notice of a false affidavit as required by the regulations, such agent or Qualified Substitute shall have the same duty to deduct and withhold that the Buyer would have had if the agent or Qualified Substitute had complied with the notice requirements. (See below for limitation on liability for agents, Brokers and Qualified Substitutes).

IRS PENALTIES FOR VIOLATIONS UNDER FIRPTA. Buyers who fail to withhold and fail to obtain proof of an approved exemption may be held liable for the Seller's tax that should have been withheld on the sale. In the event an agent or Qualified Substitute fails to notify a Buyer of a false Seller's Affidavit or false Qualified Substitute Statement as may be the case, the agent and/or Qualified Substitute may be liable for an amount up to the amount of compensation the agent or Qualified Substitute derived from the transaction. In addition to the above, criminal penalties and other civil penalties and interest may apply.

PARTIES SHOULD CONSULT WITH QUALIFIED PROFESSIONALS. Foreign Sellers and Buyers dealing with transactions involving Foreign Sellers should consult with the appropriate professional, i.e. an accountant and/or attorney.



**REALTORS® ASSOCIATION OF NEW MEXICO
INFORMATION SHEET - EARNEST MONEY DISPUTE - 2010**

UNLESS ACTING ON THEIR OWN BEHALF, BROKERS ARE NOT A PARTY TO A REAL ESTATE TRANSACTION AND MAY NOT REPRESENT EITHER THE BUYER OR THE SELLER TO SETTLE ANY EARNEST MONEY DISPUTE. PARTIES TO ALL EARNEST MONEY DISPUTES ARE URGED TO CONSULT A LICENSED ATTORNEY TO FULLY UNDERSTAND THEIR RIGHTS AND REMEDIES.

1. Unless otherwise specified, earnest money is funds in the form of cash, wire transfer, check or other negotiable security instrument that is placed in the custody of a Broker or a title company authorized to do business in New Mexico and is deposited into their respective trust account. Earnest money is evidence of the Buyer's good faith intentions to complete a real estate transaction and shall be held by the holder of the funds as a credit to the Buyer until the conclusion of the transaction.
2. In the event of any controversy that may arise regarding the distribution of the earnest money the holder of the earnest money shall not be required to take any action or distribute the earnest money unless the Buyer and the Seller have a written agreement detailing the disbursement of the funds.
3. If Buyer and Seller have signed an agreement to mediate, they have agreed to make a good faith effort to resolve their dispute. Mediation is a process in which one or more neutral third party mediators, who are skilled in negotiating, assist disputing parties to reach an agreement. In agreeing to mediate both parties retain the right to pursue other legal remedies. If you cannot reach an agreement, you are free to arbitrate or litigate the dispute as if the mediation never took place.
4. Both Buyer and Seller, in the interest of time and expense, may agree to submit to arbitration and to jointly share the cost of such arbitration. Both parties acknowledge and agree that the results of arbitration are legally binding to both parties. The results are final and may not be appealed to another jurisdiction.
5. In the event of a controversy, the holder of the earnest money may choose to take no action, or may choose to file an interpleader action. Interpleader is a legal proceeding whereby the holder of the earnest money names the Buyer and the Seller as defendants and deposits the funds in question with an appropriate court. The court holds the funds and distributes the funds only after a legal determination is made by the court. The prevailing party and the holder of the earnest money are entitled to request recovery of all courts costs and reasonable attorneys' fees related to the dispute from the non-prevailing party.
6. Either Buyer or Seller may submit a claim to an appropriate court. In addition to the final judgment, the prevailing party in any such litigation is entitled to request recovery of all court costs and reasonable attorneys' fees from the non-prevailing party.



REALTORS® ASSOCIATION OF NEW MEXICO MEDIATION INFORMATION FOR CLIENTS AND CUSTOMERS - 2010

» **What is Mediation?** Mediation is a process in which one or more neutral third party mediators, who are skilled in negotiating, assist disputing parties to reach an agreement. Mediators do not render a win/lose decision as a judge or an arbitrator. Rather, mediators help you to arrive at a solution that all parties can accept. When everyone has agreed on a solution, all parties sign a written agreement; then the parties are legally bound to abide by its terms.

» **What Are the Benefits of Mediation?** Mediation can help reduce tension between parties and enable you to preserve a viable, working relationship. In mediation, you retain control over the outcome of the dispute. You decide your own priorities, and on which items you may be willing to compromise in order to achieve your most important goals. The other parties can do the same prioritizing; everyone can come out ahead. In arbitration or litigation, a third party will make the decision for you. Someone will win and someone will lose.

» **Do I Have to Mediate?** If you have signed an agreement to mediate, you have agreed to make a good faith effort to resolve your dispute. However, in agreeing to mediate both parties also retain the right to pursue other legal remedies. If you cannot reach an agreement, you are free to arbitrate or litigate the dispute as if the mediation never took place.

» **Is Mediation Confidential?** Mediation sessions are private. Because successful mediation requires open communications, all written and oral communications will be treated as privileged. The parties agree not to admit evidence of settlement discussions in court proceedings or to call the mediator as a witness. The mediator will not disclose anything discussed in mediation to anyone except the parties without their consent unless required to do so by law.

» **Do I Need An Attorney?** Mediation does not require the assistance of an attorney, but mediators welcome the assistance of the parties' lawyers when needed to explain to their clients their legal rights and obligations, and the effect of any proposed agreement.

» **How Long Does Mediation Take?** Mediation is faster than litigation. Most mediation sessions can be completed in a day or less. A lawsuit can take anywhere from several months to several years to be decided.

» **Is Mediation Expensive?** Mediation is considerably less expensive than litigation, and the cost is usually shared by the parties equally.

» **Where Do I Find a Mediator?** Most communities have professional mediators who will provide this service for a fee. Consult your local telephone directory yellow pages for a listing of mediation services.

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CAUTION

U.S. Department of Housing
and Urban Development
Federal Housing Administration (FHA)



OMB Approval No: 2502-0538
(exp. 07/31/2009)

For Your Protection: Get a Home Inspection

Why a Buyer Needs a Home Inspection

A home inspection gives the buyer more detailed information about the overall condition of the home prior to purchase. In a home inspection, a qualified inspector takes an in-depth, unbiased look at your potential new home to:

- ✓ Evaluate the physical condition: structure, construction, and mechanical systems;
- ✓ Identify items that need to be repaired or replaced; and
- ✓ Estimate the remaining useful life of the major systems, equipment, structure, and finishes.

Appraisals are Different from Home Inspections

An appraisal is different from a home inspection. Appraisals are for lenders; home inspections are for buyers. An appraisal is required to:

- ✓ Estimate the market value of a house;
- ✓ Make sure that the house meets FHA minimum property standards/requirements; and
- ✓ Make sure that the property is marketable.

FHA Does Not Guarantee the Value or Condition of your Potential New Home

If you find problems with your new home after closing, FHA can not give or lend you money for repairs, and FHA can not buy the home back from you. That is why it is so important for you, the buyer, to get an independent home inspection. Ask a qualified home inspector to inspect your potential new home and give you the information you need to make a wise decision.

Radon Gas Testing

The United States Environmental Protection Agency and the Surgeon General of the United States have recommended that all houses should be tested for radon. For more information on radon testing, call the toll-free National Radon Information Line at 1-800-SOS-Radon or 1-800-767-7236. As with a home inspection, if you decide to test for radon, you may do so before signing your contract, or you may do so after signing the contract as long as your contract states the sale of the home depends on your satisfaction with the results of the radon test.

Be an Informed Buyer

It is your responsibility to be an informed buyer. Be sure that what you buy is satisfactory in every respect. You have the right to carefully examine your potential new home with a qualified home inspector. You may arrange to do so before signing your contract, or may do so after signing the contract as long as your contract states that the sale of the home depends on the inspection.



HUD-92564-CN (6/06)



CAUTION

Exhibit "B"



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 EXIT Realty Horizons
 3529 Foothills Road
 Las Cruces, NM, 88011
 575-532-5678 office
 575-532-8503 fax



REALTORS® ASSOCIATION OF NEW MEXICO
 COUNTEROFFER NO. 1 - 2010

This Counteroffer is made a part of the Residential Commercial Vacant Land Farm and Ranch Purchase Agreement dated December 16, 2009 between City of Las Cruces, by Terrance Moore-City Manager ("Buyer") and Michael L. Pena ("Seller") and relating to the purchase of the following Property:

2872 Ancho Ave Las Cruces 88007
 Address City Zip Code

Lot 30, Block C, Sub 4090-Legends West Sub Phase I
 Legal Description

or see metes and bounds description attached as Exhibit , Dona Ana County, New Mexico.

Counteroffers that are not expressly listed here are not incorporated into the Purchase Agreement.
 Counteroffers 1 are incorporated by reference into the Purchase Agreement of the parties, except as expressly modified by this Counteroffer.

Buyer and Seller accept the Purchase Agreement, subject to the following changes:

1. Purchase price shall be \$149,000.
2. Page 4 Item 9 of purchase agreement: Impact fee balances shall be paid by Seller.
4. Page 7 Item 16B of purchase agreement: Seller shall pay for a general home inspection and wood destroying insects inspection. Buyer shall pay for any and all remaining inspections selected.
5. Page 7 Item 16C and page 4 Item 9 of purchase agreement: Buyer shall pay the total cost for Survey which includes the following: Improvement Location, Staked Boundary, and Flood Plain Designation.

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RANM Form 5102 (2010) Page 1 of 2

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Initials: Buyer [Signature]

Seller [Signature]

EXIT Realty Horizons 3529 Foothills Rd Las Cruces, NM 88011
 Phone: (575) 312-1477 Fax: (575) 532-5503

Yvonne Rodriguez

PCna

Produced with ZipForm™ by RE FormsNet, LLC 18070 Fifteen Mile Road, Fraser, Michigan 48026 www.zipform.com

REALTORS® ASSOCIATION OF NEW MEXICO
COUNTEROFFER NO. 1 - 2010

All other terms and conditions of the Purchase Agreement remain the same.

This offer will expire unless acceptance is delivered in writing to Buyer or Buyer's Broker or Seller or Seller's Broker on or before December 31, 2009 at 6:00 am pm Mountain Time.
If not accepted, this offer can be withdrawn at any time before the expiration date.

It is recommended that the receiving party not sign this Counteroffer if making a subsequent Counteroffer. However, it is recommended the pages be initialed.

BUYER

Buyer [Signature] City of Las Cruces Date 12/23/09 Time _____
Buyer by Terrance Moore-City Manager Date _____ Time _____

SELLER

Seller [Signature] Michael I. Pena Date 12/21/09 Time 0700
Seller Date _____ Time _____

Michael Pena
2872 Ancho Ave.
Las Cruces, NM 88007

December 18, 2009

David Weir
C/O City of Las Cruces
PO Box 20000
Las Cruces, NM 88004-9002
575-541-2000

Dear Mr. Weir,

Thank you for your interest in acquiring a property I own at 2872 Ancho Ave., Las Cruces, NM 88007. I am motivated to sell my house via Neighborhood Stabilization Program (NSP). I also understand that City of Las Cruces shall not pursue its acquisition under eminent domain. Thank you.

Thank you for explaining how NSP works. Referencing 2872 Ancho Ave., property must not sell for no more than 1% less of Fair Market Value (FMV) in order to qualify. In consideration, I would have to bring money to closing if I accepted this offer from the City of Las Cruces. So, I am inclined to counter the offer with hopes of making this transaction a success for both.

Just a kind comment that purchase agreement offer is written \$143,100 versus said amount \$136,800 found on letter referenced as Addendum 1.

Sincerely,

Mike Pena
Seller


Buyer Initials

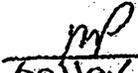

Seller Initials

Exhibit #6A

CMA Presentation

CMA Summary Report

Page 1 of 1

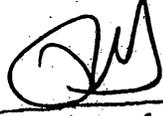
RESIDENTIAL Summary Statistics	
LP:	High \$458,000
SP:	Low \$130,000
	Average \$144,000
	Median \$139,500

* RESIDENTIAL (Sold) *									
ADDRESS	MLS #	Status	Area	Sale/Rent	DOM	LP	\$/ApX SQFT	SP	\$/ApX SQFT
2983 FOUNTAIN AVENUE	809554	Sold by Listing Office	San Andres	For Sale	15	\$130,000	\$98.56	\$129,000	\$97.80
2857 OX CART COURT	809839	Sold Co-Broker	San Andres	For Sale	20	\$159,000	\$101.87	\$150,000	\$96.71
Total Listings					AVG	AVG	AVG	AVG	AVG
2					17	\$144,000	\$100	\$139,500	\$97

MP
Seller Initials

* 2983 Fountain is a 3Bd, 2Bth, 2 car garage
 * 2857 Ox Cart is a 3Bd, 2Bth, 2 car garage

* offer on 2872 Ancho onto *
 offer @ ~ \$81.40/sq ft.
 And 2872 Ancho is four bedroom,
 2Bth, 2 car garage.

Buyer Initials


CMA Summary Report

RESIDENTIAL Summary Statistics			
LP:	High	Average	Median
SP:	\$155,601	\$150,013	\$150,589
	\$0	\$0	\$0
	Low		
	\$149,300		

RP
Beller Initials

RESIDENTIAL - Active										
ADDRESS	MLS #	Status	Area	Sale/Rent	ADP SOFT	DOM	LP	\$/ADP SOFT	SP	\$/ADP SOFT
2842 FOUNTAIN AVENUE	810269	Active	San Andres	For Sale	1507	43	\$149,300	\$95.09		
2803 CARRETERAS COURT	809125	Active	San Andres	For Sale	1223	133	\$146,000	\$119.38		
2866 SAN MIGUEL COURT	809896	Active	San Andres	For Sale	1645	78	\$149,178	\$90.69		
1307 MAGOFFIN PLACE	808947	Active	San Andres	For Sale	1575	208	\$152,000	\$96.51		
2872 ANCHO AVENUE	808696	Active	San Andres	For Sale	1758	166	\$154,000	\$87.60 *		4 Bdrms/2 Bath
2888 ANCHO AVENUE	807596	Active	San Andres	For Sale	1377	244	\$155,601	\$113.00		
Total Listings						AVG	AVG	AVG	AVG	AVG
	6					145	\$150,013	\$100		

* All houses for sale on this sheet are
 3 Bdr Except — 2872 Ancho which is a
 4 Bdr. *

[Signature]
 Buyer Initials

Exhibit # 6B

CAUTION

U.S. Department of Housing
and Urban Development
Federal Housing Administration (FHA)



Exhibit #7

OMB Approval No: 2502-0534
Exp. 07/31/2009

For Your Protection: Get a Home Inspection

Why a Buyer Needs a Home Inspection

A home inspection gives the buyer more detailed information about the overall condition of the home prior to purchase. In a home inspection, a qualified inspector takes an in-depth, unbiased look at your potential new home to:

- ✓ Evaluate the physical condition: structure, construction, and mechanical systems;
- ✓ Identify items that need to be repaired or replaced; and
- ✓ Estimate the remaining useful life of the major systems, equipment, structure, and finishes.

Appraisals are Different from Home Inspections

An appraisal is different from a home inspection. Appraisals are for lenders; home inspections are for buyers. An appraisal is required to:

- ✓ Estimate the market value of a house;
- ✓ Make sure that the house meets FHA minimum property standards/requirements; and
- ✓ Make sure that the property is marketable.

FHA Does Not Guarantee the Value or Condition of your Potential New Home

If you find problems with your new home after closing, FHA can not give or lend you money for repairs, and FHA can not buy the home back from you. That is why it is so important for you, the buyer, to get an independent home inspection. Ask a qualified home inspector to inspect your potential new home and give you the information you need to make a wise decision.

Radon Gas Testing

The United States Environmental Protection Agency and the Surgeon General of the United States have recommended that all houses should be tested for radon. For more information on radon testing, call the toll-free National Radon Information Line at 1-800-SOS-Radon or 1-800-767-7236. As with a home inspection, if you decide to test for radon, you may do so before signing your contract, or you may do so after signing the contract as long as your contract states the sale of the home depends on your satisfaction with the results of the radon test.

Be an Informed Buyer

It is your responsibility to be an informed buyer. Be sure that what you buy is satisfactory in every respect. You have the right to carefully examine your potential new home with a qualified home inspector. You may arrange to do so before signing your contract, or may do so after signing the contract as long as your contract states that the sale of the home depends on the inspection.



X *Will King*
Seller

Date 12/29/09

X *[Signature]*
Buyer

HUD-92564-CX (5/09)



CAUTION



REALTORS® ASSOCIATION OF NEW MEXICO BROKER DUTIES - 2010

Every licensed New Mexico real estate Broker is obligated to disclose Broker Duties. Please acknowledge receipt of this information by signing or initialing at the bottom of this page. Disclosure: The following brokerage relationships are available in the State of New Mexico: (1) transaction broker, (2) exclusive agency, and (3) dual agency (see RANM Form 1401, p. 2).

Prior to the time an Associate Broker or Qualifying Broker generates or presents any written document that has the potential to become an express written agreement, the Associate Broker or Qualifying Broker shall disclose in writing to their prospective buyer, seller, landlord or tenant, the following list of Broker Duties that are owed to all Customers and Clients by all Brokers:

- (A) Honesty and reasonable care as set forth in the provisions of this section;
- (B) Compliance with local, state, and federal fair housing and anti-discrimination laws, the New Mexico Real Estate License Law and the Real Estate Commission Rules and other applicable local, state, and federal laws and regulations;
- (C) Performance of any and all oral or written agreements made with the Customer or Client;
- (D) Assistance to the Broker's Customer or Client in completing the Transaction, unless otherwise agreed to in writing by the Customer or Client, including (1) Presentation of all offers or counter-offers in a timely manner, and (2) Assistance in complying with the terms and conditions of the contract and with the closing of the Transaction;

If the Broker in a transaction is not providing the service, advice or assistance described in paragraphs D(1) and D(2), the Customer or Client must agree in writing that the Broker is not expected to provide such service, advice or assistance, and the Broker shall disclose such agreement in writing to the other Brokers involved in the Transaction;

(E) Acknowledgment by the Broker that there may be matters related to the Transaction that are outside the Associate Broker's or Qualifying Broker's knowledge or expertise and that the Associate Broker or Qualifying Broker will suggest that the Customer or Client seek expert advice on these matters;

(F) Prompt accounting for all monies or property received by the Broker;

(G) Prior to the time the Associate Broker or Qualifying Broker generates or presents any written document that has the potential to become an express written agreement, written disclosure of (1) any written Brokerage Relationship the Broker has with any other Parties to the Transaction; and or (2) any material interest or relationship of a business, personal, or family nature that the Broker has in the Transaction; (3) other Brokerage Relationship options available in New Mexico;

(H) Disclosure of any adverse material facts actually known by the Associate Broker or Qualifying Broker about the Property or the Transaction, or about the financial ability of the parties to the Transaction to complete the Transaction. Adverse material facts do not include data from a sex offender registry or the existence of group homes;

(I) Maintenance of any confidential information learned in the course of any prior Agency relationship unless the disclosure is with the former Client's consent or is required by law;

(J) Unless otherwise authorized in writing, an Associate Broker or Qualifying Broker shall not disclose to their Customer or Client during the transaction that their Seller Client or Customer has previously indicated they will accept a sales price less than the asking or listed price of a property; that their Buyer Client or Customer has previously indicated they will pay a price greater than the price submitted in a written offer; the motivation of their Client or Customer for selling or buying property; that their Seller Client or Customer or their Buyer Client or Customer will agree to financing terms other than those offered; or any other information requested in writing by the Associate Broker's or Qualifying Broker's Customer or Client to remain confidential, unless disclosure is required by law.

	12/16/2009		12/16/2009
Signature	Date	Time	Date
City of Las Cruces			
RANM Form 1401 (2010) Page 1 of 2			
©2007 REALTORS® Association of New Mexico		By Terrance Moore-City Manager	
International Realty Plus New Mexico - Corporate 1735 N Valley Dr Ste 1 Las Cruces, NM 88007		Phone: 575-650-0994	
Lance Swanson		Fax: 575-654-4282	
Produced with ZipForm® by zipLegal 18070 Fifteen Mile Road, Fraser, Michigan 48026		www.zipLegal.com	

MP
Initial
2872 Ancho Ave

**REALTORS® ASSOCIATION OF NEW MEXICO
BROKER DUTIES - 2010**

Effective January 1, 2007, the New Mexico Real Estate Commission requires the disclosure of the following brokerage relationships (as quoted from 16.61.19.9 NMAC, 1-1-2004):

16.61.19.9 BROKERAGE RELATIONSHIPS: Brokerages working with consumers either as customers or clients may do so through a variety of brokerage relationships. These relationships include but are not limited to an exclusive agency relationship, a dual agency relationship, or a transaction broker relationship. For all regulated real estate transactions, a buyer, seller, landlord or tenant may enter into an express written agreement to become a client of a brokerage without creating an agency relationship, and no agency duties will be imposed.

A. **Exclusive agency:** an express written agreement between a person and a brokerage wherein the brokerage agrees to exclusively represent as an agent the interests of the person in a real estate transaction. Such agreements include buyer agency, seller agency, designated agency, and subagency agreements.

B. **Dual agency:** an express written agreement that modifies existing exclusive agency agreements to provide that the brokerage agrees to act as a facilitator in a real estate transaction rather than as an exclusive agent for either party to the transaction.

C. **Transaction Broker:** The non-fiduciary relationship created by Broker: 61.29.2A14 NMSA 1978, wherein a brokerage provides real estate services without entering into an agency relationship.

MD
Seller Initial



**REALTORS® ASSOCIATION OF NEW MEXICO
PURCHASE AGREEMENT – RESIDENTIAL RESALE – 2010
PART I – BROKER DUTIES**

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- (B) Compliance with local, state, and federal fair housing and anti-discrimination laws, the New Mexico Real Estate License Law and the Real Estate Commission Rules and other applicable local, state, and federal laws and regulations;
- (C) Performance of any and all oral or written agreements made with the Customer or Client;
- (D) Assistance to the Broker's Customer or Client in completing the Transaction, unless otherwise agreed to in writing by the Customer or Client, including (1) Presentation of all offers or counter-offers in a timely manner, and (2) Assistance in complying with the terms and conditions of the contract and with the closing of the Transaction;

If the Broker in a transaction is not providing the service, advice or assistance described in paragraphs D(1) and D(2), the Customer or Client must agree in writing that the Broker is not expected to provide such service, advice or assistance, and the Broker shall disclose such agreement in writing to the other Brokers involved in the Transaction;

(E) Acknowledgment by the Broker that there may be matters related to the Transaction that are outside the Associate Broker's or Qualifying Broker's knowledge or expertise and that the Associate Broker or Qualifying Broker will suggest that the Customer or Client seek expert advice on these matters;

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RANM Form 2104 (2010) Cover Page 1

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Initials: Buyer

Seller MP

International Realty Plus New Mexico - Corporate | 703 N Valley Dr. Ste 1 Las Cruces, NM 88007

Phone: 575-450-0995

Fax: 575-424-4157

Produced with ZipForm® by zipLogix 16070 Fifteen Mile Road, Fraser, Michigan 48026 www.ziplogix.com



REALTORS® ASSOCIATION OF NEW MEXICO BROKER DUTIES - 2010

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 - (C) Performance of any and all oral or written agreements made with the Customer or Client;
 - (D) Assistance to the Broker's Customer or Client in completing the Transaction, unless otherwise agreed to in writing by the Customer or Client, including (1) Presentation of all offers or counter-offers in a timely manner, and (2) Assistance in complying with the terms and conditions of the contract and with the closing of the Transaction;
- If the Broker in a transaction is not providing the service, advice or assistance described in paragraphs D(1) and D(2), the Customer or Client must agree in writing that the Broker is not expected to provide such service, advice or assistance, and the Broker shall disclose such agreement in writing to the other Brokers involved in the Transaction;
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Signature	12/16/2009	Date	Time	Signature	12/16/2009	Date	Time
City of Las Cruces				By Terrance Moore-City Manager			

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REALTORS® ASSOCIATION OF NEW MEXICO
BROKER DUTIES - 2010

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B. Dual agency: an express written agreement that modifies existing exclusive agency agreements to provide that the brokerage agrees to act as a facilitator in a real estate transaction rather than as an exclusive agent for either party to the transaction.

C. Transaction Broker: The non-fiduciary relationship created by Broker: 61.29.2A14 NMSA 1978, wherein a brokerage provides real estate services without entering into an agency relationship.



REALTORS® ASSOCIATION OF NEW MEXICO
PURCHASE AGREEMENT – RESIDENTIAL RESALE – 2010
PART I – BROKER DUTIES

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(C) Performance of any and all oral or written agreements made with the Customer or Client;
(D) Assistance to the Broker's Customer or Client in completing the Transaction, unless otherwise agreed to in writing by the Customer or Client, including (1) Presentation of all offers or counter-offers in a timely manner, and (2) Assistance in complying with the terms and conditions of the contract and with the closing of the Transaction;

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REALTORS® ASSOCIATION OF NEW MEXICO
PURCHASE AGREEMENT – RESIDENTIAL RESALE – 2010
361
PART II

BROKERAGE RELATIONSHIPS DISCLOSURE: Transaction Broker, Exclusive Agency, and Dual Agency are brokerage relationships available in New Mexico. Brokers may, but are not required to, disclose unwritten agreements with Buyers and Sellers. However, Brokers must disclose written agreements.

1. John Lance Swarengin ("Buyer's Broker") is working with the Buyer in this transaction as a:
 - Transaction Broker without a written agreement.
 - Transaction Broker with a written agreement (RANM Form 1206, Buyer Broker Agreement).
 - Agent with a written agreement (RANM Form 1206, Buyer Broker Agreement with Agency Addendum).

2. **IN-HOUSE TRANSACTION:**
 - A. Buyer's Broker is licensed under the same Qualifying Broker in the same Brokerage as Seller's Broker. Seller's Broker has a written listing agreement with the Seller as Transaction Broker Agent.
 - B. Buyer's Broker is also Seller's Broker for the property in this Transaction. Seller's Broker has a written listing agreement with Seller as Transaction Broker Agent.

3. **DUAL REPRESENTATION DISCLOSURE AND CONSENT:** Brokerage is representing both Buyer and Seller by means of written agreements with each of them, without creating Dual Agency. If there are two written agreements, Buyer and Seller hereby consent to this dual representation.

4. **DUAL AGENCY DISCLOSURE:** Brokerage is representing both Buyer and Seller by means of written agency agreements with each of them, and Designated Brokerage has not been chosen by the Qualifying Broker, thus creating Dual Agency. Prior to writing or presenting this offer, Broker must obtain written consent from the Buyer Client and Seller Client (RANM Form 1301, Agency Agreement - Dual).

5. Buyer's Broker does does not have a material interest or relationship of a business, personal or family nature in the transaction, including compensation from more than one party: Contracted as a Buyers Broker for City of Las Cruces

If the Brokerage or Qualifying Broker has a material interest or relationship of a business, personal, or family nature in the transaction, that interest or relationship must also be disclosed separately.

6. Buyer Seller is a licensed New Mexico real estate Broker.

The **BROKERAGE RELATIONSHIPS DISCLOSURE** is acknowledged by the parties below:

<p>BUYER</p> <p> _____</p> <p>Buyer _____ Date <u>12/17/09</u> Time _____</p> <p>City Of Las Cruces</p>	<p>SELLER</p> <p>_____</p> <p>Seller _____ Date _____ Time _____</p>
----------------------------------------------------------------------------------------------------------------	-----------------------------------------------------------------------------

<p>Buyer _____ Date _____ Time _____</p> <p>by Terrance Moore-City Manager</p>	<p>Seller _____ Date _____ Time _____</p>
--------------------------------------------------------------------------------	-------------------------------------------

BUYER'S BROKER

International Realty Plus NM
 Buyer's Brokerage Firm

Broker Signature John Lance Swarengin _____

Broker is is not a REALTOR®

_____ Date _____ Time _____

SELLER'S BROKER

Seller's Brokerage Firm

Broker is is not a REALTOR®

_____ Date _____ Time _____



REALTORS³⁶²® ASSOCIATION OF NEW MEXICO
PURCHASE AGREEMENT – RESIDENTIAL RESALE – 2010



OFFER DATE: December 16, 2009

1. PARTIES. City Of Las Cruces, by Terrance Moore-City Manager
 ("Buyer") agrees to buy from Seller and _____

_____ ("Seller") agrees to sell and convey to Buyer the Property described in paragraph 4 with a
 Settlement/Signing Date of see addendum #2 (described in paragraph 5 below).

2. PURCHASE PRICE. \$ 143,100.00
 A. APPROXIMATE CASH DOWN PAYMENT \$ 1,000.00
 (Including Earnest Money referred to in paragraph 3)
 B. AMOUNT OF THE LOAN(S) described in paragraph 7 below. \$ _____

3. EARNEST MONEY. Buyer will deliver \$ 1,000.00
 Earnest Money in the form of check cash note dated December 17, 2009, to be escrowed upon
 mutual acceptance of this Agreement by Buyer and Seller with Southwestern Abstract and Title Co.,
 in accordance with New Mexico law. Earnest Money will be applied to Purchase Price and/or closing costs upon Funding
 Date.

4. PROPERTY.
 A. 2872 Ancho Ave Las Cruces NM 88007
 Address City State/Zip Code
Lot 30, Block C, Sub 4090-Legends West Sub Phase 1
 Legal Description

or see metes and bounds or other legal description attached as Exhibit n/a, Dona Ana
 County, New Mexico. If the legal description of the Property is not complete or is inaccurate, this Agreement will not be
 invalid and the legal description will be completed or corrected to meet the requirements of the title company which will
 issue the title policy.

B. TYPE: site built manufactured housing modular off site built other: _____
 (See RANM Form 2305 for further information.)

C. Description or explanation of any known mineral or water rights appurtenant to the Property and whether they will
 be included in the sale: _____ If water or
 mineral rights are identified as being included in the sale of the Property, Buyer is advised to seek expert and legal advice
 and assistance to ensure that those rights are properly transferred at closing.

D. The Property will include the following, if existing on the Property, unless excluded below, free of liens: smoke,
 fire, security and water conditioning systems (if owned by Seller); heating, ventilating and air conditioning systems,
 landscaping; sprinklers/irrigation equipment; storm windows and doors, screens, window coverings and rods; TV
 antennas, satellite dishes and receiver with access card (if owned by Seller and if transferable); light fixtures; ceiling
 fans; range; oven; dishwasher; garbage disposal; attached mirrors; attached floor coverings; awnings; mailboxes; fireplace
 grate and screen; garage door openers and controls; pool and spa equipment; and outdoor plants and trees (other than in
 movable containers). The following additional existing personal property, if checked, shall remain with the property:

- | | |
|--------------------------------------------------------|---------------------------------------------------------------------|
| <input checked="" type="checkbox"/> Refrigerator | <input type="checkbox"/> Decorative mirrors above bath vanities |
| <input checked="" type="checkbox"/> Microwave | <input type="checkbox"/> Built-in/attached speakers and sub woofers |
| <input type="checkbox"/> Washer | <input type="checkbox"/> TV |
| <input type="checkbox"/> Dryer | <input type="checkbox"/> Audio components _____ |
| <input checked="" type="checkbox"/> Other <u>Stove</u> | <input type="checkbox"/> Other _____ |

The above additional existing personal property included shall not be considered part of the premises and shall be
 transferred with no monetary value, and free and clear of all liens and encumbrances.

REALTORS® Association of New Mexico (RANM) makes no warranty of the legal effectiveness or validity of this form and disclaims any liability for damages
 resulting from its use. By use of this form the parties agree to the limitations set forth in this paragraph. The parties hereby release RANM, the real estate brokers,
 their Agents and employees from any liability arising out of the use of this form. You should consult your attorney with regards to the effectiveness, validity, or
 consequences of any use of this form. 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 the Association's strict
 Code of Ethics.

RANM Form 2104 (2010) Page 1 of 11 ©2008 REALTORS® Association of New Mexico Initials: Buyer Sh Seller _____

REALTORS® ASSOCIATION OF NEW MEXICO
PURCHASE AGREEMENT – RESIDENTIAL RESALE – 2010

E. The following items are excluded from the sale: 363

5. **CLOSING.** "Closing" is defined as a series of events by which Buyer and Seller satisfy all of their obligations in the Agreement. Closing is not completed until all parties have completed all requirements as stated below, as well as completing all other obligations under this Agreement. If either party elects to extend either of the following dates, they must do so in a writing signed by both parties. No extension is binding unless agreed to in writing by both parties. The parties further acknowledge that Seller will not receive the proceeds of sale until all the events stated under "Funding Date" have been completed.

A. Settlement/Signing date: see addendum #2 (as described in paragraph 1)

1. Buyer and Seller agree to sign and deliver to the responsible closing officer all documents required to complete the transaction and to perform all other closing obligations of this Agreement on or before the above date.
2. Buyer and Seller agree to provide for the delivery of all required funds, exclusive of Lender funds, if any, using wired, certified or other "ready" funds acceptable to the closing officer, on or before the above date.

B. Funding Date (Completion of Closing): on or before see addendum #2 para #3. The Funding Date is the date that the closing officer has funds available to disburse to all parties after recording all documents required to complete the transaction.

1. It is Buyer's responsibility to ensure that Buyer's lender, if any, makes available to the closing officer, wired certified or other "ready" funds with written instructions to disburse funds, on or before the Funding Date as set forth above.
2. Buyer and Seller acknowledge that possession of the Property will be in accordance with the terms of paragraph 6 below.

Unless otherwise agreed to in writing, failure to perform any of the above items by either party shall constitute a default under this Agreement.

6. **POSSESSION.**

A. Buyer and Seller agree that Seller will give possession of the Property to Buyer upon:

1. "Funding Date" as set forth above at 5:00 p.m.; or,
2. Other: _____

B. If possession date is other than "Funding Date" as set forth above, then Buyer and Seller shall execute a separate written Occupancy Agreement. (See RANM Forms 2201 and 2202)

7. **FINANCED OR CASH PURCHASE.**

A. **LOANS.** This Agreement is contingent upon Buyer's ability to obtain a loan in the amount stated above in paragraph 2B of the following type: Conventional FHA VA Deed of Trust Other: _____

1. Buyer has made written application for a loan, or agrees to make written application for a loan no later than _____ days after the Date of Acceptance ("Loan Application Period"). Buyer agrees to provide Seller with a letter of Preliminary Loan Approval from a lender no later than _____ days after the Date of Acceptance ("Financing Approval Period").

2. Preliminary Loan Approval must stipulate that: (1) a loan application has been made; (2) a credit report has been obtained and reviewed by a lender; (3) a preliminary loan commitment has been secured from the same lender; (4) financing equal to the loan amount provided in paragraph 2B is available to complete the transaction with no contingencies except those provided for in this Agreement.

3. If there are changes to the loan, loan program, financing terms, or a change in lender at any time after the Financing Approval Period which adversely affect Buyer's ability to obtain a loan, increase Seller's costs or delay Closing, Buyer shall have the obligation to notify Seller in writing within 2 days of such occurrence. In that event, within days of receipt of Buyer's notification, Seller may notify Buyer in writing of: (1) Seller's approval of such changes, or (2) Seller's decision to terminate the Agreement. If Seller does not notify Buyer within the 5 day period provided, Seller will be deemed to have waived Seller's right to terminate and shall proceed to Closing.

4. If Buyer cannot obtain Preliminary Loan Approval within the Financing Approval Period, this Agreement shall terminate and the Earnest Money shall be refunded to Buyer unless the parties agree in writing to an extension.

5. Buyer further agrees to provide Seller with written notification of Final Loan Approval from Buyer's lender with all loan contingencies removed _____ days before the Settlement/Signing Date ("Final Loan Approval"). In the event of a written rejection by the lender prior to Final Loan Approval, this Agreement shall terminate and the Earnest Money shall be refunded to Buyer.

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B. SELLER FINANCING: The approximate balance of \$ _____ shall be financed by Seller and shall be secured by: Real Estate Contract Mortgage Deed of Trust. Terms and conditions of the above instrument shall be attached as Addendum _____. If RANM Real Estate Contract (RANM Form 2401) is selected, a completed Addendum to Purchase Agreement - Real Estate Contract (RANM Form 2402) shall be attached.

Buyer shall provide Seller with: a current and complete financial statement and/or a current credit report no later than _____ days after the Date of this Agreement. Seller shall have the right to object to either of these documents within _____ days after receipt from Buyer (Financial Review Period). If Seller does not approve Buyer's qualifications during the Financial Review Period, Seller has the option to terminate this Agreement and Earnest Money shall be refunded to Buyer. If Seller does not object in writing to Buyer's qualifications within the Financial Review Period, Seller will be deemed to have waived Seller's right to object to Buyer's qualifications. Seller may not unreasonably withhold approval.

C. CASH PURCHASE: Buyer agrees to purchase the subject property for cash. No later than 59 days after the Date of Acceptance, Buyer agrees to provide Seller with verification of funds and proof satisfactory to Seller that Buyer has in Buyer's possession or control, the funds necessary to complete the transaction. This Agreement shall terminate in the event of failure of Buyer to provide timely proof of funds and Earnest Money shall shall not be refunded to Buyer.

D. CONTINGENT SALE: This Agreement is contingent on the future Closing of Buyer's property. Buyer's Sale Contingency - RANM Form 2503 is is not attached.

8. APPRAISAL

A. CONVENTIONAL OR OTHER NON-FHA/VA LOAN: (describe): _____
It is expressly agreed that, notwithstanding any other provisions of this Agreement, Buyer shall not be obligated to complete the purchase of the Property or incur any penalty for forfeiture of Earnest Money if the Purchase Price exceeds the current estimated market value ("Appraisal") as established by a real estate appraiser approved by the lender.

B. FHA: It is expressly agreed that, notwithstanding any other provisions of this contract, Buyer shall not be obligated to complete the purchase of the Property described herein or to incur any penalty by forfeiture of Earnest Money deposits or otherwise unless the Buyer has been given, in accordance with HUD/FHA or VA requirement, a written statement by the Federal Housing Commissioner or a Direct Endorsement Lender setting forth the appraised value of the property, or a VA Certificate of Reasonable Value (excluding closing costs) of not less than \$ _____ (Purchase Price). The appraised valuation is arrived at to determine the maximum mortgage the Department of Housing and Urban Development will insure. HUD does not warrant the value nor the condition of the property. Buyer should satisfy himself that the price and condition of the property are acceptable.

C. VA: It is expressly agreed that, notwithstanding any other provisions of this contract, Buyer shall not incur any penalty by forfeiture of Earnest Money or otherwise be obligated to complete the purchase of the real estate described herein, if the contract Purchase Price or cost exceeds the reasonable value of the real estate established by the Veterans Administration.

D. CASH OR SELLER FINANCED: It is expressly agreed that, notwithstanding any other provisions of this Agreement, Buyer shall not be obligated to complete the purchase of the Property or incur any penalty by forfeiture of Earnest Money if the Purchase Price exceeds the current estimated market value ("Appraisal") as established by a real estate appraiser engaged by and paid by Buyer Seller.

E. In the event the conventional appraisal, the FHA appraisal, the VA certificate of reasonable value, or an appraisal for a cash or seller financed transaction is less than the agreed upon Purchase Price, Buyer may still proceed with the consummation of this Agreement without regard to the amount of appraisal or certificate of reasonable value, provided Buyer delivers written notice to Seller of such election within 3 days of the receipt of said notice of value. If Buyer does not deliver written notice of such election within 3 days, Buyer shall be deemed to have elected not to proceed. If Buyer elects not to proceed, Seller and Buyer may agree to a Purchase Price acceptable to both parties within 5 days after receipt of said notice to both parties. If the parties cannot agree, this Agreement shall terminate and Earnest Money shall be refunded to Buyer.

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9. COSTS TO BE PAID. Buyer or Seller will pay the following marked items:

Loan Related Costs and Fees	Buyer	Seller	Not Required	Title Company Closing Costs	Buyer	Seller	Not Required
				Closing Fee	1/2	1/2	
Appraisal Fee	X			Legal Document Preparation			X
Appraisal Reinspection Fee	X			Special Assessment Search			X
Credit Report			X	Buyer Recording Fees	X		
Loan Assumption/Transfer			X	Seller Recording Fees		X	
Loan Documentation Preparation			X	Policy Premiums			
Origination Fee			X	Title Commitment		X	
Points - Buydown			X	Standard Owner's Policy		X	
Points - Discount			X	Mortgagee's Policy			X
Tax Service Fee			X	Mortgagee's Policy Endorsements			X
Underwriting Review Fee			X	Other:			
Flood Zone Certification		X		Miscellaneous			
Other:				Survey (§ 16C)		X	
Other:				Impact Fees			X
Prepays Required by Lender				Home Warranty contract (§ 17)			X
Flood Insurance			X	Transfer Fees (e.g. HOA, etc.)			X
Hazard Insurance			X	HOA Fees (e.g. processing)			X
Interest			X	Other:			
PMI or MIP			X	Escrow Fees			
Taxes			X	Set up			
Other:				Periodic			
Other:				Close Out			
				Other:			

Buyer agrees to pay all other allowed direct loan costs.

10. IRS 1031 TAX-DEFERRED EXCHANGE. Buyer Seller intends to use this property to accomplish a 1031 tax-deferred exchange. The parties agree to cooperate with one another in signing and completing any documents required. The exchanging party agrees that the other party will bear no additional expense.

11. PRORATIONS. Seller will be responsible for disclosing all applicable property-specific fees, or lease agreements, private memberships and/or association fees or dues, taxes and contract service agreements, all of which are to be prorated through Settlement/Signing Date. Any equipment rental or contract service agreement (e.g. alarm system, satellite system, propane and tank, private refuse collection, road maintenance, etc.) will be handled directly between the Buyer and Seller, and title company will not be responsible for proration thereof.

12. ASSESSMENTS. Buyer will assume all bonds, impact fees and assessments that are part of or paid with the property tax bill. If other bonds, impact fees or assessments are a lien upon the Property, the current installment will be prorated through Settlement/Signing Date. Buyer will assume future installments. This Agreement is conditioned upon both parties verifying and approving in writing the amount of all bonds, impact fees, or assessments to be assumed or paid within 10 days after receipt of the title commitment ("Approval Date"). In the event of disapproval, the disapproving party may terminate this Agreement by giving written notice to the other on or before the Approval Date. Future assessments for improvements such as, but not limited to, sidewalks, driveway cuts or roads will be paid by Buyer.

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13. EXAMINATION OF TITLE; LIENS; DEED.

A. Buyer Seller shall order a title commitment from Southwestern Abstract and Title Co. (Title Company) within 5 bus days after the Date of Acceptance. Buyer will have 5 bus days ("Review Period") to review and object to title exceptions after receipt of the title commitment and all documents referred to therein. Exceptions to the title, including the standard exceptions, shall be deemed approved unless written objection is delivered to the Seller within this Review Period. If Seller is unwilling or unable to remove such exception before Settlement/Signing Date, Seller shall provide written notice to Buyer within 5 bus days after receipt of Buyer's objections. Buyer may choose to close subject to exceptions, remove them at Buyer's expense or terminate this Agreement. If Buyer terminates this Agreement, the Earnest Money will be refunded to Buyer.

B. Seller will satisfy any judgments and liens, including but not limited to, all mechanics' and materialmen's liens of record on or before Settlement/Signing Date and will indemnify and hold Buyer harmless from any liens filed of record after Settlement/Signing Date and which arise out of any claim related to the providing of materials or services to improve the Property as authorized by Seller or Seller's agents, unless otherwise agreed to by the parties in writing.

C. Seller will convey the Property by General Warranty Deed other deed _____ subject only to any matters identified in the title commitment and not objected to by Buyer as provided in paragraph 13A. The legal description contained in the deed shall be the same legal description contained in the title commitment and any survey required under paragraph 16C.

14. FOREIGN SELLERS. The disposition of a U.S. Real Property interest by a Foreign Person is subject to Foreign Investment in Real Property Tax Act of 1980 (FIRPTA) income tax withholding. FIRPTA applies if Seller is a Foreign Person, Foreign Corporation or Partnership, or non-resident Alien, unless BOTH the purchase price is \$300,000 or less AND Buyer intends to use the property as Buyer's primary residence. Federal Law requires that if Seller is a Foreign Person, then Buyer must withhold ten percent (10%) of the amount realized from the sale of the Property and remit it to the Internal Revenue Service (IRS) within 20 days of Closing unless the Seller provides written confirmation from the IRS that Seller is not subject to withholding. Generally speaking, the "amount realized" is the sales/purchase price of the Real Estate. If Seller is Non-Foreign, the Seller must provide proof of Non-Foreign status by fully executing an Affidavit of Non-Foreign Seller (RANM Form 2303) and deliver it to either the Buyer or to a Qualified Substitute. Under FIRPTA, if Seller is a Foreign Person and Buyer fails to withhold taxes, the Buyer may be held liable for the tax, in addition to other fines and penalties and the Buyer's Broker may be fined up to the amount of their commission.

Buyer's offer is is not contingent upon the Seller completing the FIRPTA response box in the Acknowledgement by Seller Section of this Purchase Agreement, and providing the documents indicated there in no later than 10 days after Date of Acceptance. If Seller is providing an Affidavit of Non-Foreign Seller, Buyer agrees that Seller may, at Seller's option, provide this Affidavit either to Buyer or to a Qualified Substitute as provided by FIRPTA. If a Qualified Substitute is used, Buyer will not receive a copy of Seller's Affidavit.

For further information on FIRPTA, see the FIRPTA Information Sheet (RANM Form 2304), and consult with an attorney and/or tax professional.

15. INSURANCE CONTINGENCY/APPLICATION.

A. Buyer agrees to make application for insurance within _____ days after Date of Acceptance of this Agreement. If Buyer fails to make application within the agreed time, this insurance contingency shall be deemed waived. This Agreement is conditioned upon Buyer's ability to obtain a homeowner's or property insurance binder on the Property at normal and customary premium rates. Buyer understands that an insurance company may cancel or change the terms of a homeowner's insurance policy/binder for any reason prior to close of escrow or within sixty days after issuance of the homeowner's policy/binder (which generally occurs at close of escrow).

B. This insurance contingency shall be deemed satisfied, unless within _____ days after Date of Acceptance of this Agreement, Buyer gives notice of inability to obtain a binder for insurance or if Buyer gives notice that Buyer is unable to obtain a homeowner's or property insurance binder on the Property at normal and customary premium rates. If Buyer is unable to obtain such a binder for insurance after making a good faith effort and gives timely notice of such inability, then the Purchase Agreement shall terminate and the Earnest Money shall be refunded to Buyer.

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Unless otherwise agreed in writing, the Buyer will select the inspector. Whether or not the transaction closes, the following inspections will be paid for by:

INSPECTIONS	Buyer Pays	Seller Pays	Delivery Deadline	Objection Deadline	Resolution Deadline
Home	X		due diligence	due diligence	due diligence
Electrical	X		due diligence	due diligence	due diligence
Heating/Air Conditioning	X		due diligence	due diligence	due diligence
Plumbing	X		due diligence	due diligence	due diligence
Roof	X		due diligence	due diligence	due diligence
Structural	X		due diligence	due diligence	due diligence
Lead-Based Paint Evaluation					
Risk Assessment					
Paint Inspection					
Combination Risk Assessment/Inspection					
Other:					
Well Equipment (pump, pressure tank, lines)					
Well Water Potability Tests					
Well Water Yield Tests					
Well Water Nitrate Tests					
Pool/Spa/Hot Tub Equipment					
Wood-Destroying Insects	X		due diligence	due diligence	due diligence
Dry Rot	X		due diligence	due diligence	due diligence
Radon	X		due diligence	due diligence	due diligence
Mold	X		due diligence	due diligence	due diligence
Square-Foot Measurement:					
Sewer Line Inspections	X		due diligence	due diligence	due diligence
Ducts (type):	X		due diligence	due diligence	due diligence
Phase One Environmental Inspection					
Soil Test					
Other:					
Other:					

C. SURVEYS OR IMPROVEMENT LOCATION REPORT. Buyer has the right to have performed the item selected below or the right to accept an existing one. Unless otherwise agreed in writing the party paying for the item will select the surveyor and order the survey or report.

SURVEY/IMPROVEMENT LOCATION REPORT	Delivery Deadline	Objection Deadline	Resolution Deadline
Improvement Location	30 Days After Acceptance	32 Days After Acceptance	40 Days After Acceptance
Metes and Bounds Description			
Staked Boundary	30 Days After Acceptance	32 Days After Acceptance	40 Days After Acceptance
American Land Title Association Survey (ALTA)			
Flood Plain Designation	30 Days After Acceptance	32 Days After Acceptance	40 Days After Acceptance
Other:			

Each party is responsible for payment as shown above for any inspection or surveys ordered and performed whether or not the transaction closes.

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D. BUYER'S OBJECTIONS.

1. The Buyer may make any reasonable objections to any report or unsatisfactory condition disclosed by any document (16A), inspections (16B), survey or Improvement Location Report (16C) by submitting them in writing to Seller no later than applicable Objection Deadline. Any objections to any inspection, survey or report must be accompanied by a copy of the report. If Seller is responsible for ordering a report or document, and if Buyer does not receive that report or document by the Delivery Deadline, Buyer and Seller may agree to extend the Objection Deadline and Resolution Deadline or Buyer may terminate the Agreement. If Buyer is responsible for ordering a report or document, and fails to do so in a timely manner, Buyer may not use the failure to receive the report or document as cause to terminate the Agreement.

2. Upon objection, Buyer can request that Seller cure the objections or Buyer can terminate this Agreement. If no written objection or termination is delivered to Seller in writing by Objection Deadline, the contingency shall be deemed removed.

E. RESOLUTION. If Buyer makes specific objections and requests Seller to cure, Buyer and Seller may negotiate a resolution. If the objections are not resolved by the Resolution Deadline, this Agreement shall be terminated.

F. COST OF REPAIRS. Seller agrees to complete or pay for any repairs required by a FHA, VA, conventional lender, or with respect to any objections made by Buyer as a result of the above reports, at an aggregate cost not to exceed \$ _____. If the cost to cure the objections exceeds this amount, such excess costs may be negotiated and if no agreement is reached, the Agreement shall terminate.

G. OBJECTIONS: COMPLETION. Seller agrees to cure objections not later than _____ days prior to Settlement/ Signing Date.

H. REFUND OF EARNEST MONEY. If this Agreement is terminated pursuant to this paragraph, the Earnest Money will be refunded to Buyer.

I. REASONABLE ACCESS; DAMAGES. Seller agrees to provide reasonable access to Buyer and any inspectors. The party selecting the inspector is responsible for and shall pay for any damages which occur to the Property as a result of such Inspection.

17. HOME WARRANTY CONTRACT. If provided for in paragraph 9, a home warranty service contract will be purchased from _____. The parties acknowledge that the home warranty service contract provides for limited coverage and for only limited components of the Property. In addition, the home warranty service contract contains specific exclusions and/or certain deductibles. Neither the Seller nor the Broker is responsible for home warranty coverage or lack thereof. The parties acknowledge that a home warranty service contract provider may or may not conduct an inspection of the Property. Any inspection report made available by the provider is not meant as a representation as to the condition of the Property, and is only a report used by the provider to determine the conditions under which the Property may be warranted.

18. DISCLAIMER. The Property is sold in its current condition including, but not limited to, the nature, location, amount, sufficiency or suitability of its: current or future value; future income to be derived therefrom or as to its current or future production; condition; size; location of utility lines; location of sewer, water and other utility lines or availability of utility services or the possibility of extending improvements (paving, sewer, water, utilities, access) to the Property; easements with which it is burdened or benefited; lot boundaries; adjacent property zoning; physical and legal access; soil conditions; permits, zoning, or code compliance; lot size or acreage; and improvements or their square footage; and water rights. Broker has not investigated and is not responsible for the foregoing aspects of the Property, among which lot size, acreage, and square footage may have been approximated, but are not warranted as accurate. Buyer will have had full and fair opportunity to inspect and judge all aspects of the Property with professional assistance of Buyer's choosing prior to settlement and is purchasing Property based solely upon Buyer's inspection and judgment and not by reason of any representation made to Buyer by Seller or Broker unless expressly set forth in this Agreement or Disclosure Statements. Buyer and Seller acknowledge that Brokers' only role in this transaction is to provide real estate advice to Broker's client and/or customer and real estate information to the parties. For all other advice or information that may affect this transaction, including but not limited to financial and legal, the parties must rely on other professionals.

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19. RELEASE. The parties hereby release the REALTORS® Association of New Mexico, all local REALTOR® Boards, Broker and the agents and employees of the foregoing from any liability arising out of use of this Purchase Agreement form. Buyer and Seller acknowledge that they are hereby advised to consult their own respective attorneys, accountants, or other advisors as to the legal and tax effect of this Agreement prior to signing.

20. MAINTENANCE. Seller agrees that until Seller gives possession of the Property to Buyer, the heating, air conditioning, electrical, solar, septic systems, well and well equipment, gutters and downspouts, sprinklers, plumbing systems including the water heater, pool and spa systems, as well as appliances and other mechanical apparatus, will be in the same condition as the Date of Acceptance, normal wear and tear excepted. Until the Property is delivered, Seller will maintain all structures, landscaping, grounds and pool. Seller agrees to deliver the Property with all debris and personal belongings removed. The following items are specifically excepted from the above: _____

21. PRE-CLOSING WALK-THROUGH. Within 2 days prior to Settlement/Signing Date, Buyer shall have the right to verify the Property is in the same condition as on the Date of Acceptance, reasonable wear and tear excepted, and all agreed upon improvements have been completed.

22. FLOOD HAZARD ZONE. If the Property is located in an area which is designated as a special flood hazard area, Buyer may be required to purchase flood insurance in order to obtain a loan secured by the Property from any federally regulated financial institution or a loan insured or guaranteed by an agency of the U.S. Government.

23. DEFINITIONS. BROKER includes Buyer's and Seller's brokers. **DAYS** means calendar days excluding weekends and bank holidays, unless otherwise specified. **DATE OF ACCEPTANCE** is the date this Agreement is fully executed and delivered. **DELIVERED** means personally delivered, delivered by facsimile, mailed postage prepaid, or by any method where there is evidence of receipt. The facsimile or e-mail transmission of a copy of this or any related document will constitute delivery of that document. The facsimile, e-mail or electronically transmitted signature shall have the same force and effect as an original signature. Delivery to the real estate Broker who is working with or who represents the Buyer or Seller will constitute delivery to the Buyer or Seller respectively, except if the same Broker works for or represents both Buyer and Seller, in which case, delivery to the principal is required. The **MASCULINE** includes the feminine. The **SINGULAR** includes the plural.

24. RISK OF LOSS. Prior to Funding Date, risk of fire or other casualty will be on Seller, and in the event of loss, Buyer will have the option (to be exercised by written notice to Seller within 5 days after receipt of notice of loss) of canceling this Agreement and receiving back the Earnest Money or closing and receiving assignment of Seller's portion of the insurance proceeds, if any, at Funding Date. If Buyer fails to timely notify Seller of Buyer's election, Buyer will be deemed to have elected to close.

25. MEDIATION. If a dispute arises between the parties relating to this Agreement, the parties agree to submit the dispute to mediation. The parties will jointly appoint a mediator and will share equally the costs of the mediation. If a mediator cannot be agreed on or mediation is unsuccessful, the parties may enforce their rights and obligations under this Agreement in any manner provided by New Mexico law.

26. EARNEST MONEY DISPUTE. Notwithstanding any termination of this Agreement, in the event that a controversy arises between Buyer and Seller, and the controversy cannot be resolved, the Holder of the Earnest Money may take no action or may choose to file an **Interpleader** action. **Interpleader** is a legal proceeding whereby the Holder of the Earnest Money names Buyer and Seller as defendants and deposits the funds in question with an appropriate court. Once the funds have been disbursed by final determination of the court, the prevailing party and the Holder of the Earnest Money shall be entitled to request recovery of all court costs and reasonable attorneys' fees related to the dispute from the non-prevailing party. Parties to all Earnest Money disputes are urged to review RANM Form 2310, "Earnest Money Dispute Information Sheet," and to consult a licensed attorney to fully understand all their rights and remedies.

27. DEFAULT. Time is of the essence. If any payment or any other condition hereof is not made, tendered or performed by either Seller or Buyer as required, then this Agreement may be terminated at the option of the party who is not in default. If the non-defaulting party elects to treat this Agreement as terminated, the non-defaulting party may elect to retain the Earnest Money and pursue any additional remedies allowable by law. In the event, however, the non-defaulting party elects to treat this Agreement as being in full force and effect, the non-defaulting party will have all rights and remedies available under this Agreement. Buyer and Seller acknowledge and agree that Broker will not in any circumstances be responsible for any breach by either party to this Agreement. Should any aspect of this Agreement result in dispute, litigation, or settlement, the prevailing party of such action including Broker shall be entitled to an award of reasonable attorneys' fees and court costs.

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28. FAIR HOUSING. Seller and Buyer understand that the Fair Housing Act and the New Mexico Human Rights Act prohibit discrimination in the sale or financing of housing on the basis of race, age, color, religion, sex, sexual orientation, gender identity, familial status, spousal affiliation, physical or mental handicap, serious medical condition, national origin or ancestry.

29. COUNTERPARTS. This Agreement may be executed in one or more counterparts, each of which is deemed to be an original, and all of which will together constitute one and the same instrument.

30. GOVERNING LAW. This Agreement will be interpreted in accordance with the laws of the State of New Mexico.

31. SEVERABILITY. If any portion of this agreement is found by any court of competent jurisdiction to be invalid or unenforceable, the remainder of this agreement will remain in full force and effect.

32. ENTIRE AGREEMENT. The parties understand that this offer, if accepted in writing by Seller and delivered to Buyer, constitutes a legally binding contract. This Agreement together with the following addenda and any exhibits referred to in this Agreement contains the entire agreement of the parties and supersedes all prior agreements or representations with respect to the Property which are not expressly set forth herein. This Agreement may be modified or canceled only by a writing signed and dated by both parties.

- | | |
|-----------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------|
| <input type="checkbox"/> Addendum No. _____ (5101) | <input type="checkbox"/> Occupancy Agreement - Buyer/Seller (2201/2202) |
| <input type="checkbox"/> Buyer's Sale Contingency
(Right of First Refusal) Addendum (2503) | <input type="checkbox"/> Real Estate Contract Addendum (2402) |
| <input type="checkbox"/> Lead-Based Paint Addendum (5112) | <input type="checkbox"/> Residential Resale Condominium Addendum (2302) |
| <input checked="" type="checkbox"/> Other: <u>Addendum #1</u> | <input type="checkbox"/> Septic System Contingency Addendum (5120a) |
| <input checked="" type="checkbox"/> Other: <u>Addendum #2</u> | <input checked="" type="checkbox"/> Other: <u>Exhibit #2-Tax Levy Form</u> |
| <input checked="" type="checkbox"/> Other: <u>Exhibit #1-Property Disclos</u> | <input checked="" type="checkbox"/> Other: <u>Exhibit #3-Non-Foreign Sell</u> |
| | <input checked="" type="checkbox"/> Other: <u>Exhibit #4-MLS Detail</u> |

33. EXPIRATION OF OFFER. This offer will expire unless acceptance is delivered in writing to Buyer or Buyer's Broker on or before December 23, 2009, at 5:00 am pm Mountain Time. If not accepted, this offer can be withdrawn at any time before the expiration date.

OFFER BY BUYER:

Buyer acknowledges that Buyer has read the entire Purchase Agreement and understands the provisions thereof.

Buyer Signature _____	Offer Date	Time
Buyer Signature _____	<u>12/17/09</u>	Time _____
<u>City Of Las Cruces, by Terrance Moore-City Manager</u>	Email Address _____	
Buyer Names (Print)	<u>Las Cruces</u>	<u>NM</u>
Buyer Address _____	City	State
	<u>88001</u>	Zip Code
Buyer Home Phone _____	Buyer Cell Phone _____	Buyer Business Phone _____
		Buyer Fax _____

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ACKNOWLEDGEMENT BY SELLER:

With regard to Paragraph 14, FOREIGN SELLERS, Seller agrees to;

- Execute an Affidavit of Non-Foreign Seller (RANM Form 2303), or
- Provide written documentation from the IRS that withholding is not required.

If Seller does not provide the Affidavit of Non-Foreign Seller (if applicable) within the time-frame provided, Buyer, in his sole discretion, may choose to terminate this Agreement or to proceed to Settlement/Signing. If Buyer chooses to terminate, Earnest Money will be returned to Buyer. If Seller fails to provide either of the above documents prior to the Settlement/Signing date, Buyer may still proceed with the consummation of this Agreement and may in his sole discretion, instruct the Title Company closing this transaction to withhold ten percent (10%) of the amount realized from the sale of the Property to be remitted to the IRS on Buyer's behalf. Generally speaking, the "amount realized" is the sales/purchase price of the Real Estate.

By signature hereto, Seller hereby acknowledges Buyer's obligations under FIRPTA and in the event Seller fails to provide the necessary documentation as provided for in this Agreement authorizes the Title Company closing this transaction to withhold ten percent (10%) of the amount realized from the sale of the Property to be remitted to the IRS on Buyer's behalf.

Seller acknowledges that Seller has read the entire Purchase Agreement and understands the provisions thereof.

Seller (select one):

- ACCEPTS this Offer and agrees to sell the Property for the price and on the terms and conditions specified in this Agreement.
- REJECTS this Offer and submits a Counteroffer (RANM 5102).
- SUBMITS an Invitation to Offer (RANM 5103).
- REJECTS this Offer.

Seller Signature	Date	Time
Seller Signature	Date	Time
Seller Names (Print)	Email Address	
Seller Address	City	State Zip Code
Seller Home Phone	Seller Cell Phone	Seller Business Phone Seller Fax

BUYER'S BROKER

International Realty Plus NM	1705 N. Valley Dr. Ste 1, Las Cruces, NM 88007	(575) 522-0487	(575) 524-4252
Buyer's Brokerage Firm	Address	Office Phone	Fax
John Lance Swarengin	Email Address	Broker <input checked="" type="checkbox"/> is <input type="checkbox"/> is not a REALTOR®	
By (Print)			

SELLER'S BROKER

Seller's Brokerage Firm	Address	Office Phone	Fax
By (Print)	Email Address	Broker <input type="checkbox"/> is <input type="checkbox"/> is not a REALTOR®	



ADDENDUM

①

December 10, 2009
L-09-643

Michael Pina
2872 Ancho
Las Cruces, NM 88007

Dear Mr. Pina:

The City of Las Cruces is interested in acquiring property you own at 2872 Ancho, Las Cruces, NM 88007, for a proposed project which will receive funding assistance from the U.S. Department of Housing and Urban Development (HUD) through the State of New Mexico, Local Government Division (LGD) under the Neighborhood Stabilization Program (NSP).

Please be advised that the City of Las Cruces possesses eminent domain authority to acquire property. However, in the event we cannot reach an amicable agreement for the voluntary purchase of your property, we will not pursue its acquisition under eminent domain. Your property is not a necessary part of the proposed project and is not intended, planned, or in a designated project area where substantially all of the property within the area is to be acquired.

We are offering you \$136,800 to purchase your property (See attached formal offer). We believe this amount represents the Fair Market Value (FMV) of your property. FMV will be confirmed through a formal appraisal after an offer is negotiated or accepted. The FMV price must then be discounted by one percent (1%) to meet the requirements of the NSP at Article IX.C, as amended, of the grant agreement from the State of New Mexico, Local Government Division, to the City of Las Cruces.

If you have any questions about this notice or the proposed project, please contact Jerry Nachison, City of Las Cruces, Community Development Department, Housing Development Coordinator at 575-528-3208 or at his office, 575 S. Alameda, Room 152, in Las Cruces.

Sincerely,

David Weir
Community Development Director

cc: David Dollahon, Neighborhood Services Administrator 
Jerold Nachison, Housing Development Coordinator
Ray Sartin, Home Rehabilitation Coordinator
Grantee File

Seller's Initials



REALTORS® ASSOCIATION OF NEW MEXICO
GENERAL ADDENDUM No. 2 2010

This Addendum is part of the Residential Resale Form-2104 Agreement (the "Agreement")
dated December 17, 2009, between City of Las Cruces
and Seller relating to the following Property:

2872 Ancho Ave Las Cruces 88007
Address City Zip Code

Lot 30, Block c, Sub 4090-Legends West Sub Phase 1
Legal Description

or see metes and bounds description attached as Exhibit , Dona Ana County, New Mexico.
The following is added to the Agreement:

1. Settlement/Signing Date shall be on or before 59 days of acceptance of the agreement.
2. The buyer has 21 working days Due Diligence to receive bids and reach a conclusion on feasibility of purchase of property.
3. The funding shall be on or before 60 days from acceptance of offer.

If there is any conflict between the provisions of the Agreement and this Addendum, the provisions of this Addendum will control. The remaining provisions of the Agreement will remain in effect.

Signature _____ City of Las Cruces	Date _____	Time _____	Signature _____	Date _____	Time _____
Signature _____ By Terrance Moore-City Manager	Date <u>12/17/09</u>	Time _____	Signature _____	Date _____	Time _____

REALTORS® Association of New Mexico (RANM) makes no warranty of the legal effectiveness or validity of this form and disclaims any liability for damages resulting from its use. By use of this form the parties agree to the limitations set forth in this paragraph. The parties hereby release RANM, the real estate brokers, their agents and employees from any liability arising out of the use of this form. You should consult your attorney with regards to the effectiveness, validity, or consequences of any use of this form. 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 the Association's strict Code of Ethics.



EXIT Realty Horizons
 3529 Foothills Road
 Las Cruces, NM, 88011
 575-532-5678 office
 575-532-5503 fax

updated
7-8-09



REALTORS® ASSOCIATION OF NEW MEXICO
 PROPERTY DISCLOSURE STATEMENT - RESIDENTIAL - 2009

INSTRUCTIONS AND ACKNOWLEDGMENT REGARDING THIS FORM

This Statement discloses Seller's current, actual knowledge of the condition of the Property as of the date signed by Seller, and is not a substitute for any inspections or warranties that Buyer may wish to obtain. This Statement is designed to assist Seller to provide information about the Property and to assist Buyer in evaluating the Property being considered. Conditions may exist which are unknown to Seller. Buyer is encouraged to address concerns about the Property whether or not included in this Statement. This Statement does not relieve Seller of the obligation to disclose a condition of the Property that may not be addressed on this form or a change in any condition after the date of this Statement, and is not a substitute for inspection by the Buyer. Neither the Broker, nor the board or association of REALTORS® nor the REALTORS® Association of New Mexico warrant or guarantee the information in this disclosure.

2872 Ancho Ave Las Cruces 88007
 Address City Zip Code

Lot 30, Block C, Sub 4090-Legends West Sub Phase I
 Legal Description

or see metes & bounds description attached as Exhibit _____, Dona Ana County, New Mexico.

OCCUPANCY: Does seller currently occupy the Property? Yes. If yes, _____ years/months seller occupied.
 No. If no, _____ years/months since seller occupied. Never occupied property.

TITLE, ZONING, LEGAL INFORMATION

Is the Seller aware of:

- Any title problems (for example, unrecorded or disputed easements, lot line disputes, liens, encroachments, access issues, third party claims)? Yes No
- Any property taxes that are not current? Yes No
- Any existing or proposed bonds, assessments, liens, mortgages, judgments, deeds of trust, real estate contracts, etc. against the property? Yes No If yes, explain: 1 Mortgage
- Any violations of applicable subdivision laws at the time the property was subdivided? Yes No
If yes, explain: _____
- Any alleged violations of applicable laws, regulations, ordinances or zoning laws? Yes No
- Any zoning variances/exceptions or non-conforming use of the property? Yes No If yes, explain: _____
- Any legal issues, proposed buildings, bridges, roadways or real estate developments, etc. in the immediate area?
 Yes No If yes, explain: New development in area
- Any restrictive covenants or other limitations on use? Yes No If yes, explain: _____
- Any violation thereof? Yes No If yes, explain: _____
- Any building code or environmental regulation violations? Yes No If yes, explain: _____
- Any necessary permits, approvals or inspections for all construction, repairs and improvements that have not been obtained? Yes No If yes, explain: _____

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RANM Form 2301 (2009) Page 1 of 9 ©2008 REALTORS® Association of New Mexico Initials: Buyer [Signature] Seller [Signature]

EXIT Realty Horizons 3529 Foothills Rd Las Cruces, NM 88011
 Phone: (575) 312 - 1477 Fax: (575) 532 - 5503 Yvonne Rodriguez Pena

REALTORS® ASSOCIATION OF NEW MEXICO
PROPERTY DISCLOSURE STATEMENT - RESIDENTIAL - 2009

12. Any existing or threatened legal actions concerning the property or the homeowners association? Yes No
If yes, explain: _____
13. Any well-sharing, road-sharing or other contract to which the property is subject? Yes No If yes, explain: _____
14. Anyone with a right of refusal to buy, to option, or to lease the property? Yes No If yes, explain: _____
15. Any other restrictions on resale? Yes No If yes, explain: _____
16. Any exemptions you claim to property taxes (i.e., veteran, head of household)? Yes No If yes, explain: _____
- For additional information or further explanation (indicate item #) _____

DISCLOSURE OF ESTIMATED PROPERTY TAX LEVY DISCLOSURE

1. Seller has has not attached hereto the Estimated Property Tax Levy with respect to the Property identified herein. See Attached Exhibit A.
2. If not attached, said Estimated Property Tax Levy will be provided to Buyer or Buyer's Broker by Seller or Seller's Broker prior to accepting a Purchase Agreement.
3. The listed price was/will be used as the value of the Property in calculating the Estimated Property Tax Levy.

BUILDINGS/STRUCTURAL INFORMATION

1. What year was the house built? 2005

If a residence on the Property was constructed prior to 1978, federal law and regulations create specific disclosure and information requirements, which are set forth in RANM Form 5112, Lead-based Paint Disclosure Before Sale. Form 5112 must be attached to the Purchase Agreement. The Seller is not permitted to accept a Buyer's offer prior to making the required disclosures and providing the required information.

2. Was this home built entirely on this site? Yes No If no, explain: _____
3. Type of construction: wood frame
4. House is built on Slab Crawlspace Basement Don't know
5. Type of exterior finish: stucco
6. Is there an exterior synthetic stucco system or exterior synthetic coating? Yes No Don't know
7. Type of floor under carpets or linoleum: concrete

Is the Seller aware of:

8. Any doors or windows that are inoperable or which may interfere with ingress or egress? Yes No
9. Any problems with interior walls, ceilings, doors, windows, floors, or attached floor coverings? Yes No
10. Any significant cracks in foundations, exterior walls, interior walls, slab floors, ceilings, chimneys, fireplaces, decks or garage floors? Yes No unknown
11. Any minor damage that has occurred to the property or to any structure on the property? Yes No
12. Smoke damage or a fire on the property? Yes No
13. Any problems with driveways, walkways, sidewalks or patios (such as large cracks, potholes or raised sections)? Yes No
14. Any structural wood members below soil level? Yes No
15. Any history of wood infestation, insects, pests or tree root problems? Yes No Specify date and type of last treatment: _____
16. Any water or moisture in Crawlspace Basement Garage unknown

REALTORS® ASSOCIATION OF NEW MEXICO
PROPERTY DISCLOSURE STATEMENT - RESIDENTIAL - 2009

17. Any flowing or drainage problems on the property? Yes No On adjacent properties? Yes No
 Don't know Any standing water after rainfalls? Yes No Any active springs? Yes No
18. Any history of moldy conditions or treatment for mold? Yes No *Backyard*
19. Any history of water leaks or repairs of conditions involving water leaks, water infiltration, ponding under or around structure/crawlspace or other conditions which could be conducive to mold? Yes No
20. Any land on the property that has been filled in? Yes No *Current (natural) sandbars or*
21. Any problems with retaining walls cracking or bulging? Yes No *Backyard*
22. Any earth movement, subsidence, or settlement problems? Yes No
23. Any additional structures? Yes No If yes, list: *Built added small retaining wall in back for flower garden*

For additional information or further explanation (indicate item #): _____

MANUFACTURED HOME INFORMATION

1. Is this home a manufactured home? Yes No
2. If yes, has this home been located anywhere other than dealer's lot and its current location? Yes No
 Don't Know
3. Does Seller have possession of the manufactured home titles? Yes No
4. Have the titles been deactivated? Yes No Don't Know
5. Does Seller have a permanent foundation permit? Yes No
6. Was the installation performed by a New Mexico Manufactured Housing Division licensed installer?
 Yes No Don't Know
7. Does the home have its HUD tags (metal tags located on each section of the home)? Yes No

PLUMBING

1. Type of water supply pipes Lead Galvanized Polybutylene Other _____ Don't know
2. Approximate age of water heater: *4 yrs.* Capacity: *38 gals.* Fuel source: *Gas*
3. Is there a sump pump? Yes No Any problems? _____
4. Is there a water softener? Yes No Owned Leased Leased from: _____
 Transferable? Yes No Any problems? _____
5. Is there a reverse osmosis system? Yes No Owned Leased Leased from: _____
 Transferable? Yes No Any problems? _____
6. Is there a refrigerator water line? Yes No Any problems? *NO*

Is the Seller aware of:

7. Any water pressure problems? Yes No
8. Any plumbing system problems, leaks, freezing? Yes No
9. Any bathroom ventilation problems? Yes No
10. Any domestic hot water problems? Yes No

For additional information or further explanation (indicate item #): _____

WATER SUPPLY

1. Is the water supply city/municipal? Yes No Any water supply problems? Yes No If yes, explain: _____
2. Any restrictions or regulation concerning water use? Yes No If yes, explain: *Water restriction for cut lawn*
3. Is the water supply community/subdivision? Yes No Name and address of supplier: _____
 Any problems? Yes No If yes, explain: _____
- Fees per month: \$ _____ Any restrictions or regulations? Yes No If yes, explain: _____
- Written agreement available? Yes No

REALTORS® ASSOCIATION OF NEW MEXICO
PROPERTY DISCLOSURE STATEMENT - RESIDENTIAL - 2009

4. Is water supply to the house private? Yes No Any problems with well equipment? Yes No Any restrictions or regulations? Yes No If shared, is written agreement available? Yes No Is well registered with the State Engineer's office? Yes No Permit number: _____ Does seller have well record? Yes No Is well metered? Yes No Is there sufficient water yield at all times? Yes No If no, explain: _____
5. Is there any other water source for the property for any other use? UNKNOWN
 (For more information, please see RANM Form 2308a.)

For additional information or further explanation (indicate item #): _____

SEWER/WASTEWATER TREATMENT

1. Is the sewer/wastewater treatment system city/municipal? Yes No Any problems? NO
2. Is the sewer/wastewater treatment system community/subdivision? Yes No Any problems? NO
 Name and address of provider: _____ Fees per month? \$ _____
 Any restrictions or regulations? Yes No Written agreement available? Yes No
3. Is there an on-site liquid waste system? Yes No Type: Conventional Advanced treatment system
 Cesspool Any problems? _____ Name and address of service company: _____
 Date last pumped: _____ Available installation permit? Yes
 No NMED (EID) certification? Yes No NMED (EID) certification number and date: _____
 Location of the system: _____

If the property has an onsite liquid waste system, it is subject to the regulations of the New Mexico Environmental Department (NMED), which require inspections and possible repair. Contact the NMED for information regarding appropriate inspection forms and requirements.

(For more information, please see RANM Form 2308.)

For additional information or further explanation (indicate item #): _____

ROOFS, GUTTERS AND DOWNSPOUTS

1. Type of roof and approximate age: Pitched 4 yrs. Pueblo/Flat . yrs. Pitched & Flat ___ yrs. If flat, does the roof have a positive slope? Yes No Don't know
2. Type of roofing material (tar & gravel, asphalt shingles, etc.): shingles
 Additional comments: _____
3. Has all or part of the roof been resurfaced or replaced? Yes No Don't know If yes, what year? _____
 By whom? _____ What portions? _____
 Additional comments: _____
4. Is there a transferable written guarantee? Yes No Don't know
 If yes, until what date? _____ By whom? _____
5. Has the roof ever leaked while you have owned the property? Yes No
 If yes, what has been done to correct the problem? _____
6. Do spouts and gutters drain away from the property? Yes No Don't know NO gutters
7. Are you aware of any faulty drainage or water penetration on the structure? Yes No Don't know If yes, describe: _____

For additional information or further explanation (indicate item #): water puddles backyard

REALTORS® ASSOCIATION OF NEW MEXICO
PROPERTY DISCLOSURE STATEMENT - RESIDENTIAL - 2009

ELECTRICAL

1. Is the electrical wiring copper? Yes No Don't know Is it aluminum? Yes No Don't know
If aluminum, has the aluminum wiring been pig-tailed with copper wiring? Yes No Don't know
2. Are you aware of any damaged or malfunctioning receptacles or switches? Yes No If yes, which ones? _____
3. Is the house wired for 220 Volts? Yes No Don't know
4. Are you aware of any extension cords used to create new electrical outlets? Yes No
If yes, explain: _____
5. Are you aware of any defective, malfunctioning, or improperly installed electrical equipment inside or outside the house? Yes No If yes, explain: _____
6. Has electrical service been modified since originally installed? Yes No Don't know
Comments: _____
7. Do any circuits trip regularly? Yes No If yes, which ones? _____
Comments: _____
8. Are you aware of any electric lines encroaching on the property? Yes No Don't know
If yes, explain: _____
9. Are there encroachment agreements with any utility companies? Yes No Don't know
If yes, explain: _____

For additional information or further explanation (indicate item #): _____

HEATING AND COOLING

1. Type of heat and approximate age: Central Forced Air 4 yrs. Hot Water Baseboard ___ yrs. In Floor Radiant ___ yrs. (Type of Hose) _____ Entan II? Yes No Wall Furnace ___ yrs. Floor Furnace ___ yrs. Electric Baseboard ___ yrs. Woodburning ___ yrs. Gas logs ___ yrs. Pellet ___ yrs. Other: gas fireplace yrs. If applicable, approved for your community's burning restrictions? Yes No Don't know
2. Is the house all electric? Yes No Don't know
3. Does the house have Natural gas? Propane? If propane, is the tank Owned? Leased? Lease Co.: _____
4. Are there any rooms without a direct heat source? Yes No Don't know If yes, please provide location: _____
5. Type of cooling and approximate age: Evaporative ___ yrs. Refrigerated 4 yrs. None Don't know
Number of units: 1 How ducted? NO Central? Yes No Don't know
6. Are there any furnaces/coolers and/or A/Cs that have been abandoned? Yes No Don't know
7. Do all heaters, coolers and A/Cs work properly? Yes No Don't know If no, please explain: Mstr. Bedroom gets less heat/cool than other bedrooms
8. Is there a fireplace? Yes No If yes, type: Woodburning Gas logs Pellet Insert Other: Flip a switch and it's on
9. Is there a gas log lighter? Yes No Don't know
10. Does damper work? Yes No Don't know If no, explain: _____
11. Are flues welded open? Yes No Don't know
12. Do you have approved glass enclosure? Yes No Don't know
13. Do all fireplaces work properly? Yes No Don't know If no, explain: _____
14. When was the fireplace chimney last swept? Never - no real wood burning
15. Any problems with condition or functioning of duct work (such as mildew, restricted air flow, physical deterioration, odor, etc.)? Yes No Don't know If yes, please explain: Mstr. Bedroom, does not get as much heat/cool as other bedrooms

For additional information or further explanation (indicate item #): _____

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REALTORS® ASSOCIATION OF NEW MEXICO
PROPERTY DISCLOSURE STATEMENT - RESIDENTIAL - 2009

POOL, SAUNA, HOT TUB, WATER FEATURE

1. Is there a swimming pool on the property, including filled in? Yes No Don't know
2. When was the pool installed? _____ Is the pool Above ground? In ground?
3. Is the pool Fiberglass? Gunite? Vinyl?
4. Is there a pool heater? Yes No Don't know If yes, is it Gas? Electric? Solar?
5. Is there a pool sweep which conveys? Yes No
6. Is there a cover for the pool? Yes No If yes, specify type: _____ Age: _____ Condition: _____
7. Will the cover convey with the sale of the property? Yes No
8. Is all the pool equipment in good working condition? Yes No Don't know
9. Is the pool maintained by a regular pool service? Yes No If yes, name of service: _____
10. Has the pool been winterized? Yes No If yes, name of service: _____
11. Is there a hot tub or spa? Yes No
12. Is the equipment in good working order? Yes No Don't know
13. Does it have a cover in good condition? Yes No
14. Is there a water feature? Yes No If yes, are there any problems? Yes No Don't know If yes, explain: _____

For additional information or further explanation (indicate item #): _____

MISCELLANEOUS

1. Does the property include a landscape watering system? Yes No Don't know
 If yes, is it Auto-timed? Manual? Front yard? Back yard? Side yard?
 Type: Sprinklers Bubblers Drip system Other: Main water valve Front on!
2. Are they in good working order? Yes No Don't know
3. Are there any areas where the sprinklers do not properly water? Yes No Don't know
 If yes, please explain: No sprinklers
4. Are there any areas of excessive standing water? Yes No Don't know
5. Are any areas not served by the watering system? Yes No Don't know Backyard
6. Is the drip and/or sprinkler system (if present) on auto-timer? Yes No Don't know
7. Are you aware of any of the above equipment that is in need of repair or replacement or is improperly installed?
 Yes No Don't know If yes, please explain: _____
8. Number of electric garage door operators: One
9. Is/are garage door operator(s) in good working condition? Yes No Don't know
10. How many remote garage door openers will you be giving to the new buyer: 2
11. Is/are garage door opener(s) in good operating condition? Yes No Don't know
12. Are garage doors in good operating condition? Yes No Don't know If no, please explain: _____
13. Has the garage been modified to alter its original size? Yes No Don't know For security sys
14. Does the property have a security system? Yes No Type: Home is pre-wired Owned Leased
 Leased from: _____ Transferable? Yes No Any problems? _____
15. Does the property have smoke detectors? Yes No How many? 7 110V Battery
16. Does the property have kitchen range hook-up? Yes No Electric Gas
17. Does the property have oven hook-up? Yes No Electric Gas

REALTORS® ASSOCIATION OF NEW MEXICO
PROPERTY DISCLOSURE STATEMENT - RESIDENTIAL - 2009

18. Does the property have clothes dryer hook-up? Yes No Electric Gas Vented outside? Yes No
19. Does the property have built-in vacuum? Yes No If yes, do canisters, hoses and all attachments convey?
 Yes No Any problems? _____
20. Are there any problems in obtaining utility or phone service? Yes No Don't know If yes, explain:

21. Can you obtain cable TV service? Yes No Don't know
22. Can you obtain DSL service to your house? Yes No Don't know
23. Have any pets resided in the home? Yes No Any pet odors or damage? Yes No
24. Are you aware of any past or present existence of any pests (i.e., termites, ants, mice, etc.)? Yes No
If yes, please explain: _____
25. Have any insurance claims been made in the past five years? Yes No Don't know If yes, please
explain: _____
Were repairs completed? Yes No
26. Has any insurance application or prior coverage regarding all or any part of the property been rejected or will not
be renewed? Yes No If yes, explain: _____
27. Has notice been received that any existing insurance coverage will be subjected to increased premium rates?
 Yes No

For additional information or further explanation (indicate item #): _____

HOMEOWNERS' AND CONDOMINIUM OWNERS' ASSOCIATIONS

The following questions can be used for various types of Homeowner Associations. If the Property is a residential resale condominium that is subject to be Condominium Act, the Seller should obtain from the Homeowners' Association a resale certificate for the Buyer that includes all the disclosures that are required by law (including some items not listed here). (See RANM Form 2302A.)

1. Name, address and phone number of homeowners' association: N/A
2. Does the homeowners' association have a right of first refusal? Yes No
3. Association fees? \$ _____ per yr. What is included in the association fees? Water/sewer Trash
 Building insurance Gas utility Electric utility Grounds maintenance Property taxes Streets
 Snow removal Other: _____
4. Any contemplated future dues increases or special assessments? Yes No Don't know If yes, give
details: _____
5. Security: Intercom Closed circuit TV Guards Electric gate Other: _____
6. Does each unit have its own designated parking space(s)? Yes No Don't know If yes, how many? _____
7. Please check the existence of the following documents: Covenants, Conditions and Restrictions or Declaration
of Condominium Regulations currently in force Current financial statement of Association Articles of
Incorporation of Association Association Bylaws Minutes of Board Meetings

For additional information or further explanation (indicate item #): _____

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REALTORS® ASSOCIATION OF NEW MEXICO
PROPERTY DISCLOSURE STATEMENT - RESIDENTIAL - 2009

ENVIRONMENTAL

Is the Seller aware of:

1. Any noticeable continuous or periodic odors (such as from waste, agriculture, industry, etc.)? Yes No
2. Any excessive noises (such as airplanes, trains, trucks, freeways, etc.)? Yes No
3. Any hazards or hazardous materials on or in close proximity to the property (such as asbestos, dumps, pesticides, chemical labs, underground fuel storage tanks or leaks)? Yes No
4. Any radon tests performed on the property? Yes No Results? _____
Reports attached? Yes No
5. Any part of the property located in a designated special flood hazard zone? Yes No
6. Any portion of the property having ever flooded? Yes No
7. Mine shaft(s) or abandoned well(s) on the property? Yes No

For additional information or further explanation (indicate item #): _____

RENTAL INFORMATION

1. Is the property rented or occupied by a tenant? Yes No If yes, attach copy of Lease or Rental Agreement.
2. Does the tenant have the right to extend the rental agreement? Yes No N/A
3. Are security deposits or prepaid rents being held? Yes No If yes, by whom and how much? N/A

For additional information or further explanation (indicate item #): _____

IRRIGATION RIGHTS

1. Is the property irrigated from a ditch or acequia? Yes No (See RANM Form 2308a)
Ditch name: _____
Mayordomo: _____
Association name: _____
Fees? \$ _____
2. Are Association or ditch fees current? Yes No If no, explain: _____
3. Are water rights registered with the State Engineer? Yes No File/permit number _____

For additional information or further explanation (indicate item #): _____

OTHER

Does the Seller know of any other information pertaining to the condition of the Property not addressed in the questions listed above? If so, please explain: _____

REALTORS® ASSOCIATION OF NEW MEXICO
PROPERTY DISCLOSURE STATEMENT - RESIDENTIAL - 2009

PLEASE NOTE: There is currently no legal or statutory requirement in the State of New Mexico that obligates or requires Sellers or Brokers to disclose to any prospective Buyer that the subject property is or has been: (1) the site of a natural death, homicide, suicide or any other crime classified as a felony; (2) owned or occupied by a person or persons exposed to HIV or diagnosed with AIDS or any other disease not known to be transmitted through the common occupancy of real estate; or (3) located in the vicinity of a convicted sex offender. If Buyer has concerns about any of the conditions cited above, Buyer is urged to conduct his/her own due diligence and contact the appropriate local, state or Federal health and law enforcement authorities to obtain accurate and reliable information.

THIS IS NOT A CONTRACT.

The above disclosures are made to the best of the Seller's knowledge. The person who signed as or on behalf of Seller lacks actual knowledge of the Property for the following reason:

- Personal Representative Administrator of Estate Trustee Receiver Does not occupy the Property
 Other

The law does not protect a Seller who makes an intentional misrepresentation.

SELLER

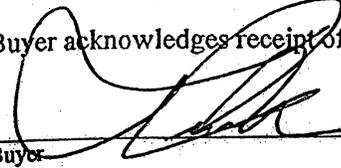

Seller Michael L. Pena 7.7.09 1602
Date Time

Seller _____ Date _____ Time _____

It is Buyer's responsibility to undertake his/her own due diligence and verify the accuracy of the Property Disclosure Statement. Buyer is not relieved of this responsibility by virtue of delivery of this Statement to Buyer.

BUYER

Buyer acknowledges receipt of this Statement.


Buyer _____ 12/17/09 _____
Date Time

Buyer _____ Date _____ Time _____



**REALTORS® ASSOCIATION OF NEW MEXICO
INFORMATION SHEET
ESTIMATED PROPERTY TAX LEVY DISCLOSURE – 2010**

PURPOSE: The Property tax levied on a residential Property for the current year may be a misleading guide to property tax levies in the years following the sale of that Property. Therefore, New Mexico law provides that prospective Buyer needs information regarding the Property tax obligation in the year following the Property's sale to properly judge the affordability of a contemplated purchase.

SELLER OR SELLER'S BROKER OBLIGATIONS: Prior to accepting an Offer to Purchase, the Property Seller or the Seller's Broker must request from the County Assessor of the county in which the Property at issue is located the Estimated Property Tax Levy with respect to the Property and provide a copy of the Assessor's response in writing to the prospective Buyer or Buyer's Broker.

BASIS FOR ESTIMATED PROPERTY TAX LEVY: The listed price shall be provided to the County Assessor and shall be used as the value of the Property for purposes of calculating the Estimated Property Tax Levy.

BUYER'S BROKER OBLIGATIONS: A Buyer's Broker must provide the Estimated Property Tax Levy to the prospective Buyer immediately upon receiving the estimate from the Seller or Seller's Broker and receive in writing the prospective Buyer's acknowledgment of receipt of the Estimated Property Tax Levy.

BUYER'S OPTION TO WAIVE RIGHT TO RECEIVE DISCLOSURE: The prospective Buyer may waive the disclosure requirements by signing a written document prior to the time the Offer to Purchase is to be made in which the Buyer acknowledges that the required Estimated Property Tax Levy is not readily available and waives disclosure of the Estimated Property Tax Levy.

COUNTY ASSESSOR'S OBLIGATIONS: Upon request, a County Assessor must furnish in writing an Estimated Property Tax Levy with respect to a residential Property in the County, calculated at a Property value specified by the requestor. The County Assessor must comply with the request by the close of business of the business day following the day the request is received. A County may satisfy this obligation through an internet site or other automated format that allows a user to print the requested Estimated Property Tax Levy.

USE OF ESTIMATE IN FUTURE VALUATIONS: A document associated with the request is not a public record or a valuation record. County Assessors are prohibited from using the information provided with a request, including the specified value, to assess the valuation of the Property. Neither the County nor any jurisdiction levying a tax against residential Property in the County is bound in any way by the estimate given.

CONTENTS OF DOCUMENT PROVIDED BY COUNTY ASSESSOR: The County Assessor's Estimated Property Tax Levy must contain the following: 1) the actual amount of Property tax levied for the Property for the current calendar year if the tax rates for the current year have been imposed or in all other cases, the amount

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REALTORS® ASSOCIATION OF NEW MEXICO
INFORMATION SHEET
ESTIMATED PROPERTY TAX LEVY DISCLOSURE – 2010

of Property tax levied with respect to the Property for the prior calendar year; 2) the Estimated Property Tax Levy for the calendar year following the year in which the transaction takes place; and 3) a disclaimer similar to the following.

"The Estimated Property Tax Levy is calculated using the stated price and estimates of the applicable tax rates. The County Assessor is required by law to value the Property at its current and correct value, which may differ from the listed price. Further the estimated tax rates may be higher or lower than those that will actually be imposed. Accordingly, the actual Property tax levied may be higher or lower than the estimated amount. New Mexico law requires your real estate Broker or agent to provide you an Estimate Property Tax Levy on the Property on which you have submitted or intend to submit an Offer to Purchase. All real estate Brokers and agents who have complied with these disclosure requirements shall be immune from liability arising from suit relating to the Estimated Property Tax Levy."

SELLER AND REAL ESTATE BROKER LIABILITY: All Property Sellers and real estate Brokers and agents who have complied with these provisions are immune from suit and liability arising from or relating to the Estimated Property Tax Levy.


12/17/09



EXIT Realty Horizons
 3529 Foothills Road
 Las Cruces, NM 88011
 575-532-5678 office
 575-532-5503 fax



**REALTORS® ASSOCIATION OF NEW MEXICO
 COUNTY ASSESSOR'S PROPERTY TAX LEVY
 REQUEST AND CERTIFICATE -- 2009**

EXIT Realty Horizons, Listing Broker, on behalf of
Michael L Pena Seller
 requests that the Dona Ana County Tax Assessor furnish the following information for the list price of
\$157,500.00 in accordance with the New Mexico Estimated Property Tax Levy Disclosure with respect to the
 following property:

Property Address 2872 Ancho Ave, Las Cruces, NM 88007
 Parcel ID 02-32396
 Legal Description Lot 30, Block C, Sub 4090-Legends West Sub Phase I

New Mexico law requires that upon request, a County Assessor must furnish in writing an Estimated Property Tax Levy with respect to a residential Property in the County, calculated at a Property value specified by the requestor. The County Assessor must comply with the request by the close of business of the business day following the day the request is received. A County may satisfy this obligation through an internet site or other automated format that allows a user to print the requested Estimated Property Tax Levy.

REQUESTED BY SELLER:
Michael L Pena 7-4-09 10:03
 Seller Michael L Pena Date Time
Yvonne Rodriguez 7-7-09 10:03
 Broker Yvonne Rodriguez Date Time

PLEASE RETURN VIA FAX TO THE ABOVE-BROKER AT (575) 532-5503
 Or via email to: yvonne@exithorizons.com

**PROPERTY TAX LEVY CERTIFICATE
 (To be completed by the County Assessor's Office)**

The following items are required to be provided by the County Assessor:

Actual amount of Property tax levied for the current calendar year: \$ 1285.60 (or if not available) the amount of
 Property tax levied for the prior calendar year: \$ 1248.15

The ESTIMATED Property Tax Levy for the year following the current tax year based upon the above list price:
 \$ 1416.66

The Estimated Property Tax Levy is calculated using the stated price and estimates of the applicable tax rates. The County Assessor is required by law to value the Property at its "current and correct" value, which may differ from the listed price. Further, the estimated tax rate may be higher or lower than those that will actually be imposed. Accordingly, the actual tax levy may be higher or lower than the estimated amount. New Mexico law requires your real estate Broker or agent to provide you an Estimated Property Tax Levy on the Property you have submitted or intended to submit an Offer to Purchase. All real estate Brokers and agents who have complied with these disclosure requirements shall be immune from suit and liability from suit relating to the Estimated Property Tax Levy.

[Signature] 7/9/09 9:12 AM
 County Tax Assessor Representative Date Time

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REALTORS® ASSOCIATION OF NEW MEXICO
CERTIFICATION OF DELIVERY AND ACKNOWLEDGMENT
OF RECEIPT OF ESTIMATED PROPERTY TAX LEVY - 2010

TAX YEAR 2008

Buyer(s) City Of Las Cruces, by Terrance Moore-City Manager

Seller(s)

Property Address 2872 Ancho Ave, Las Cruces, NM 88007

Parcel ID

[X] COUNTY ASSESSOR'S ESTIMATED PROPERTY TAX LEVY IS ATTACHED.

I, Seller's Broker, provided a copy of the Assessor's response to my request for the Estimated Property Tax Levy on the above-identified Property to [] Buyer [] Buyer's Broker on this ___ day of ___, ___.

Seller's Broker

Date

I, Buyer's Broker, do hereby acknowledge that I received an Estimated Property Tax Levy on the above referenced Property from [] Seller [X] Seller's Broker on the 16th day of December, 2009 and that I provided the same to Buyer on the 16th day of December, 2009.

[Handwritten signature of John Lance Swarengin]

Buyer's Broker John Lance Swarengin

December 16, 2009

Date

I, Buyer, hereby acknowledge receipt of the Estimated Property Tax Levy provided to me by [X] Buyer's Broker [] Seller's Broker on this 17th day of December, 2009.

[Handwritten signature]

Buyer(s) City Of Las Cruces, by Terrance Moore-City Manager

December 17, 2009

Date

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REALTORS® ASSOCIATION OF NEW MEXICO INFORMATION SHEET - FIRPTA – 2010

FIRPTA EXPLAINED. FIRPTA is the Foreign Investment in Real Property Tax Act of 1980 (26 USC §1445 et. Sec.) ("FIRPTA"). Under FIRPTA, nonresident Sellers are taxed similarly to U.S. real estate owners when selling their properties by placing the tax-remittance onus on the resident Buyer.

BUYER'S OBLIGATIONS UNDER FIRPTA. In transactions with foreign persons, the Buyer **MUST** submit ten percent (10%) of the amount realized from the sale of the property to the Internal Revenue Service ("IRS") within 20 days of closing. Generally speaking, the "amount realized" is the sales/purchase price of the Real Estate. The Buyer must determine the Seller's status as a foreign or non-foreign person. If the Seller is foreign, but an exemption applies, then the Buyer must obtain proof of qualification to avoid IRS sanctions. If a Seller asserts that he/she is a non-foreign person, the Buyer should obtain an Affidavit of Non-Foreign Seller (RANM Form 2303) or a Qualified Substitute Statement (RANM Form 2303A).

A "FOREIGN PERSON" UNDER FIRPTA. A foreign person includes: a nonresident alien individual; a foreign corporation, partnership, trust, or estate; and any other person that is not a U.S. person. A nonresident alien is defined as an individual who is neither a U.S. citizen nor a resident of the U.S. within the meaning of section 7701(b) of the Internal Revenue Code. Two tests apply. Under the "green-card" test, an alien individual is a resident of the U.S. if he/she has been admitted for U.S. permanent residence (i.e., has a green card) at any time during the calendar year. Under the substantial-presence test, an alien individual is a resident for U.S. federal tax purposes if the alien is physically present in the U.S. for 183 days or more during the current calendar year. Alternatively, if the alien is physically present for at least 31 days during the current year, the alien may be treated as a U.S. tax resident in the current year under a three-year look-back test which requires an analysis of the alien's presence over the preceding three years. If the alien is from a country that has an income tax treaty with the United States, the treaty may act to change these results.

EXCEPTIONS TO WITHHOLDING UNDER FIRPTA. The following are the most common: 1) the property is purchased for less than \$300,000 AND the Buyer is using the property as a primary residence; 2) the Seller has an IRS statement that specifies the Seller is exempt from withholding, is entitled to a reduced withholding amount, has provided adequate security for payment or has made arrangements with the IRS for payment; 3) the Seller provides the Buyer with a Non-Foreign Seller Affidavit (RANM Form 2303); 4) a Qualified Substitute provides the Buyer with a Qualified Substitute Statement (RANM Form 2303A); or 5) the Seller is participating in a SIMULTANEOUS Section 1031 Exchange. In order for the home to be considered the Buyer's "primary residence" for purposes of the exception, the Buyer or a member of the Buyer's family must have definite plans to reside at the property for at least 50% of the number of days the property is used by any person during each of the first two 12-month periods following the date of transfer. When counting the number of days the property is used, do not count the days the property will be vacant.

AFFIDAVIT OF NON-FOREIGN SELLER (FORM 2303) AND QUALIFIED SUBSTITUTE STATEMENT (FORM 2303A). The Affidavit of Non-Foreign Seller (Seller's Affidavit) is a sworn statement completed and signed by the Seller which includes the Seller's tax identification number (most often a Social Security number) and in which the Seller states under Penalty of Perjury that the Seller is not a foreign person as defined under FIRPTA, and thus, is not subject to tax withholding under FIRPTA. The Seller can provide a completed and signed Seller's Affidavit directly to the Buyer or to a Qualified Substitute. A Qualified Substitute is a person or entity as defined under FIRPTA that

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Received 
Date 12/17/09

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REALTORS® ASSOCIATION OF NEW MEXICO
INFORMATION SHEET - FIRPTA - 2010

accepts a Seller's completed and signed Seller's Affidavit in the Buyer's stead. The Qualified Substitute retains the Seller's Affidavit and must provide the Buyer with a Qualified Substitute Statement. The Qualified Substitute Statement is a sworn statement made under Penalty of Perjury in which the Qualified Substitute states that the Qualified Substitute has a completed and signed Seller's Affidavit from the Seller. The Buyer must retain the Qualified Substitute Statement in his/her records. If the Buyer receives a Qualified Substitute Statement, the Buyer never receives the Seller's Affidavit, nor the Seller's tax identification number.

QUALIFICATIONS OF A "QUALIFIED SUBSTITUTE" UNDER FIRPTA. Under FIRPTA, the Buyer's Broker or any person (including an attorney or Title Company) responsible for closing the transaction may be a "Qualified Substitute". The Seller's Broker may NOT be a "Qualified Substitute".

EXCEPTION FOR NON-FOREIGN SELLERS DOES NOT APPLY IF THERE IS KNOWLEDGE OR NOTICE THAT THE SELLER'S AFFIDAVIT OR QUALIFIED SUBSTITUTE STATEMENT IS FALSE. In the case of any of the following, the Buyer must retain and remit ten percent (10%) of the amount realized from the sale of the property to the IRS within 20 days of closing (Generally speaking, the "amount realized" is the sales/purchase price of the Real Estate):

- 1) The Buyer or Qualified Substitute has actual knowledge that either the Seller's Affidavit or the Qualified Substitute Statement is false;
- 2) The Buyer receives notice from the Seller's Broker, Buyer's Broker or the Qualified Substitute that the Seller's Affidavit or the Qualified Substitute Statement is false;
- 3) The Qualified Substitute receives notice from the Seller's Broker or Buyer's Broker that the Seller's Affidavit is false;
- 4) The United States Secretary of Treasury, by regulations, requires the Buyer or the Qualified Substitute to furnish a copy of the Seller's Affidavit or the Qualified Substitute Statement to the Secretary of Treasury and the Buyer or Qualified Substitute fails to furnish a copy of the Affidavit or Statement at the time and in the manner as required by the regulations.

AGENT TO THE TRANSACTION OR A QUALIFIED SUBSTITUTE LEARNS THE SELLER'S AFFIDAVIT OR QUALIFIED SUBSTITUTE STATEMENT, AS MAY BE THE CASE, IS FALSE. Such agent or Qualified Substitute MUST notify the Buyer at such time and in such manner as required by the regulations. If the Seller's Broker, Buyer's Broker or Qualified Substitute fails to provide notice of a false affidavit as required by the regulations, such agent or Qualified Substitute shall have the same duty to deduct and withhold that the Buyer would have had if the agent or Qualified Substitute had complied with the notice requirements. (See below for limitation on liability for agents, Brokers and Qualified Substitutes).

IRS PENALTIES FOR VIOLATIONS UNDER FIRPTA. Buyers who fail to withhold and fail to obtain proof of an approved exemption may be held liable for the Seller's tax that should have been withheld on the sale. In the event an agent or Qualified Substitute fails to notify a Buyer of a false Seller's Affidavit or false Qualified Substitute Statement as may be the case, the agent and/or Qualified Substitute may be liable for an amount up to the amount of compensation the agent or Qualified Substitute derived from the transaction. In addition to the above, criminal penalties and other civil penalties and interest may apply.

PARTIES SHOULD CONSULT WITH QUALIFIED PROFESSIONALS. Foreign Sellers and Buyers dealing with transactions involving Foreign Sellers should consult with the appropriate professional, i.e. an accountant and/or attorney.



EXIT Realty Horizons
 3529 Foothills Road
 Las Cruces, NM, 88011
 575-532-5678 office
 575-532-5503 fax



**REALTORS® ASSOCIATION OF NEW MEXICO
 AFFIDAVIT -- NON-FOREIGN SELLER - 2009**

NOTICE TO SELLER: If you need any assistance to understand the Foreign Investment in Real Property Act and its application to you, please consult with your own tax advisor. Real estate Brokers are not permitted to give advice with respect to such matters.

Section 1445 of the Internal Revenue Code provides that a Buyer of United States real property must withhold tax if Seller is a foreign person. To inform Buyer that withholding of tax is not required upon the disposition of the Property described below, the undersigned Seller executes this Affidavit. Seller understands that this certification may be disclosed to the Internal Revenue Service by Buyer and that any false statement may be punished by fine, imprisonment or both.

This Affidavit is executed in connection with the sale of the following Property:

2872 Ancho Ave Las Cruces
 Address City
Lot 30, Block C, Sub 4090-Legends West Sub Phase I
 Legal Description
 or see metes and bounds description attached as Exhibit _____, Dona Ana County, New Mexico.

INDIVIDUAL SELLER

1. I am not a Foreign Person for purposes of United States income taxation.
2. My United States taxpayer identification number (Social Security Number) is: _____
3. My home address is: 2872 Ancho Ave.
Las Cruces, NM 88007

Under penalties of perjury I declare that I have examined this certification and to the best of my knowledge and belief, it is true, correct, and complete.

Name of Individual Seller Michael L. Pena

Signature *M. L. Pena*

Date X 7.7.09 Time X 1005

*Basla Olson
 My commission expires 8/2/09*

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REALTORS® ASSOCIATION OF NEW MEXICO
AFFIDAVIT -- NON-FOREIGN SELLER - 2009

ENTITY SELLER

1. _____ ("Seller")
is not a foreign corporation, foreign partnership, foreign trust, or foreign estate (as those terms are defined in the Internal Revenue Code and Income Tax Regulations).
2. Seller's United States employer identification number is _____
3. Seller's office address is _____

4. If a corporation, Seller's place of incorporation is _____
Under penalties of perjury, I declare that to the best of my knowledge and belief, the statements in this Affidavit are true, correct, and complete, and that I have authority to sign this document on behalf of Seller.

Name of Entity _____

By _____

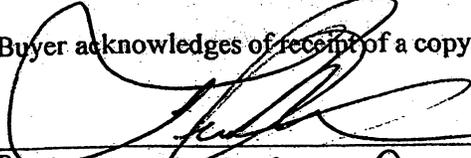
Its _____

Date _____ Time _____

Buyer or Qualified Substitute, as applicable, must retain this Affidavit and make it available to the Internal Revenue Service upon request.

NOTICE TO SELLER OR BUYER: An affidavit should be signed by each individual or entity seller to whom or to which it applies. Any questions relating to the legal sufficiency of this form, or to whether it applies to a particular transaction, or to the definition of any of the terms used, should be referred to a certified public accountant, attorney, or other professional tax advisor, or to the Internal Revenue Service.

Buyer acknowledges of receipt of a copy hereof.


Buyer _____ Date 12/17/09 Time _____
City of Las Cruces by Terrance Moore
City Manager



MLS #	808696	# Bedrooms	4
Status	Active 392	# Baths	2
Type	House	# Fireplaces	1
Address	2872 ANCHO AVENUE	Year Built	2005
Address 2		Garage Capacity	2
City	LAS CRUCES	Carport Capacity	0
State	NM		
Zip	88007		
Area	San Andres		
Class	RESIDENTIAL		
Asking Price	\$154,000		
Sale/Rent	For Sale		
IDX Include	Yes		

GENERAL

County	Dona Ana	New Vs. Resale	Resale
Agent	YVONNE A RODRIGUEZ - mob: (575) 312-1477	Listing Office 1	EXIT REALTY HORIZONS - Main: (575) 532-5678
Listing Agent 2		Listing Office 2	
Entry Only Listing	No	Limited Service Listing	No
Code	4 BTV	Listing Date	7/4/2009
Expiration Date	12/31/2009	Owner	Pena
Phone Number		Phone Type	Owner
Subdivision	Legends West Sub	Type of Structure	Site Built Home
Style	Ranch	How to Show	Vac/LB
Alarm Activated	No	SQFT Source	Appraisal
Appx House Sq Footage	1758	Bedroom Size	12.9x14.6; 12.1x12.8; 10.2x14.5; 11.6x10 18.4x13
Kitchen Size	13.9x15	Living Room Size	
Dining Room Size	15x10.4	Family Room Size	
Age	3 to 5 years	Garage Type	Attached
Carport Type	None	Lot Size	.0 to .24 AC
Actual Lot Size	.12	Actual Lot Size Source	Public Records
Impact Fees	Yes	Parcel ID	02-32396
Add Parcel ID		Associated Document Count	4
Legal	Lot 30, Block C, Sub 4090 - Legends West Sub Phase I	Landscaping	Xeriscape/Grass
Association/Condo Fee	No	Earnest Money Payable To	No
3rd Party Approval	No	Short Sale	Yes
Automated Valuation	Yes	Blogging	Westbrook
Court Approval	No	Builder	163
Cumulative DOM	165	Cumulative DOMLS	
Mapping		Tax ID	
Update Date	11/24/2009	Status Date	7/6/2009
HotSheet Date	11/24/2009	Price Date	11/24/2009
Input Date	7/6/2009 5:23:00 PM	Off Market Date	
Original Price	\$157,500	Contingency Remarks	
Days On Market	165	Price/Apx SQFT	\$87.60
Days On MLS	163		

FEATURES

FENCE Block	DINING ROOM Blinds Chandelier Family Room Combo Carpet	MASTER BEDROOM Blinds Carpet	UTILITIES City Gas City Sewer City Water Impact Fees Apply Telephone El Paso Electric
POSSESSION At Funding	KITCHEN Sliding Glass Door Tile Floor Built-In Dishwasher Formica Counters Gas Range Pantry Refrigerator Microwave Oven Island	BEDROOMS/OTHER Blinds Carpet	WINDOWS Double Pane
LIVING ROOM Blinds Cth/Vaulted Ceilings Fireplace Carpet		LAUNDRY ROOM Mudroom Comb	BASEMENT None
		INTERIOR FEATURES Alarm Pre-Wire Garage Door Opener Smoke Alarm Open Floor Plan	FLOORING/FOUNDATION Concrete Slab
		HEATING Gas	CONSTRUCTION Stucco

MASTER BATHROOM

Double Sinks
Tub/Bath
Walk-In Closet

COOLING

Refrigerated Central

390 WATER HEATER

Gas

ROOF

Pitched
Shingle

SOLD STATUS

How Sold
Buyer From Location
Closing Date
Selling Agent 1
Selling Agent 2
Sale Concessions

Buyer Profile
Contract Date
Sold Price
Selling Office 1
Selling Office 2

CODE REMARKS

Variable commission if sold by listing broker.

DIRECTIONS

North on Valley, West at Tashiro, Right at Magdalena, Right at Ancho Ave.

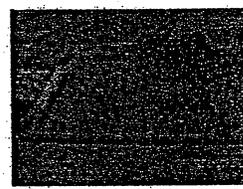
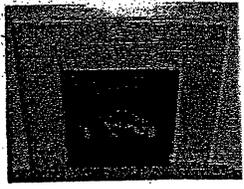
REALTOR INFO

Impact fee balance per City of Las Cruces 9-9-09 was \$162.76 for water and \$83.58 for sewer (sum of \$246.34). vacant/ Lockbox. All four bedrooms have been freshly painted, house and carpet professionally cleaned and entire landscape maintained! Garage door is manually locked. Please do not open. Satellite Dish left behind, not warranted. Buyer's responsible for satellite service. Easy and a pleasure to show. Buyer should verify square footage as appraisal and DAC record show a slight difference. Associated documents: Sellers Property Disclosure, Square Footage Inspection, Property Tax Levy Certificate and Affidavit Non-Foreign Seller.

PUBLIC INFO

One of the best priced single story 4 bedrm house inside desirable community Legends West. Light and bright open floor plan offers refrigerator, microwave, range and dishwasher. Mountain views from street, and just their peaks from backyard. Backyard has a darling built-in sandbox, extended patio, and an emerald green patch of grass. A delightful home! Enjoy the community walking trail.

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REALTORS® ASSOCIATION OF NEW MEXICO INFORMATION SHEET - MOLD - 2010

This form is neither a disclosure nor a warranty concerning any specific property.

Mold is everywhere. It is a natural part of the Earth's environment.

Many types of mold can cause reactions in people, varying from mild allergic reactions (runny nose, itchy eyes) all the way to critical and life threatening conditions, such as brain damage, hemorrhaging and cancer. The way in which people react to exposure to mold depends on a number of factors, including their age, genetic make-up and overall health or physical condition. Even the same individual may react differently to similar exposures under different conditions. Not all molds are "toxic" (or poisonous). Indeed, only a few species of mold are toxic, the most notorious being Stachybotrys. These molds are known to produce "mycotoxins" under certain conditions. ("Myco" means "mold," and "toxin" means "poison.") Exposure to mycotoxins may cause a more serious health reaction.

When conditions are right for mold spores to germinate, a mold infestation may develop in a home. Once mold becomes a problem, it often spreads rapidly. At this point, it can cause serious medical consequences to people who are exposed to it as well as structural damage to the property.

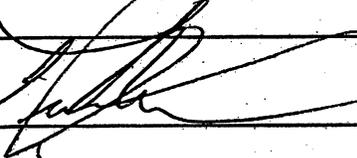
Mold needs certain things to develop into a mold infestation: water, food and time. The "food" most likely to be involved in a mold infestation is cellulose-based building materials, including, but not limited to, wallboard, sheetrock, ceiling tile, carpet and other similar items. When these building materials are exposed to water, especially if they are saturated, a mold infestation may result, and may begin as little as 24 hours after exposure of the mold to a source of food and moisture.

A Buyer inspecting a property for purchase should look for any signs of water damage, which can be an indication of a possible mold infestation. The Buyer should be aware that some areas of water damage may be hidden, such as in the ceiling of a wall. These areas are difficult or impossible to locate with even the most prudent and thorough inspections. If there are such hidden areas of water damage, a mold infestation problem may be hidden in a property and not readily detectable.

Inspections done by most general house inspectors include reporting visible signs of leaks and moisture, not the presence of mold or mold spores. Real estate Brokers and their agents are not qualified to recognize, identify or advise on the subject of molds. Sellers have an obligation to disclose known problems with their property. Inspectors inspect only within the terms of their contract, which may not include a mold inspection. Licensed real estate Brokers must disclose adverse material facts actually known by them.

A mold infestation may be present that has not been discovered by and is not known by any of these people.

If a Buyer has additional concerns about mold and toxic mold, the Broker involved in this transaction recommends that the Buyer research this issue personally, and consult with an environmental professional for additional advice and recommendations, and testing, if appropriate.

Buyer		City Of Las Cruces	Date	Time
Buyer		by Terrance Moore-City Manager	12/19/09	

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**REALTORS® ASSOCIATION OF NEW MEXICO
INFORMATION SHEET - EARNEST MONEY DISPUTE – 2010**

UNLESS ACTING ON THEIR OWN BEHALF, BROKERS ARE NOT A PARTY TO A REAL ESTATE TRANSACTION AND MAY NOT REPRESENT EITHER THE BUYER OR THE SELLER TO SETTLE ANY EARNEST MONEY DISPUTE. PARTIES TO ALL EARNEST MONEY DISPUTES ARE URGED TO CONSULT A LICENSED ATTORNEY TO FULLY UNDERSTAND THEIR RIGHTS AND REMEDIES.

1. Unless otherwise specified, earnest money is funds in the form of cash, wire transfer, check or other negotiable security instrument that is placed in the custody of a Broker or a title company authorized to do business in New Mexico and is deposited into their respective trust account. Earnest money is evidence of the Buyer's good faith intentions to complete a real estate transaction and shall be held by the holder of the funds as a credit to the Buyer until the conclusion of the transaction.
2. In the event of any controversy that may arise regarding the distribution of the earnest money the holder of the earnest money shall not be required to take any action or distribute the earnest money unless the Buyer and the Seller have a written agreement detailing the disbursement of the funds.
3. If Buyer and Seller have signed an agreement to mediate, they have agreed to make a good faith effort to resolve their dispute. Mediation is a process in which one or more neutral third party mediators, who are skilled in negotiating, assist disputing parties to reach an agreement. In agreeing to mediate both parties retain the right to pursue other legal remedies. If you cannot reach an agreement, you are free to arbitrate or litigate the dispute as if the mediation never took place.
4. Both Buyer and Seller, in the interest of time and expense, may agree to submit to arbitration and to jointly share the cost of such arbitration. Both parties acknowledge and agree that the results of arbitration are legally binding to both parties. The results are final and may not be appealed to another jurisdiction.
5. In the event of a controversy, the holder of the earnest money may choose to take no action, or may choose to file an interpleader action. Interpleader is a legal proceeding whereby the holder of the earnest money names the Buyer and the Seller as defendants and deposits the funds in question with an appropriate court. The court holds the funds and distributes the funds only after a legal determination is made by the court. The prevailing party and the holder of the earnest money are entitled to request recovery of all courts costs and reasonable attorneys' fees related to the dispute from the non-prevailing party.
6. Either Buyer or Seller may submit a claim to an appropriate court. In addition to the final judgment, the prevailing party in any such litigation is entitled to request recovery of all court costs and reasonable attorneys' fees from the non-prevailing party.



REALTORS® ASSOCIATION OF NEW MEXICO MEDIATION INFORMATION FOR CLIENTS AND CUSTOMERS - 2010

- » **What is Mediation?** Mediation is a process in which one or more neutral third party mediators, who are skilled in negotiating, assist disputing parties to reach an agreement. Mediators do not render a win/lose decision as a judge or an arbitrator. Rather, mediators help you to arrive at a solution that all parties can accept. When everyone has agreed on a solution, all parties sign a written agreement; then the parties are legally bound to abide by its terms.
- » **What Are the Benefits of Mediation?** Mediation can help reduce tension between parties and enable you to preserve a viable, working relationship. In mediation, you retain control over the outcome of the dispute. You decide your own priorities, and on which items you may be willing to compromise in order to achieve your most important goals. The other parties can do the same prioritizing; everyone can come out ahead. In arbitration or litigation, a third party will make the decision for you. Someone will win and someone will lose.
- » **Do I Have to Mediate?** If you have signed an agreement to mediate, you have agreed to make a good faith effort to resolve your dispute. However, in agreeing to mediate both parties also retain the right to pursue other legal remedies. If you cannot reach an agreement, you are free to arbitrate or litigate the dispute as if the mediation never took place.
- » **Is Mediation Confidential?** Mediation sessions are private. Because successful mediation requires open communications, all written and oral communications will be treated as privileged. The parties agree not to admit evidence of settlement discussions in court proceedings or to call the mediator as a witness. The mediator will not disclose anything discussed in mediation to anyone except the parties without their consent unless required to do so by law.
- » **Do I Need An Attorney?** Mediation does not require the assistance of an attorney, but mediators welcome the assistance of the parties' lawyers when needed to explain to their clients their legal rights and obligations, and the effect of any proposed agreement.
- » **How Long Does Mediation Take?** Mediation is faster than litigation. Most mediation sessions can be completed in a day or less. A lawsuit can take anywhere from several months to several years to be decided.
- » **Is Mediation Expensive?** Mediation is considerably less expensive than litigation, and the cost is usually shared by the parties equally.
- » **Where Do I Find a Mediator?** Most communities have professional mediators who will provide this service for a fee. Consult your local telephone directory yellow pages for a listing of mediation services.

REALTORS® Association of New Mexico (RANM) makes no warranty of the legal effectiveness or validity of this form and disclaims any liability for damages resulting from its use. By use of this form the parties agree to the limitations set forth in this paragraph. The parties hereby release RANM, the real estate brokers, their agents and employees from any liability arising out of the use of this form. You should consult your attorney with regards to the effectiveness, validity, or consequences of any use of this form. 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 the Association's strict Code of Ethics.

CAUTION

U.S. Department of Housing
and Urban Development
Federal Housing Administration (FHA)



OMB Approval No: 2502-0538
(exp. 07/31/2009)

For Your Protection: Get a Home Inspection

Why a Buyer Needs a Home Inspection

A home inspection gives the buyer more detailed information about the overall condition of the home prior to purchase. In a home inspection, a qualified inspector takes an in-depth, unbiased look at your potential new home to:

- ✓ Evaluate the physical condition: structure, construction, and mechanical systems;
- ✓ Identify items that need to be repaired or replaced; and
- ✓ Estimate the remaining useful life of the major systems, equipment, structure, and finishes.

Appraisals are Different from Home Inspections

An appraisal is different from a home inspection. Appraisals are for lenders; home inspections are for buyers. An appraisal is required to:

- ✓ Estimate the market value of a house;
- ✓ Make sure that the house meets FHA minimum property standards/requirements; and
- ✓ Make sure that the property is marketable.

FHA Does Not Guarantee the Value or Condition of your Potential New Home

If you find problems with your new home after closing, FHA can not give or lend you money for repairs, and FHA can not buy the home back from you. That is why it is so important for you, the buyer, to get an independent home inspection. Ask a qualified home inspector to inspect your potential new home and give you the information you need to make a wise decision.

Radon Gas Testing

The United States Environmental Protection Agency and the Surgeon General of the United States have recommended that all houses should be tested for radon. For more information on radon testing, call the toll-free National Radon Information Line at 1-800-SOS-Radon or 1-800-767-7236. As with a home inspection, if you decide to test for radon, you may do so before signing your contract, or you may do so after signing the contract as long as your contract states the sale of the home depends on your satisfaction with the results of the radon test.

Be an Informed Buyer

It is your responsibility to be an informed buyer. Be sure that what you buy is satisfactory in every respect. You have the right to carefully examine your potential new home with a qualified home inspector. You may arrange to do so before signing your contract, or may do so after signing the contract as long as your contract states that the sale of the home depends on the inspection.



HUD-92564-CN (6/06)



CAUTION

Attachment “C”

RESOLUTION NO. 10-097

A RESOLUTION APPROVING TWO GRANTS UNDER THE NEIGHBORHOOD STABILIZATION PROGRAM (NSP), ONE FOR TIERRA DEL SOL AND ONE FOR LA CASA, INC . THE GRANTS PROVIDE OPERATING AUTHORITY TO EACH NON-PROFIT AGENCY TO BECOME NSP PROPERTY OWNERS, REHABILITATE, AND SELL THE PROPERTIES TO ELIGIBLE HOMEBUYERS, OR MAKE THEM AVAILABLE TO ELIGIBLE RENTERS.

The City Council is hereby informed that:

WHEREAS, the U.S. Department of Housing and Urban Development (HUD) is charged with implementing the Housing and Economic Recovery Act of 2008 (HERA); and

WHEREAS, HERA funds are a special allocation of Community Development Block Grant (CDBG) funds, of which the City of Las Cruces is an entitlement community, and HERA created a national program henceforth called the Neighborhood Stabilization Program; and

WHEREAS, due to the urgency expressed under HERA, the entire allocation of HERA funding were awarded to the State of New Mexico Department of Finance and Administration, Local Government Division, and the City of Las Cruces received a grant from the New Mexico Department of Finance and Administration for \$1,500,000 to operate its NSP; and

WHEREAS, the City staff have prepared the grant agreements to Tierra del Sol (\$695,000) and to La Casa, Inc. (\$700,000) to carry out their responsibilities in these grants to implement the NSP; and

WHEREAS, the responsibilities of the non-profits include owning NSP properties transferred from the City and rehabilitating them to code and after rehabilitation, Tierra del Sol will resell the properties to eligible homebuyers and La Casa will hold the properties in perpetuity for low income renters.

NOW, THEREFORE, Be it resolved by the governing body of the City of Las Cruces:

(I)

THAT the City of Las Cruces Neighborhood Stabilization Program Agreements with Tierra del Sol and La Casa, Inc. to implement the NSP, as shown in Exhibit "A" and "B," attached hereto and made part of this Resolution, are hereby approved.

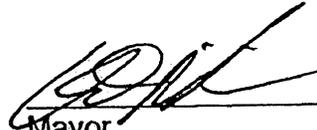
(II)

THAT City staff is hereby authorized to do all deeds necessary in the accomplishment of the herein above.

DONE and APPROVED this 21st day of September, 2009.

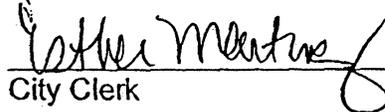
(SEAL)

APPROVED:



Mayor

ATTEST:



City Clerk

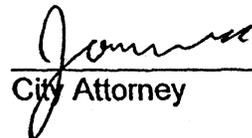
VOTE:

Mayor Miyagishima:	<u>Aye</u>
Councillor Silva:	<u>Aye</u>
Councillor Connor:	<u>Aye</u>
Councillor Archuleta:	<u>Aye</u>
Councillor Small:	<u>Aye</u>
Councillor Jones:	<u>Aye</u>
Councillor Thomas:	<u>Aye</u>

Moved by: Archuleta

Seconded by: Thomas

APPROVED AS TO FORM:



City Attorney

Attachment “D”

**MASTER AGREEMENT BETWEEN THE CITY OF LAS CRUCES AND LA CASA, INC.
FOR PROGRAM OVERSIGHT, REHABILITATION, PROPERTY OWNERSHIP,
QUALIFYING AND SUPPORTING RENTERS AND ONGOING PROPERTY
MANAGEMENT UNDER THE NEIGHBORHOOD STABILIZATION PROGRAM (NSP)**

THIS AGREEMENT is entered into between the City of Las Cruces (herein called the "Grantee") and La Casa, Inc. (herein called the "Developer") under a State-issued NSP Grant; the Developer is a non-profit organization.

WHEREAS, the Grantee has applied for and received funds from the State of New Mexico through the United States Government under Title III of Division B of the Housing and Recovery Act of 2008, Public Law 110-289, Title 24 of the Code of Federal Regulations (CFR) and Catalogue of Federal Domestic Assistance No. 14.256.

WHEREAS, the Grantee wishes to engage the Developer to assist the Grantee in utilizing project funds;

NOW THEREFORE in consideration of the mutual covenants and agreements of mutual comprehensibility contained herein, and for other good and valuable consideration under Grant No. _____, the sufficiency and receipt whereof being hereby acknowledged, the Grantee and the Developer agree and follow hereto that;

I. SCOPE OF SERVICE

A. National Objective

The Grantee and Developer certify that the activities carried out with the funds provided under this Agreement meet the CDBG Program's National Objective 570.208(a)(3) – Housing Activities as amended by the Housing and Economic Recovery Act of 2008. That is, acquisition and rehabilitation for the purpose of providing rental opportunities in perpetuity primarily for low-income families.

B. Definitions

As used herein, the following words and terms, whether capitalized or not, shall have the following meanings, unless the context demands otherwise:

1. **Annual Gross Income (AGI)** - means the annual anticipated income for a household, or more specifically, the gross amount of wages, income from assets, regular cash or non-cash contributions, and any other resources and benefits determined to be income by HUD, as defined in 24 CFR §5.609. AGI is used to determine potential applicant/tenant's initial and ongoing program and income eligibility.
2. **Adjusted Annual Gross Income for Family Size** – means annual anticipated income for a household adjusted in manner which results in an income eligibility level that is lower for households having fewer than four people, or higher for households having more than four people, than the base income eligibility based upon a formula established by HUD for the Las Cruces Metropolitan Statistical Area (MSA). Income contains gross amount of wages, income from assets, regular cash and non-cash

contributions and other resources and benefits determined to be income by HUD as defined in 24 CFR Part 5.609 with adjustments as defined in 24 CFR Part 5.611.

3. Eligible Person or Eligible Household – means one or more natural persons or a family who are determined by the Grantee to be of Low Income or Moderate Income according to the income limits Adjusted to Family Size published annually by HUD based upon the Annual Gross Income of the household.
4. Energy Efficiency: Each property rehabilitated with NSP funds must have energy star labels on all replaced appliances, heating and cooling equipment, doors and windows. All accessible piping and ductwork should be insulated.
5. Grant Documents – means this Agreement, the Mortgage and Restrictive Covenant and all agreements, certificates, schedules, notes, statements and opinions, and exhibits or attachments to each of the foregoing, referenced therein or executed or delivered pursuant hereto or in connection with or arising under the grant contemplated hereby.
6. Location of Rental Units – All housing units funded through this NSP Grant must be within the limits of the City of Las Cruces.
7. Low-Income Person or Low-Income Household – means one or more natural persons who have a total Annual Gross Income for the household that does not exceed fifty percent (50%) of the Annual Median Income (AMI) adjusted for Family Size for households with the Las Cruces MSA, which includes the City of Las Cruces, as determined by HUD. These households are the priority for rentals under this Grant, consistent with 24 CFR Part 5.653.
8. Moderate Income Person or Moderate Income Household – means one or more natural persons or a family who has a total Annual Gross Income for the household that does not exceed eighty percent (80%) of the median annual income Adjusted for Family Size for households within the Las Cruces MSA, which includes the City of Las Cruces, as determined by HUD.
9. Program Costs – Program costs under this grant are composed of three major items: (a) Costs of each dwelling – acquisition, appraisal, site assessment, inspections and other fees and rehabilitation (up to \$50,000 per unit). The total cost limit per dwelling is \$140,000 (NOT FINAL \$); (b) all costs of qualifying and supporting with appropriate classes tenants living in a unit; and (c) ongoing costs of management and maintenance of each unit.
10. Project – means the acquisition by the Grantee of one or more dwellings within the city limits of the City of Las Cruces, that will be transferred to the Developer and rehabilitated/re-developed by the developer and held as rental units for qualifying individuals and families in perpetuity, subject to the requirements at 24 CFR Part 982.
11. Project Completion – means that the rehabilitation work on each unit contemplated under this Agreement has been completed, the unit has met all CDBG and NSP Program regulations, meets the rental standards for the Americans with Disabilities

Act, received the Certificate of Occupancy by the Grantee, and is made available and rented to qualifying families. Additionally, the final drawdown has been disbursed for the Project, and Project Completion information has been provided to the State for entry into the project completion system established by HUD.

12. Property Amendments – means all qualified properties transferred to the developer from the Grantee under this Agreement as part of Attachments “A” and “B” of the required certifications attached to the Grant Agreement.
13. Rental Requirements – Every dwelling unit is subject HUD’s Fair Market Rent (FMR) limits to ensure that they are affordable to low income persons or households. These rental limits are re-determined by HUD on a regular basis.
14. Rental Unit – A dwelling unit has a minimum of one (1) bedrooms, one (1) full bath. Living Room, Dining Area, Kitchen and storage with at least 650 square feet of living space. If dwelling unit is single family, the property should have a minimum of 150 square feet of outside space front or rear. Each unit must meet the Housing Quality Standards at 24 CFR Part 982.401 at initial occupancy and regular Grantee inspections
15. Tenant Selection and Re-Certification – The Developer shall do an initial review of income eligibility for each prospective tenant. In determining eligibility, the developer acknowledges that the City may examine the source documents evidencing the prospective tenant’s AGI, per 24 CFR Part 5.609. The Developer shall adopt written tenant selection policies consistent with 24 CFR Parts 5.655 and 92.253. All documentation including, but not necessarily limited to, a tenant’s application, verifications, proposed rent and lease terms may be reviewed by the City’s Neighborhood Services Section, its Successors or Assigns, for final approval before a lease is signed and per City monitoring requirements during tenancy (at least every other year).

Other terms herein which have not been defined shall have the definition, meaning, and intent given them in the CDBG regulations, or 24 CFR Part 570 (or as cross-referenced therein), or their ordinary dictionary meaning as the context so requires. Please note that the terms “dwelling” and “unit” are used interchangeably throughout.

II. RENTAL PROGRAM DESCRIPTION

The Grantee will purchase, under a separate process, residential properties that have been abandoned or foreclosed upon, or are blighted or unused (with owners willing to sell) in order to deed them to the Developer in perpetuity for use in this rental program for clientele primarily at or below 50% of AMI.

The major features of this award are:

- A. The Developer must organize a team evidencing at least the following: (i) overall management and leadership; (ii) construction with appropriate trades; (iii) consulting real estate brokerage (optional); (iv) case management and renter support with appropriate supportive services; (v) rental subsidy provider(s), as appropriate; and (vi) property management, as appropriate.

- B. The Grantee will purchase an estimated 5-8 properties (units), in consultation with the Developer. The properties will be single family detached houses, preferably, but duplexes, single family attached properties, and other small multifamily properties (generally less than eight (8) units) will be considered.
- C. The Grantee will transfer the Titles for the properties to the Developer prior to rehabilitation, who will own the properties outright and in perpetuity and operate them as rental units. The Developer may partner with subsidized rental program(s) that may be available for these units. It has the option of establishing a special purpose entity to own and operate these properties.
- D. The Developer shall sub-contract appropriate activities, consistent with 24 CFR Part 85 and carry out the rehabilitation/redevelopment, subject to appropriate design standards and City code and a per unit maximum of \$50,000 in hard rehabilitation costs. Costs associated with design, permits, fees, appraisals, etc., are not counted towards the \$50,000 rehabilitation cap. These will be paid directly by the Grant or by Grantee NSP Administrative funds. In rehabilitation, the Developer must follow the energy efficient guidance in Section I.B(4), prior. The Grantee will pay the Design/Build contractor(s) on behalf of the developer as needed.
- E. At the time of rehabilitation completion of each unit (after completion of rehabilitation to code) the property will be appraised by the Grantee. The appraised value must be in the "affordable housing" range, which currently (2008) is not-to-exceed \$140,000 (NOT final \$\$) per unit in Las Cruces. Rental charges before rent subsidy are capped at fair market rents established by HUD. Exceptions and special circumstances will be considered. NOTE: At the time of completion of each unit, before rental, each property must be re-appraised. The appraisal must be completed no more than 60 days after the completion of the rehabilitation, so a rental level can be established in relation to value, so coordination with the Grantee is necessary.
- F. The Developer must provide the Grantee with a management plan for approval, to oversee the operation and cash flow of the properties within 120 day's of the signing of this Grant Agreement or no later than 45 days prior to the first occupancy of the first completed rental dwelling, which ever is later. The developer also has the option of hiring a professional management firm to operate these properties. Such contract must be approved in advance of its signing, by the Grantee, and incorporating Sections II.G-J, following.
- G. The Developer must establish separate accounts for rents collected on each property for: (i) a utilities escrow (paid into monthly @ 1/12 annual estimate); (ii) an insurance escrow (same); (iii) on-going maintenance, management and related costs at an amount to be determined by the Grantee; (iv) a case management and direct supportive services fund at an amount to be determined; (v) a tax escrow (1/12 annual estimate), and (vi) a major maintenance and repair escrow (7% monthly rent per unit). These funds will be maintained through a local lending institution for the life of the property ownership. All expenses paid from rental income are limited to direct operations of these properties.

- H. The priority for the Grantee's Rental NSP is to identify and target those persons making less than 50% of Area Median income (AMI) at the time of occupancy. The Developer may charge a tenant rent of no more than 30% monthly adjusted gross income (AGI). An individual unit may rent for no more than the maximum fair market rent established for that size unit in Las Cruces by HUD.
- I. If the established rent for a unit is greater than 30% of tenant's adjusted monthly gross income, the Developer may partner with/or accept Section 8 Housing Choice Vouchers, Transitional Housing, Supportive Housing, Emergency Shelter and/or Tenant-Based Rental Assistance (TBRA) under HOME, or other sources as appropriate, to make up the difference between tenant-paid and unit rent. In such cases, Monthly Gross income will be adjusted and utilized for the tenant rent calculation, as appropriate to the subsidy program.

NOTE: A prospective renter may not qualify for rent subsidy. In such cases, the rental charge between the tenant's 30 percent of adjusted monthly gross income and the rent level set for that unit must be absorbed by the developer or a designated third party agency.

- J. Tenants will have their income recertified at least annually, or consistent with the rules of the subsidy program(s) utilized. For rent-subsidized individuals and families, continued occupancy for individuals and families shall be consistent with subsidy program rules. For non-subsidized individuals and families, continued occupancy is allowed until such time as their income exceeds 120% of AMI at a subsequent annual recertification, at which time they must find other residences within 60 days of said recertification.
- K. If the units are sold or otherwise disposed of at any time after initial title is granted to the Developer, it, or its successor agencies, must refund to the Grantee all funds originally expended for purchase and rehabilitation for reuse under the NSP, its successors or Assigns, the Community Development Block Grant Program, or for return to the State, as appropriate.

III. PRIORITY LOCATIONS

First priority on properties to be acquired by the Grantee for transfer to the developer are within those areas of greatest identified need and are the following Census Tracts, in order of priority:

First Priority Level		Second Priority Level	
1)	3.00	1)	4.01
2)	5.00	2)	6.00
3)	1.02	3)	7.00
4)	4.02	4)	8.00
5)	2.00	5)	9.00

The need is for all block groups within these Census Tracts. These are within the heart of the city and near jobs, shopping, transit, and government access. Other Census Tracts, outside the First and Second Priority Levels, but within the city limits may be considered, but are not a priority for property identification and selection. See map at Attachment "C".

IV. GRANT AMOUNT AND USE OF FUNDS

A. Recitals

The recitals set forth are true and correct and are incorporated herein and made a part of this Agreement.

B. The Grant

Under the terms and conditions of this Agreement, the Grantee agrees to grant the Developer full authority, subject to Grantee oversight, for the redevelopment of the transferred properties., housing counseling, other services as appropriate and all direct costs associated with the additional property transactions to eligible buyers. The grant to the Developer shall be on the terms set forth in this Agreement and Mortgage and Restrictive Covenants, as required by the Grantee and all other documents in the progressive chain of transfers illustrated by Section II.C, prior.

B. Budget

Payments will be made only for the line items listed below:

Renter Planned Line Items	Unit Cost	Multiple Units (#)	TOTAL BUDGET	NSP \$\$\$ ONLY
Developer's Fee (New hire)	11,000	4	44,000	44,000
Real Estate Broker for Agency (not using)	0	0	0	0
Purchase Price w/o broker/appraiser cost	90,000	4	360,000	360,000
Design Fee for Rehab	5,000	4	20,000	20,000
Hard Rehab Costs	27,050	4	108,200	108,200
¹Hard Rehab Costs (La Casa)	25,000	4	100,000	
Front End Closing Costs (City to developer)				
a. Title	300	4	1,200	1,200
b. Closing	850	4	3,400	3,400
c. Origination	0	4	0	0
d. Survey	300	4	1,200	1,200
e. City Broker/Appraisal Costs Charged Back	5,500	4	22,000	22,000
NSP CAP PURCHASE/REHAB	140,000		560,000	
TOTAL PURCHASE/REHAB	165,000		660,000	560,000
Front End Management costs:			6 Months	
Management Overhead costs (pre-occupancy)	145	4	3,480	3,480
Qualifying Renter Costs	145	28	4,060	4,060
Front End Social Services/person (4/household)	225	112	25,200	25,200
Total Front-end costs	515		32,740	32,740
Management Fee OR			All Monthly costs X 36	
Ongoing Property Management	70	4	10,080	10,060

10% of monthly back-end costs

Rent Escrows				
² Rent Subsidy provided by Third parties	550	4	66,000	
Rent Subsidy for non-eligibles committed by Grantee or third parties				
Insurance Escrow/Reimbursement	60	4	8,640	8,640
Tax Escrow/Reimbursement	60	4	8,640	8,640
Utilities Costs	155	4	22,320	
Maintenance Escrow	190	4	27,360	27,360
Case Mgmt/Services/Reimbursement	2,100	4	25,200	25,200
Repair/Replacement Escrow	190	4	27,360	27,360
Total Back-end costs	2,825		129,600	107,260
In-Kind Costs (List)				
TOTAL FRONT END/BACK END COSTS	3,890		228,340	140,000
GRAND TOTAL	168,890		888,340	700,000

Subsidy from 30 Mo. of grant rents that allows for turnover

Paid by Clients

Per year costs

Indirect costs cannot be charged to this agreement

D. Payments

It is expressly agreed and understood that the total amount to be paid by the Grantee under this Agreement to the Developer shall not exceed \$700,000 directly or indirectly on the Developers behalf and is expected to be eligible expenses as specified in the budget in Section II.C, above, herein in accordance with the Scope of Service and any approved modifications thereto. Payments are contingent upon compliance with all administrative requirements of Section VII and Attachment "C." It is also understood that all requests for payment or advances shall be in writing and must be submitted by the Developer to the Grantee.

E. Disbursements

The Grantee shall disburse the grant proceeds only after receipt of invoices and certification from the Developer that the portion of work then being billed has been satisfactorily completed. Disbursement of grant proceeds will be to the Developer or by the Grantee on their behalf only after approval by the Grantee of invoices submitted and verification of work completed in accordance with this Agreement and applicable CDBG and NSP guidance and regulations. Notwithstanding anything to the contrary in this Agreement, the Grantee also reserves the right to request and approve documentation supporting any requests for disbursement to verify reasonableness and validity of such costs and said Budget may be modified by the Grantee accordingly. All NSP funds for the project must be disbursed within

four years of the start of the Grantees NSP, April 30, 2013. Any funds, recycled or otherwise neither obligated nor expended 60 days after the end of the grant period (April 30, 2013) will be held by the Grantee and not be available to the Developer.

F. Use of Grant Funds

The Developer shall use the grant proceeds for eligible expenses permitted under applicable CDBG regulations and NSP guidance, and as the same may from time to time be amended, and in accordance with the Scope of Work, Project Schedule and Budget. The Developer shall not use any NSP funds for prohibited purposes as set forth in 24 CFR §570.207 or other CDBG regulations, as the same may from time to time be amended. The Developer does acknowledge and agree that any funds not used in accordance with permitted CDBG regulations must be repaid to the Grantee. The developer does acknowledge and agree if this Project is terminated before completion, either voluntary or otherwise; the Developer must repay any NSP funds invested in the Project to the Grantee.

G. Program Income

There is little expected prospect for Program Income (PI) in this Grant. In the event that any Program Income is generated from the rental proceeds of the NSP grant, it may be retained by the Developer for use within its own programs as approved by the Grantee in accordance with 24 CFR §570.500(a) and 24 CFR §570.504. The Developer must demonstrate that its financial management system will track all proceeds of the NSP grant into its programs, as noted above.

The Grantee reserves the right to disallow the retention of program income by the Developer with an administrative amendment to this Agreement upon review of required operational procedures to track income accrual.

V. TIME OF PERFORMANCE

A. Term of the Agreement

The term of this Agreement shall commence on its effective date, which is the date of the last party to sign this Agreement (the "Effective Date"), and shall continue through two time periods. The first period of performance will continue through October 31, 2010 and includes all dollar obligations for the original dwellings identified. The second time period runs through April 2013. Notwithstanding any of the foregoing, all record-keeping requirements, audit, and use and maintenance of the property requirements set forth in this Agreement or any record-keeping or use requirements mandated by CDBG regulations shall survive termination of this Agreement.

B. Eligible Payment Period

All eligible expenses and purchases approved by this Agreement and incurred during the grant period, the Developer may be reimbursed for expenditures, subject to the time limitations on obligations during the period prior to November 1, 2010.

VI. AMENDMENTS

The Grantee may amend, and the Developer can propose to amend the scope of work of this Agreement at any time, when appropriate. Any budget changes must be limited to comply with the administrative scope of the project as defined in Scope of Services in Part I. Any adjustment or amendment of any change to the scope must be in writing, approved and signed by a duly authorized representative of both organizations and by the Grantee's governing body. Any such amendment shall not invalidate nor relieve the Grantee or Developer from its obligations under this Agreement. Extensions of time are not permitted.

The Grantee may, at its discretion, amend this Agreement to conform with Federal, state or local governmental guidelines, policies and available funding amounts, or for other reasons. If such amendments by the Grantee result in a change in the funding or the scope of services undertaken as part of this Agreement, such modifications will be incorporated by a written amendment that is signed by the Grantee and the developer.

Any amendments to this agreement are subject to 24 CFR Part 84.25 and the Covenants at Attachment "B."

II. COMMUNICATIONS

Communication and details concerning this Agreement shall be directed in writing, hand delivered, and/or sent by regular mail to the following Agreement representatives:

Grantee

Jerold S. Nachison, Housing
Development Coordinator
Community Development Department
City of Las Cruces
P.O. Box 20000
Las Cruces, NM 88004
Phone: (575) 528-3028
E-mail: jnachison@las-cruces.org

Developer

Ms. Gina Ruiz
Executive Director
La Casa, Inc.
P.O. Box 2463
Las Cruces, NM 88001
(575) 526-2819
gruiz@lacasainc.org

VIII. ADMINISTRATIVE REQUIREMENTS

A. Applicable Laws

The Developer shall comply with all applicable Federal, state and local laws rules and regulations dealing with property acquisition rehabilitation and resale and quality standards whether they are presently or subsequently promulgated. The Developer agrees to comply with any and all the CDBG regulation and NSP guidance, as amended from time-to-time, whether set forth herein or not, and agrees to execute or amend documents as necessary to be in compliance forthwith. The Developer shall also comply with all other applicable Federal, state or local statutes, ordinances, rules and regulations including but not limited to all applicable provisions of the Las Cruces' Municipal, Building and Zoning Codes.

B. Financial Management

The Developer agrees to comply with the stipulations of this Agreement and with 24 CFR 570.610, 24 CFR Part 84, Subpart C, Financial and Program Management and agrees to adhere to the accounting principles and procedures required therein, utilize adequate internal controls, and maintain necessary source documentation for all costs incurred in conformance with OMB Circulars A-122, "Cost Principles for Non-Profit Organizations," 24 CFR Part 85 and OMB Circular A-133, "Audits of States, Local Governments and Non-Profits."

C. Documentation and Record-Keeping

The Developer shall keep all financial records for the Project, including source documentation to support how NSP funds were expended, which includes, but is not limited to, cancelled checks, paid bills, payrolls, time and attendance records, invoices, schedules containing comparisons of budgeted amounts and actual expenditures, construction progress schedules signed by the general contractor, and other documentation as may be required by the Grantee to support the expenditures for this Project.

1. Records to be Maintained

The Developer shall comply with 24 CFR Part 570.506 regarding records that must be maintained for this Project. The Developer shall maintain all records pertaining to the Project at its principal place of business for a period of no less than five (5) years after the Affordability Period. The Developer shall make all records available to the City, State, HUD, and to their respective representatives during normal business hours. The Developer shall maintain all Mortgages, Covenants, and Project financial records, including source documentation to support how NSP funds were expended, which includes, but is not limited to invoices, schedules containing comparisons of budgeted amounts and actual expenditures, construction progress schedules signed by the general contractor, and other documentation as may be required by the Grantee to support the expenditures for this Project. All supporting documents shall be maintained in accordance with the requirements of 24 CFR §85.20. If any litigation, claim, negotiation, audit, monitoring, inspection, or other action has been started before the expiration of this required 5-year period, the Developer must maintain the records until completion of the action and resolution of all issues which arise from it, or until the end of the 5-year period, whichever is later. This section shall survive the termination of this Agreement.

2. Reports:

The Developer shall submit bi-monthly reports with such reports due by the 15th of each target month. These reports shall show the status of participants in the Developer's program, status of construction progress and status of identifying rental applicants and qualifying them for occupancy and appropriate supportive services.

3. Client Data:

The Developer shall maintain client data demonstrating eligibility for services provided. Such data shall include, but not be limited to, beneficiary name, address, and income level consistent with 24 CFR Part 5 which shall be used for determining eligibility. Such information shall be maintained in a client file by the Developer and shall be made available to the City's monitors and/or their designees for review upon request.

4. Uniform Administrative Requirements:

The Developer and the Grantee shall comply with 24 CFR §570.610 regarding uniform administrative requirements. The Developer shall provide the Grantee with such documentation and records to satisfy its requirements under these various provisions. The Developer also agrees to adhere to the accounting principles and procedures required therein, utilize adequate internal controls, and maintain necessary source documentation for all costs incurred.

D. Property Standards

The Developer shall comply with the property standards requirements set forth in City and State Law. The Developer shall keep records to document compliance with these property standards. At Project Completion, the each property must meet all applicable local codes, ordinances, zoning ordinances, and HUD's Section 8 Housing Quality Standards (HQS), as per 24 CFR §982.401.

E. Performance Monitoring

The Grantee will monitor the programmatic and financial performance of the Developer during the pre-occupancy portion of the project and annually to insure that design and construction documents and services provided to the rental applicants are consistent with CDBG rules and regulations and this grant document. There will also be required short annual reports and a certification from the Developer to the Grantee annually during the ownership period delineating appropriate statistics on number of clients for each rental property consistent with Section VII.C.

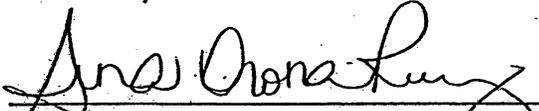
The Grantee will also conduct on-site inspections of the subject property during the construction process and thereafter, in order to verify compliance with property standards.

IX. GOVERNANCE AND SEVERABILITY

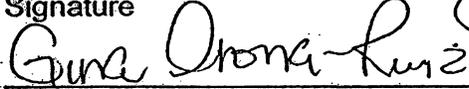
- A. This agreement shall be governed by the laws of the State of New Mexico.
- B. If any provision of this Agreement is held invalid, the remainder of the Agreement shall not be affected thereby and all other parts of this Agreement shall nevertheless be in full force and effect.
- C. All Attachments are part and parcel of this Agreement and have the same weight and importance as the initial Sections I through VIII.
- D. All certifications in the Attachment Section of this Agreement shall be signed by the Developer as part of the execution of the Agreement.

IN WITNESS WHEREOF, the parties hereto do mutually execute the Agreement as of the date first written:

LA CASA, INC.



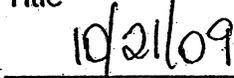
Signature



Printed Name

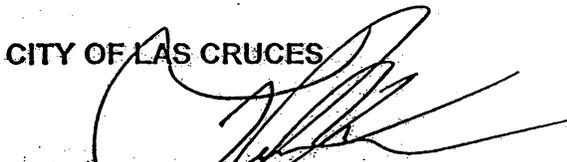


Title

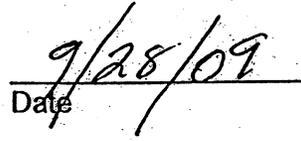


Date

CITY OF LAS CRUCES

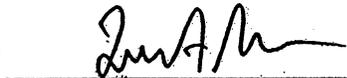


Terrence Moore, City Manager
City of Las Cruces



Date

APPROVED AS TO FORM:



City Attorney

REQUIRED CERTIFICATIONS FOR EXECUTION AS PART OF THIS AGREEMENT:

Attachment A: Property Documents

 A1 – Property Sale and transfer from Seller to City.

 A2 – Property transfer from City to Developer.

Attachment B: Restrictive Real Estate Covenants for Properties from Grantee to Developer.

Attachment C – Map of Priority Areas.

Attachment D - General Grant Requirements.

Attachment E - Drug-Free Workplace for all Properties.

Attachment F - EEO/AA Clause.

Attachment G - Anti-Lobbying Clause.

Attachment H - Section 3; and

Attachment I - Required City and Federal Clauses and Certifications.

OPEN FOR

PURCHASE / TRANSFER DOCUMENTS

RESTRICTIVE REAL ESTATE COVENANT – _____, Las Cruces,
New Mexico.

Made in Las Cruces, New Mexico

Date _____

This agreement is made by La Casa, Inc., a New Mexico non-profit organization (herein after referred to as Developer), whose address is P.O. Box 2463, Las Cruces, New Mexico 88001, in favor of the City of Las Cruces, a municipal corporation (hereinafter designated as "the City." The premises discussed in this Covenant are at _____. This Covenant is a part of NSP Grant _____, Dated _____ (herein called the "Agreement"). At completion of acquisition, the premises are owned by the Developer, with certain limitations.

I. Recitals:

A. The following premises described as follows:

(i) Description of building and premises including legal description (to be added).

(ii) Square footage of the property is approximately _____ and square footage of the buildings on the property are _____.

B. The Developer of that certain real estate (Real Property) in Dona Ana County, New Mexico holds the property in fee simple.

C. The City has advanced certain sums of money under the Housing and Economic Recovery Act of 2008 (HERA) to the Developer. Such funding benefits the real property of the Owner.

D. In consideration for the assistance given by the City for the benefit of the Developer it has agreed to restrictions on the use of the real property in order to implement the policies and obligations of HERA and the CDBG program..

II. Restrictive Covenants:

During the term of this Agreement as set forth in Paragraph 4, below:

A. Use of Property:

In exchange for \$ _____ to acquire, rehabilitate and rent the premises, as described by the Developer's application of May 8, 2009 the premises of the Developer and as stated herein owned by same and shall be maintained under this Covenant for use of the Developer in perpetuity, with the first priority usage as rentals for low income persons and families as defined annually by HUD.

The real property shall be used as lived-in habitation of record for the new renters.

B. This Agreement shall be and constitute Covenants running with the real property in perpetuity under the term of this agreement and shall be enforceable by the City using legal and equitable action including injunctive relief.

C. This Agreement and Restrictive Covenant shall automatically terminate at such time the property may be sold by the Developer, its Successors or Assigns, with the Developer returning to the City its original total investment in the property.

D. Property Standards.

This project will meet all Housing Quality Standards or other physical property standards regulated by the U.S. Department of Housing and Urban Development and local building code requirements after rehabilitation by the developer.

III. Reporting Requirements

The Developer shall report in writing, at least annually to the City in perpetuity consistent with Section II, prior, of this document. With this report the developer shall also submit a certification that the tenants of the premises are of low to moderate income with those of low and very low income the majority.

IV. Covenants Running with the Real Property

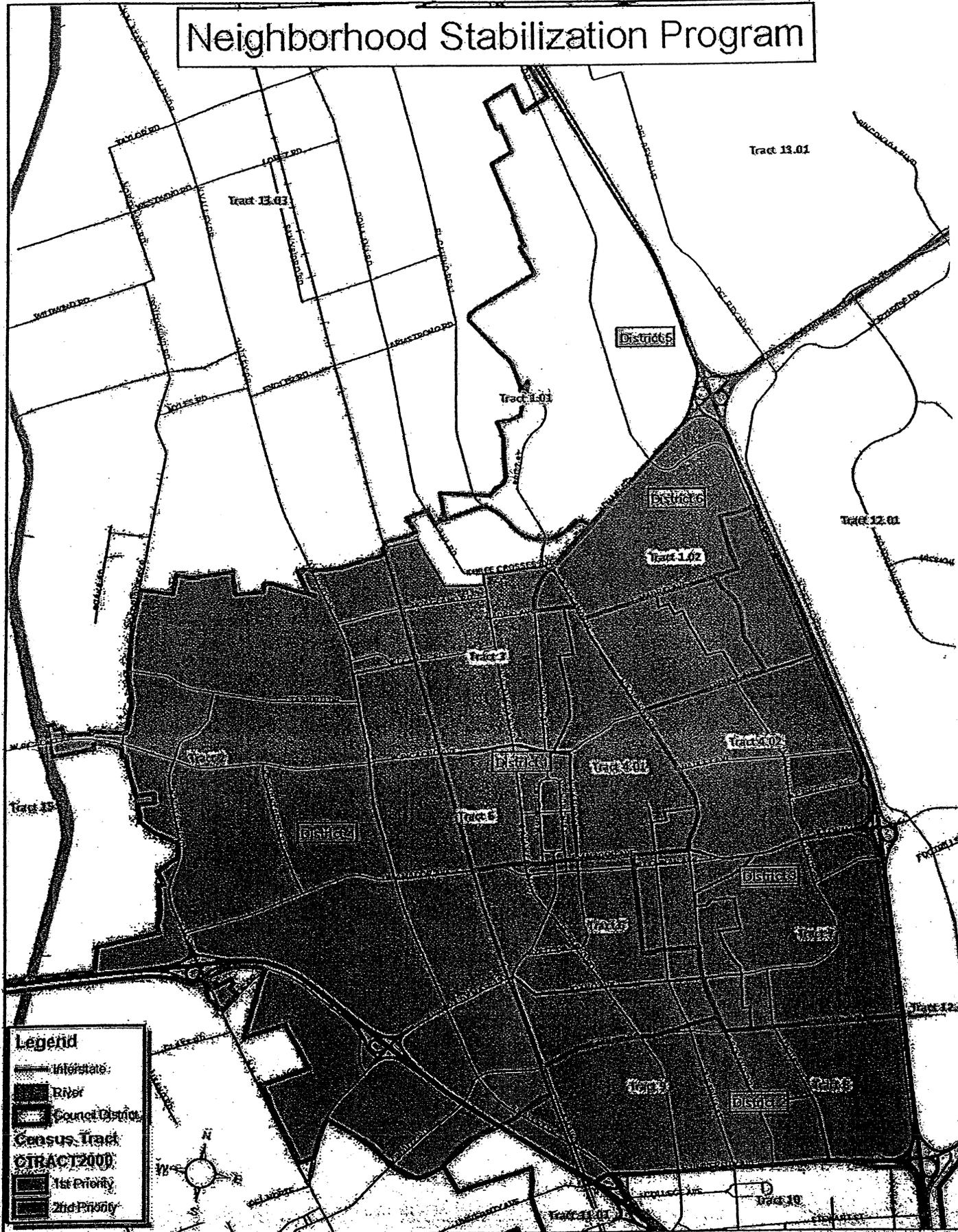
This Agreement shall be and constitute covenants running with the real property during the term of this agreement and shall be enforceable by the City by legal and equitable action, including an auction, for injunctive relief.

V. Binding Effect

Upon execution of this agreement by the developer, the terms, conditions and covenants of this Agreement shall be binding upon and inure to the benefit of all parties and of their representatives.

Signatures on the Next Page

Neighborhood Stabilization Program



I. GENERAL GRANT REQUIREMENTS:**A. Audits and Inspections**

The Developer shall comply with the audit provisions contained in 24 CFR §85.26 and the Single Audit Act Amendments of 1996 (31 U.S.C. §§7501-7507) and OMB Circular A-133. Audits shall be conducted annually. The Developer agrees to allow the City's Community Development Department, Financial Services Department, and Internal Auditor, or their successors or Assigns, to conduct any audits the City feels necessary at any time during the term of this Agreement or pursuant to any HUD request. The Developer shall submit its annual audit to the Grantee within one hundred twenty (120) days of the end of the Developer's fiscal year.

All Developer records with respect to any matter covered by this Agreement shall be made available to the Grantee, their designees or the Federal government at any time during normal business hours, as often as the grantee deems necessary, to audit, examine and make excerpts or transcripts of all relevant data. One copy of the Developer's reporting package shall be submitted to the Grantee 30 days after receipt of an auditors report or 120 days after the end of the audit period, whichever occurs first. The reporting package shall include:

- a. Financial statements,
- b. Schedule of prior year Audit findings,
- c. Auditors report, and
- d. Corrective action plan that addresses audit finding.

Any deficiencies noted in audit reports must be fully cleared by the Developer or within 30 days after receipt. Failure of the Developer to comply with the above audit requirements will constitute a violation of this Agreement and be subject to sanctions. The Sub-recipient and Owner hereby agree to have an annual agency audit conducted in accordance with current Grantee policy concerning developer audits at 24 CFR Part 570.502(b) and OMB Circular A-133 (Audits of States, Local Governments and non-Profit Organizations), as applicable. It also agrees to allow the City's Community Development Department, Financial Services Department, the Internal Auditor or HUD, upon request, to conduct any audits the City or HUD feels necessary at any time during the term of this Agreement or during the period of the covenants.

B. Suspension or Termination

Any of the parties may terminate this Agreement at any time by giving written notice to the other party of such termination and specifying the effective date thereof at least 30 days before the effective date of such termination. Partial termination of the approved Scope of

Service may only be undertaken with the prior approval of the Grantee. In the event of any termination for convenience, all documents prepared by the developer under this Agreement shall become the property of the Grantee and the Developer shall be entitled to receive just and equitable compensation for any satisfactory work completed on such construction and documents prior to the termination.

The Grantee may also suspend or terminate this Agreement in whole or in part if the developer materially fails to comply with any term of this Agreement, or with any of the rules, regulations or provisions referred to herein; and the Grantee may declare the developer ineligible for further participation in the Grantee's Agreements, in addition to other remedies as provided by law. In the event there is probable cause to believe the Developer is not in compliance with any applicable rules or regulations, the Grantee may withhold the one-time payment or such amount that the Grantee determines appropriate. Such suspension will last until such time as the Developer is found to be in compliance by the Grantee, or is otherwise adjudicated to be in compliance.

C. Insurance and Bonding

1. General:

The Developer shall carry sufficient insurance coverage to protect Agreement Assets from loss due to theft, fraud and/or undue physical damage, and as a minimum shall purchase a blanket fidelity bond covering the Board of Directors and all employees working on this project in an amount equal to cash advances from the Grantee.

2. Insurance Requirements:

The Developer shall maintain in force at all times during the performance of this Agreement all appropriate policies of insurance hereinafter described concerning its operations. Certificates valid and authorized endorsements evidencing the maintenance and renewal of such insurance coverage shall be delivered to the Grantee thirty (30) days prior to commencement of construction and for each year during the period of the lease. The Grantee shall be given notice in writing at least thirty (30) calendar days in advance of cancellation or modification of any policy of insurance. The Grantee, its officers and employees, shall be named as an additional named insured on all policies of liability insurance. The developer shall comply with the bonding and insurance requirements of 24 CFR Part 84, Subpart C, Financial and Program Management, Bonding and Insurance.

- (a) Such policy shall provide that the coverage shall be primary for losses arising out of the developers performance of the Agreement. Neither the Grantee nor any of its insurers shall be required to contribute to
- (b) any such loss. The required certificate shall be furnished by the Developer with in 30 days of execution of this Agreement or it shall be automatically terminated.

- (c) At least thirty (30) calendar days prior to the expiration of any of the above-referenced policies, the Developer shall provide the Grantee with evidence of the renewal of said insurance policies in a form satisfactory to the Grantee.
- (d) The Policies of Insurance which must be secured are:
- (i) Commercial General Liability Insurance: The developer must secure commercial property liability insurance to include, but not be limited to, bodily injury and property damage coverage. The policy's limit of liability shall not be less than One Million Dollars (\$1,000,000) per person/per occurrence for bodily injury, or death to one or more than one person and not less than Two Hundred Thousand Dollars (\$200,000) per occurrence for property damage.
 - (ii) Worker's Compensation Coverage: All employees of the Developer must be included under such policy and with coverage to meet all requirements of the State of New Mexico.
 - (iii) Flood Insurance: The Developer shall provide Flood Insurance as required under applicable HUD regulations, if necessary.

D. Close-Outs

The Developer's obligations to the Grantee shall not end until all closeout requirements are completed.

- (1) Activities covered in all Annual reports.
- (2) disposition of program assets, if any.
- (3). determining custody of records.

E. Lead-Based Paint

The Developer shall not use lead-based paint in the project or anywhere on the property and shall comply with 24 CFR Part 570.608 and the Lead Based Paint Poisoning Prevention Act (42 U.S.C. Section 5421-4846).

F. Independent Contractor

Nothing contained in this Agreement is intended to, or shall be construed in any manner, as creating or establishing the relationship of employer/employee between the three parties. The Developer shall at all times remain "independent contractors" with respect to the services to be performed under this Agreement. The Grantee shall be exempt from payment of all Unemployment Compensation, FICA, retirement, life and/or medical

insurance and Worker's Compensation Insurance, as the Developer is an "independent contractor."

G. Hold Harmless

The Developer agrees to defend, indemnify and save harmless the Grantee and its officers, agents and employees from any and all suits, actions and claims of any character brought because of any injury or damage received or sustained by any person, persons or property arising out of or resulting from negligence of the developer under this Agreement. However, this hold harmless clause shall not extend to liability claims, damages, losses or expenses, including attorney fees arising out of:

- 1) The preparation or approval of drawings, opinions, reports, change orders, designs and specifications by the Grantee, or its agents or employees, or
- 2) The giving of or failure to give directions or instructions by the Grantee, or its agents or employees, where such giving or failure to give directions or instructions is the primary cause of bodily harm to persons or damages to the property.

In the event the Grantee, or its officers, agents or employees, actively participates in such negligence (a) the developer is relieved of its obligation to defend the grantee, and (b) the developer's obligation to indemnify and save harmless is limited to the actual amount representing the developers comparative share of negligence with the Grantee.

H. Grantee Recognition

The Developer shall insure recognition of the role of the Grantor agency in providing services through this Agreement. All activities, facilities and items utilized pursuant to this agreement shall be prominently labeled as to funding source. In addition, the Developer will include a reference to the support, provided herein, in any publications made possible with funds made available under this Agreement,

I. Use of Real Property

The standards described in this section apply to real property within the Developer's control which was acquired in whole or in part using CDBG funds in excess of \$25,000. The applicable standards are detailed in the Restrictive Covenants, Attachment "B".

J. Reversion of Assets

Upon its expiration, the Developer shall transfer to the Grantee any CDBG funds on hand at the time of expiration and any accounts receivable attributable to the use of CDBG funds. Any real property under the Developer's control that was acquired or improved in whole or in part with CDBG funds in excess of \$25,000 may remain in the possession of the developer subject to the Restrictive Covenants in Attachment "B".

In the event the property is not used in accordance with the national objective, I.A, page 1, above, the Developer shall pay to the Grantee \$ _____ or such other amount determined by the Grantee. Any such payment is program income to the Grantee.

K. Travel

Travel by the Developer outside the metropolitan area of Las Cruces or south Dona County is not permitted with funds provided under this Agreement.

L. Religious Organizations

The Developer agrees that all funds and/or programs under this agreement which includes faith-based organizations are subject to the requirements specified in 24 CFR Part 570.200(j), as amended, September 30, 2003.

II. Procurement

Procurement under this agreement is limited to the design and rehabilitation of the aforesaid properties, subject to HUD rules and regulations and prior Grantee approval.

III. PERSONNEL & PARTICIPANT CONDITIONS

A. Civil Rights - Compliance

The Developer agrees to comply with local and state civil rights ordinances and with Title VI of the Civil Rights Act of 1964, as amended; Title VIII of the Civil Rights Act of 1968, as amended, Section 104(b) and Section 109 of Title I of the Housing and Community Development Act of 1974 as amended, Section 504 of the Rehabilitation Act of 1973, the Americans with Disabilities Act of 1990, the Age Discrimination Act of 1975, Executive Order 11063; and with Executive Order 11246, as amended by Executive Orders 11375 and 12086.

B. Section 504/Americans with Disabilities Act (ADA)

Section 504 and ADA

The Developer agrees to comply with any Federal regulations issued pursuant to compliance with Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 706) and with the Americans with Disabilities Act of 1990 which expands Section 504 nation and prohibits discrimination against the handicapped in employment, any Federally assisted program and states general architectural accessibility standards.

The Developer agrees to comply with any Federal regulations issued pursuant to compliance by adding discrimination against the handicapped in any public areas, employment, state and local governmental areas and public and private transportation.

The Developer shall also post, one or more signs containing - facility hours, rules, warning signs and emergency telephone numbers, Anti-drug policy, EEO, New Mexico Workforce and Fair Housing Posters, as appropriate. The developer shall make such postings available in alternate formats upon request. The developer shall adhere to the City of Las Cruces Communication Policy when publicizing events, activities, programs or services.

C. Affirmative Action (AAP):

1. Approved Plans

The Developer shall prepare and provide to the Grantee an approved AAP and appropriate Tenant Selection plans to the Grantee.

2. Women/Minority Business Enterprise

The Developer will use their best efforts to afford minority-owned and women-owned business enterprises the maximum practicable opportunity to participate in the subsequent activities of this Agreement. As used in this Agreement, the term "minority and female business enterprise" means a business at least fifty-one (51) percent owned and controlled by minority group members or women. For the purpose of this definition, "minority group members" are African-Americans, Spanish-speaking, Spanish surnamed or Spanish-heritage Americans, Asian-Americans, and Native American. The Developer may rely on written representations by businesses regarding their status as minority and female business enterprises - in lieu of an independent investigation.

D. Employment Restrictions

1. Prohibited Activity

The Developer are prohibited from using funds provided herein or personnel employed in the administration of the program for: political activities; sectarian or religious activities except as provided for in accordance with Attachment F for lobbying; political patronage; and nepotism activities.

2. Assignability

The Developer shall not assign or transfer any interest in this Agreement without the prior written consent of the Grantee thereto; provided, however, that claims for money due or to become due to the developer from the Grantee under this Agreement may be assigned to a bank, trust company, or other financial institution without such approval. Notice of any such assignment or transfer shall be furnished promptly to the Grantee.

3. Debarment and Suspension

No contract shall be made to parties listed on the General Services Administration's List of Parties Excluded from Federal Procurement or Non-procurement Programs in accordance with Executive Orders 12549 and 12689, "Debarment and Suspension." This list contains the names of parties debarred, suspended, or otherwise excluded by agencies, and contractors declared ineligible under statutory or regulatory authority other than Executive Order 12549. Contractors with awards that exceed the small purchase threshold shall provide the required certification regarding its exclusion status and that of its principal employees.

4. Hatch Act

The Developer agrees that no funds provided, nor personnel employed under this Agreement, shall be in any way or to any extent engaged in the conduct of political activities in violation of Chapter 15 of Title V, United States Code.

5. Copeland "Anti-Kickback" Act

As applicable, the Developer shall comply with the Copeland "Anti Kickback Act (18 U.S.C. Section 874), as supplemented by the Department of Labor Regulations contained at 29 CFR Part 3.

6. Conflict of Interest (COI)

The Developer agrees to abide by the provisions of 24 CFR 570.611 with respect to conflicts of interest, and covenants that it presently has no financial interest and shall not acquire any financial interest, direct or indirect, which would conflict in any manner or degree with the performance of services required under this Agreement. The Developer further covenants that in the performance of this Agreement no person having such a financial interest shall be employed or retained by the Sub-recipient or Owner hereunder. These conflict of interest provisions apply to any person who is an employee, agent, consultant, officer, or elected official or appointed official of the developer, or of any designated public agencies, developer that receives funds under the NSP. The Developer is required to keep records supporting requests of waivers of COI and submit COI statements to the Grantee, as so specified.

a. Applicability

In the procurement of supplies, equipment, construction, and services by Developer and by contractors, if any, of the Sub-recipient and Owner the conflict of interest provisions in 24 CFR 85.36 and 24 CFR 84.42, respectively, shall apply. In all cases not governed by 24 CFR 85.36 and 84.42, the provisions of this paragraph shall apply. Such cases include the acquisition and disposition of real property and the provision of assistance by the Developer or its contractors to individuals, businesses, and other private entities under eligible activities that authorize such assistance (e.g., rehabilitation, preservation, and other improvements of private properties or

facilities pursuant to Sec. 570.202; or grants, loans, and other assistance to businesses, individuals, and other private entities pursuant to Sec. 570.203, 570.204, 570.455, or 570.703(i).

b. Conflicts Prohibited

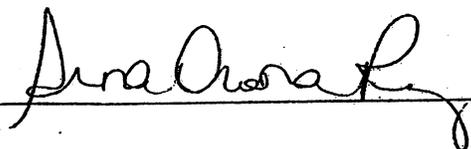
The general rule is that no persons described in Paragraph III.D(7)(c) in its entirety who exercise or have exercised any functions or responsibilities with respect to CDBG activities assisted under this part; or who are in a position to participate in a decision-making process or gain inside information with regard to such activities, may obtain a financial interest or benefit from a CDBG-assisted activity, or have a financial interest in any contract, subcontract, or agreement with respect to a CDBG-assisted activity, or with respect to the proceeds of the CDBG-assisted activity; either for themselves or those with whom they have business or immediate family ties, during their tenure or for one year thereafter.

c. Persons Covered

The conflict of interest provisions of Paragraph III.D(7)(b) herein, apply to any person who is an employee, agent, consultant, officer, or elected official or appointed official of the Developer, or of any designated public agencies, or developer that is receiving funds under this part.

The Developer shall provide to the Grantee a current list of Board of Director members with names, addresses, telephone numbers and positions and of staff who will work on this Agreement. The Developer shall also provide signed COI statements dated no earlier than 180 days prior to the effective date of this Agreement for Board members and appropriate staff so identified.

ATTEST:

By: 

10/20/09
Date

By: _____

Date

ATTACHMENT "E" Part 1

CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS

The certification set out below is a material representation upon which reliance is placed by the City of Las Cruces and the U.S. Department of Housing and Urban Development (HUD) in awarding the Grant.. If it is later determined that the Developer knowingly rendered a false certification or otherwise violates the requirements of the Drug-Free Workplace Act, the City's Community Development Department and/or HUD, in addition to any other remedies available to the federal government, may take action authorized under the Drug-Free Workplace Act. The developer will comply with the other provisions of the Act and with other applicable laws.

CERTIFICATION

1. The developer certifies that it will provide a drug-free workplace by:
 - A. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance is prohibited in the Developer's workplaces and specifying the actions that will be taken against employees for violation of such prohibition;
 - B. Establishing an ongoing drug-free awareness program to inform employees about:
 1. The dangers of drug abuse in the workplace;
 2. The Developer's policy of maintaining a drug-free workplace;
 3. Any available drug counseling, rehabilitation and employee assistance programs; and
 4. The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace.
 - C. Making it a requirement that each employee be engaged in the performance of the grant is given a copy of the statement required by paragraph "A".
 - D. Notifying the employee in the statement required by paragraph "A" that, as a condition of employment under the Grant, the employee would:
 1. Abide by the terms of the statement; and
 2. Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five (5) calendar days after such conviction.

- E. Notify the City's Community Development Department and/or HUD in writing within ten (10) calendar days after receiving notice under subparagraph (D)(2) from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer or other designee on whose grant activity the convicted employee was working, unless the Federal agency has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant.
- F. Taking one of the following actions, within 30 calendar days of receiving notice, with respect to any employee who is so convicted:
1. Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
 2. Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement or other appropriate agency.
- G. Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs (A), (B), (C), (D), (E) and (F).
2. The Developer shall insert in the space provided on the attached "Place of Performance" form the site(s) for the performance of work to be carried out with the Grant funds (including street address, city, county, state, zip code and total estimated number of employees). The Developer further certifies that, if it is subsequently determined that additional sites will be used for the performance of work under the Agreement, it shall notify the City's Community Development Department and/or HUD immediately upon the decision to use such additional sites by submitting a revised "Place of Performance" form.

ATTACHMENT "E," Part 2

PLACE OF PERFORMANCE

FOR CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS

Name of developer: La Casa, Inc.

Program Name: La Casa, Inc.

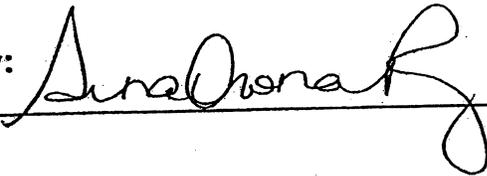
Date: _____

The developer shall insert in the space provided below the site(s) expected to be used for the performance of work under the Grant covered by the certification:

Place of Performance (includes street address, city, county, state, zip code for each site):

Check if there are work places on file that are not identified here.

ATTEST:

By: 

Date 10/26/09

By: _____

Date _____

ATTACHMENT "E," Part 3

PLACE OF PERFORMANCE

FOR CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS

Name of Developer:

Program Name:

Date: _____

The Developer shall insert in the space provided below the site(s) expected to be used for the performance of work under the Grant covered by the certification:

Place of Performance (includes street address, city, county, state, zip code for each site):

Check ____ if there are work places on file that are not identified here.

ATTEST:

By: _____

_____ Date

By: _____

_____ Date

ATTACHMENT "F"

EQUAL EMPLOYMENT OPPORTUNITY/AFFIRMATIVE ACTION CLAUSE FOR
CONTRACTS NOT SUBJECT TO EXECUTIVE ORDER 11246

In carrying out this Agreement, the developer and its contractors and subcontractors, if any, shall not discriminate against any employee or applicant for employment because of race, age, religion, color, national origin, ancestry, sex, sexual preference, gender identity, physical or mental handicap or serious medical condition, or status with regard to public assistance. The developer shall take affirmative action to insure that all employment practices are free from such discrimination. Such employment practices shall include, but not be limited to, the following: hiring, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff, termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. The developer shall post in conspicuous places, available to employees and applicants for employment, notices to be provided by the Government setting forth the provisions of this nondiscrimination clause. The developer shall state in all solicitations or advertisements for employees placed by or on behalf of the developer that it is an Equal Opportunity or Affirmative Action employer.

ATTEST:

By: *Sina Donahy*

10/26/09
Date

By: _____

Date

ATTACHMENT "G"

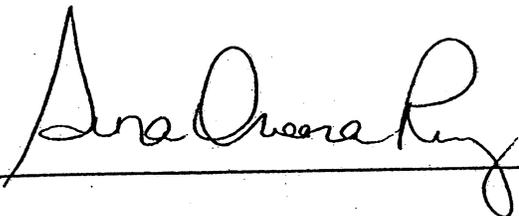
CERTIFICATION REGARDING LOBBYING

The undersigned certifies, to the best of his or her knowledge and belief, that:

- (1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment or modification of any Federal contract, grant, loan or cooperative agreement.
- (2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
- (3) The undersigned shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including subcontracts, sub-grant and contracts under grants, and cooperative agreements) and that the Sub-recipient and Owner shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file this required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such ailure.

ATTEST:

By: 

10/26/09
Date

435

Date

By:

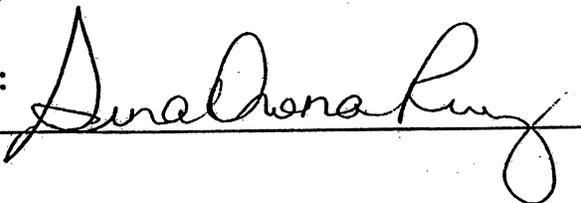
SECTION 3 CLAUSE – SUBRECIPIENTS AND CONTRACTORS

- A. The work to be performed herein is on a project receiving direct Federal financial assistance from the Department of Housing and Urban Development (“HUD”) and subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. §1701. Section 3 requires that, to the greatest extent feasible, opportunities for training and employment be directed to low and very low income persons residing in the Project area and contracts for work in connection with the Project be awarded to business concerns that are located in or owned in substantial part by persons residing in the City and in the area of the Project.
- B. The parties to this contract will comply with the provisions of said Section 3 and the regulations issued pursuant thereto by HUD set forth in 24 CFR Part 135, and all applicable said rules and orders issued prior to the execution of this contract. The parties to this Agreement certify and agree that they have no contractual agreement or other impediment that would prevent them from complying with these requirements.
- C. The contractor will send to each labor organization or representative of workers with which it has a collective bargaining agreement or other contract or understanding, if any, a notice advising the said labor organization or workers’ representative of his commitments under this Section 3 Clause and shall post copies of the notice in conspicuous places available to employees and applicants for employment or training. The notice shall describe the Section 3 preference, set forth minimum number and job titles subject to hire, availability of apprenticeship, and training positions, the qualifications for each, the name and location of the persons taking applications for each of the positions, and the anticipated date the work shall begin.
- D. Part 135, and all applicable rules and orders of HUD issued therein prior to the execution of this contract shall be a condition of the Federal financial assistance provided to the Project, binding upon the contractor and subcontractor(s) for such assistance, its successors and assigns. Failure to fulfill these requirements shall subject the contractor and subcontractor(s) and assigns to those sanctions identified by the City’s Agreement or contract through which Federal assistance is provided, and to such sanctions as are specified by 24 CFR Part 135, which include termination of this Agreement or Contract for default and debarment and suspension from future HUD-assisted contracts.
- E. The Contractor will include this Section 3 Clause in every subcontract for work in connection with the Program and will, at the direction of the City of Federal financial assistance, take appropriate action pursuant to the subcontract upon a finding that the Sub-recipient or contractor is in violation of the HUD regulations at 24 CFR Part 135. The Subcontractor will not subcontract with any agency where it has notice or knowledge that the latter has been found in violation of

at 24 CFR Part 135, and will not let any subcontract unless the agency has first provided it with a preliminary statement of ability to comply with the requirements of these regulations.

- F. The contractor will certify that any vacant employment positions, including those for training, that are filled: (1) after the contractor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations at 24 CFR Part 135 require employment opportunities to be directed were not filled to circumvent the contractor's obligations under said regulations.
- G. Compliance with the provisions of Section 3, the regulations set forth in 24 CFR Part 135, and all applicable rules and orders of HUD issued there under prior to the execution of the contract shall be a condition of the Federal financial assistance provided to the Project and shall be binding upon the contractor or subcontractor(s), its successors or assigns. Failure to fulfill these requirements shall subject the contractor, its successors, and assigns to those sanctions specified by the City Agreement or contract through which Federal assistance is provided, and as are specified by 24 CFR Part 135. These include, but are not limited to, termination of this Agreement or Contract for default and debarment and suspension from future HUD-assisted contracts.
- H. The subcontracting parties to the prime contractor of this contract will comply with the provisions of said Section 3 and the regulations issued pursuant thereto by HUD set forth in 24 CFR Part 135, and all applicable said rules and orders issued prior to the execution of this contract. The subcontracting parties will sign a separate Section 3 clause certification (this form) prior to contract execution with the prime contractor and the execution of the contract between the prime contractor and the City. The subcontracting parties to this Agreement certify and agree that they have no contractual agreement or other impediment that would prevent them from complying with these requirements.

ATTEST:

By: 

Date: 10/26/09

By: _____

Date: _____

ATTACHMENT "I"

EMPLOYMENT NEEDS FOR
SECTION 3 ELIGIBLE CONTRACTS
WITH THE
CITY OF LAS CRUCES

Name of Business: La Casa, Inc.

Type of Business: Corporation Partnership
 Sole Proprietorship Joint Venture

Procurement/Bid/Project
Number: _____

Procurement/Bid/Project
Name: _____

How many current employees are expected to work on this contract?
 _____ Full-time (F/T) _____ Part-time (P/T)

How many additional full-time employees does the contractor plan on hiring for this contract? _____

No. of anticipated full-time positions:

Position Type	Number of Anticipated Positions to be Hired		
	Regular Full-time	Temp Full-time	Seasonal Full-time
Laborers			
Apprentices			
Journeymen			
Licensed Trade		1	
Professionals			
Administrative/ Clerical			

ATTEST:
 By: *Dora Chana* Date: 10/26/09

Name of Organization: La Casa, Inc.

Attachment "J"**REQUIRED CITY AND FEDERAL CLAUSES AND CERTIFICATIONS****VENDOR COMPLIANCE WITH THE WORKERS' COMPENSATION ACT**

Any potential contractor shall agree to comply with state laws and rules pertaining to worker's compensation insurance coverage for its employees. If contractor fails to comply with the Workers' Compensation Act and Applicable rules when required to do so, the contract may be canceled effective immediately.

VENDOR COMPLIANCE WITH ADA REQUIREMENTS

Any potential contractor shall insure all proposed products, services or activities contained as a part of the proposal comply with the requirements of the Americans with Disabilities Act and ADAAG requirements; ANSI Accessibility Guidelines and NMBC Accessibility Requirements (when applicable) to ensure accessibility to persons with disabilities.

BREACHES AND DISPUTE RESOLUTION**Applicability to Contracts**

Any contract in excess of \$100,000 shall contain provisions or conditions which will allow for administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms, and provide for such sanctions and penalties as may be appropriate. This may include provisions for bonding, penalties for late or inadequate performance, retained earnings, liquidated damages or other appropriate measures.

Flow Down

The Breaches and Dispute Resolutions requirements flow down to all tiers.

Disputes

Disputes arising in the performance of any contract which are not resolved by agreement of the parties shall be decided in writing by the authorized representative of the City. This decision shall be final and conclusive unless within [ten (10)] days from the date of receipt of its copy, the contractor mails or otherwise furnishes a written appeal to the City. In connection with any such appeal, the Contractor shall be afforded an opportunity to be heard and to offer evidence in support of its position. The decision of the City shall be binding upon the contractor and the contractor shall abide by the decision.

Performance During Dispute

Unless otherwise directed by the City, contractor shall continue performance as stated herein while matters in dispute are being resolved.

Claims for Damages

Should any party to the contract suffer injury or damage to person or property because of any act or omission of the party or of any of his employees, agents or others for whose acts he is legally liable, a claim for damages therefore shall be made in writing to such other party within a reasonable time after the first observance of such injury of damage.

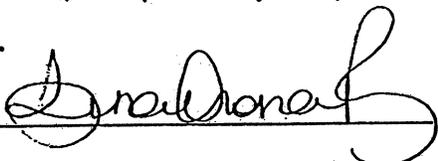
Remedies

Unless this contract provides otherwise, all claims, counterclaims, disputes and other matters in question between the City and the contractor arising out of or relating to this agreement or its breach will be decided by arbitration if the parties mutually agree, or in a court of competent jurisdiction within the State in which the City is located.

Rights and Remedies

The duties and obligations imposed by these documents and the rights and remedies available thereunder shall be in addition to and not a limitation of any duties, obligations, rights and remedies otherwise imposed or available by law. No action or failure to act by the City or contractor shall constitute a waiver of any right or duty afforded any of them under the Contract, nor shall any such action or failure to act constitute an approval of or acquiescence in any breach thereunder, except as may be specifically agreed in writing.

La Casa, Inc.

Signature  Date 10/29/09

Company Name La Casa Inc.

Title Executive Director

Signature _____ Date _____

Company Name _____

Title _____

CONFLICTS OF INTEREST

Based in part on federal regulations (24CFR 85.36(b)) and Contract agreement between the developer and the Grantee, or agent of the developer shall participate in selection, or in the award or administration of a contract supported by Federal funds if a conflict of interest, real or apparent, would be involved. Such a conflict would arise when:

- (i) The employee, officer or agent,
- (ii) Any member of his or her immediate family,
- (iii) His or her partner, or

(iv) An organization that employs, or is about to employ, any of the above, has a financial or other interest in the firm selected for award. The developers officers, employees or agents will neither solicit nor accept gratuities, favors or anything of monetary value from Proposers, or parties to sub-agreements. Developer may set minimum rules where the financial interest is not substantial or the gift is an unsolicited item of nominal intrinsic value. To the extent permitted by State or local law or regulations, such standards or conduct will provide for penalties, sanctions, or other disciplinary actions for violations of such standards by the developer's, employees, or agents. The awarding agency may in regulation provide additional prohibitions relative to real, apparent, or potential conflicts of interest. The developer shall not enter into any Contract, subcontract, or agreement, in connection with any Project or any property included or planned to be included in any Project, in which any member, officer, or employee of the developer, or any member of the governing body of the locality in which the Project is situated, or any member of the governing body of the locality in which the developer was activated, or in any other public official of such locality or localities who exercises any responsibilities or functions with respect to the Project during his/her tenure or for one year thereafter has any interest, direct or indirect. If any such present or former member, officer, or employee of the developer, or any such governing body member or such other public official of such locality or localities involuntarily acquires or had acquired prior to the beginning of his/her tenure any such interest, and if such interest is immediately disclosed to the developer and such disclosure is entered upon the minutes of the developer, either, with the prior approval of the Government, may waive the prohibition contained in this subsection: Provided, That any such present member, officer, or employee of the developer shall not participate in any action relating to such contract, subcontract, or arrangement.

Date 10/21/09

Signature [Handwritten Signature]

Company Name LaCasse Inc.

Title Executive Director

Contracting with Small and Minority Firms, Women's Business Enterprise and Labor Surplus Area Firms.

- (1) The developer shall take all necessary affirmative steps to assure that minority firms, women's business enterprises, and labor surplus area firms are used when possible.
- (2) Affirmative steps shall include:

- (i) Placing qualified small and minority businesses and women's business enterprises on solicitation lists;
- (ii) Assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources;
- (iii) Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority business, and women's business enterprises;
- (iv) Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority business, and women's business enterprises;
- (v) Using the services and assistance of the Small Business Administration, and the Minority Business Development Agency of the Department of Commerce.

Date 10/26/09
Signature *Sara Donahue*
Title *Executive Director*

Date _____
Signature _____
Title _____

CERTIFICATION OF ENERGY CONSERVATION,**AIR QUALITY, AND CLEAN WATER COMPLIANCE**

Company/Organization Name:

La Casa Inc.

The third party Contractor named above hereby certifies compliance with the requirements listed below and regulations issued by the Environmental Protection Agency (EPA), Federal Highway Administration, Federal Transit Administration (FTA) and other agencies of the Federal Government as well as future regulations, guidelines, standards, orders, directives or other requirements that may affect this procurement contract.

The above named Contractor will:

1. Comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act, as amended, 42 U.S.C., 7401 et seq.
2. Comply with all applicable standards, orders or regulations issued pursuant to the Federal Water Pollution Act, as amended, 33 U.S.C., 1251 et seq.
3. Comply with mandatory standards and policies relating to energy efficiency, which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act.
4. Report any violation of these requirements by a sub recipient or itself, resulting from completing the required manufacturing and delivery of vehicles included with this contract to HUD and the appropriate United States EPA Regional Office.
5. Agrees to include these requirements in each subcontract exceeding \$100,000 financed in whole or in part with assistance provided by HUD.

Date

10/26/09

Signature

[Handwritten Signature]

Title

Executive Director

CERTIFICATION OF RESTRICTIONS ON LOBBYING

31 U.S.C. 1352
49 CFR Part 19
49 CFR Part 20

I, Gina Donatelli, hereby certify on behalf of La Crosse, Inc., that:

- (1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any Federal agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan or cooperative agreement.
- (2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any Federal agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form- "Disclosure Form to Report Lobbying", in accordance with its instructions.
- (3) The undersigned shall require that the language of this certification be included in the award documents for all sub awards at all tiers (including sub-grants, loans, and cooperative agreement) which exceed \$100,000, and that all such sub-recipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S.C.

As required by 49 CFR part 20, "New Restrictions on Lobbying," I will disclose the name of any registrant under the Lobbying Disclosure Act of 1995 who has made lobbying contacts on my behalf with non-Federal funds with respect to that Federal contract, grant or award covered by 31 U.S.C. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

Executed this 26 day of October, of 2009

Gina Donatelli (Signature of Authorized Official) Executive Director (Title of Authorized Official)

RETENTION AND INSPECTION OF RECORDS

A. The City, HUD, or Comptroller General of the United States, or any of their duly authorized representatives shall, until 3 years after final payment under this contract, have access to and the right to examine any of the developer's directly pertinent books, documents, papers or other records involving transactions related to this contract for the purpose of making audit, examination, excerpts, and transcriptions.

The developer agrees to include in first-tier subcontracts under this contract a clause substantially the same as paragraph (a) above, "Subcontract," as used in this clause, excludes purchase orders not exceeding \$10,000.

The periods of access and examination in paragraphs (a) and (b) above for records relating to appeals, litigation or settlement of claims arising from the performance of the contract to which the HA (the City), HUD, or Comptroller General or any of their duly authorized representatives has taken exception shall continue until disposition of such appeals, litigation, claims, or exceptions.

ACCESS TO RECORDS

The Contractor agrees to provide the developer, the HUD Administrator, the Comptroller General of the United States or any of their authorized representatives access to any books, documents, papers and records of the Contractor which are directly pertinent to the contract for the purposes of making audits, examinations, excerpts and transcriptions.

FEDERAL CHANGES

Contractor shall at all times comply with all applicable HUD regulations, policies, procedures and directives, including without limitation those listed directly or by reference by the Master Agreement between the City and HUD, as they may be amended or promulgated from time to time during the term of the contract. Contractor's failure to so comply shall constitute a material breach of this contract.

COPYRIGHTS AND RIGHTS IN DATA

The City shall have exclusive ownership of all proprietary interest in, and the right to full and exclusive possession of all information, materials, designs and documents discovered or produced by developer or contractors, as appropriate, pursuant to the terms of the contract, including but not limited to reports, memoranda or letters concerning the research and reporting tasks of the Contract.

NO GOVERNMENT OBLIGATION TO THIRD PARTIES

(1) The City of Las Cruces and Contractor acknowledge and agree that, notwithstanding any concurrence by the Federal Government in or approval of the solicitation or award of the underlying contract, absent the express written consent by the Federal Government, the Federal Government is not a party to this contract and shall not be subject to any obligations or liabilities to the City of Las Cruces, Contractor, or any other party (whether or not a party to that contract) pertaining to any matter resulting from the underlying contract.

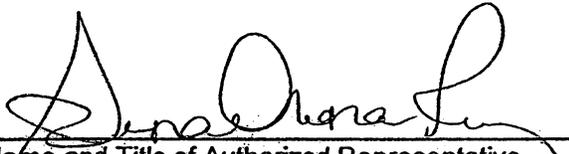
(2) The Contractor agrees to include the above clause in each subcontract financed in whole or in part with Federal assistance. It is further agreed that the clause shall not be modified, except to identify the subcontractor who will be subject to its provisions.

False or Fraudulent Statements or Claims.

The Contractor acknowledges and agrees that:

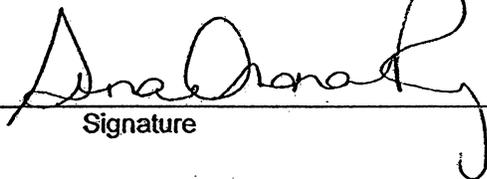
(1) The Program Fraud Civil Remedies Act of 1986, as amended, 31 U.S.C. §§ 3801 *et seq.* and U.S. DOT regulations, "Program Fraud Civil Remedies," 49 C.F.R. Part 31, apply to its activities in connection with the Project. Accordingly, by executing the Grant Agreement or Cooperative Agreement, the Recipient certifies or affirms the truthfulness and accuracy of each statement it has made, it makes, or it may make in connection with the Project covered by the Grant Agreement or Cooperative Agreement. In addition to other penalties that may apply, the Recipient also acknowledges that if it makes a false, fictitious, or fraudulent claim, statement, submission, or certification to the Federal Government, the Federal Government reserves the right to impose the penalties of the Program Fraud Civil Remedies Act of 1986, as amended, on the Recipient to the extent the Federal Government deems appropriate.

(2) If the developer makes a false, fictitious, or fraudulent claim, statement, submission, or certification to the Federal Government in connection with an urbanized area formula project financed with Federal assistance authorized for 49 U.S.C. § 5307, the Government reserves the right to impose on the Recipient the penalties of 18 U.S.C. § 1001 and 49 U.S.C. § 5307(n)(1), to the extent the Federal Government deems appropriate



Gina Orona-Rury Executive Dir

Name and Title of Authorized Representative



10/26/09

Signature

Date

CERTIFICATION REGARDING DEBARMENT, SUSPENSION, INELIGIBILITY AND VOLUNTARY EXCLUSION LOWER TIER COVERED TRANSACTIONS

This certification is required by the regulations implementing Executive Order 12549, Debarment and Suspension, 29 CFR Part 98, Section 98.510, Participants' responsibilities. The regulations were published as Part VII of the May 26, 1988 Federal Register (pages 19160-19211).

(BEFORE COMPLETING CERTIFICATION, READ ATTACHED INSTRUCTIONS, FOLLOWING PAGE, WHICH ARE AN INTEGRAL PART OF THE CERTIFICATION)

- (1) The developer submits that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.
- (2) Where the developer is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

Lena Orona Ruiz, Executive Director

Name and Title of Authorized Representative

Lena Orona Ruiz

Signature

10/26/09

Date

INSTRUCTIONS FOR CERTIFICATION

1. By signing and submitting this Agreement, the developer is providing the certification as set out below.
2. The certification in this clause is a material representation of fact upon which reliance was placed when this transaction was entered into. If it is later determined that the prospective lower tier participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the Department of Housing and Urban Development (HUD) may pursue available remedies, including suspension and/or debarment.
- 5.3. The developer agrees, should the covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by HUD.
- 6.4. The developer further agrees that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligible and Voluntary Exclusion " in all solicitations for lower tier covered transactions.
- 7.5. A participant in a covered transaction may rely upon a certification of prospective participant in a lower tier covered transaction that it is not proposed for debarment under 48 CFR part 9, subpart 9.4, debarred, suspended, ineligible, or voluntarily excluded from covered transactions, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may but is not required to check the List of Parties Excluded from Procurement or Non-procurement Programs.
- 8.6. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
7. Except for transactions authorized under paragraph 3 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is proposed for debarment under 48 CFR part 9, subpart 9.4, suspended, debarred, ineligible, or voluntarily excluded from participation in the transaction, in addition to other remedies available to the Federal Government, the DOT may pursue available remedies, including suspension and/or debarment.

PRIVACY ACT

The Proposer agrees to comply with all applicable terms in the Privacy Act of 1974; will notify the government when the Proposer anticipates operating a system of records on behalf of the government in order to implement the bid if such system contains information about individuals retrievable by the individual's name or other identifier; and will include in any subcontract the Privacy Act notifications above.

TERMINATION

Flow Down

The termination requirements of contracts partially or wholly funded by Federal funds flow down to all contracts in excess of \$10,000, with the exception of contracts with nonprofit organizations and institutions of higher learning. The Proposer, by signing this form, acknowledges that these contract termination provisions will apply to this procurement.

a. Termination for Convenience (General Provision) The City may terminate this contract, in whole or in part, at any time by written notice to the Contractor when it is in the Government's best interest. The Contractor shall be paid its costs, including contract close-out costs, and profit on work performed up to the time of termination. The Contractor shall promptly submit its termination claim to the City to be paid the Contractor. If the Contractor has any property in its possession belonging to the City, the Contractor will account for the same, and dispose of it in the manner the City directs.

b. Opportunity to Cure (General Provision) The City in its sole discretion may, in the case of a termination for breach or default, allow the Contractor [an appropriately short period of time] in which to cure the defect. In such case, the notice of termination will state the time period in which cure is permitted and other appropriate conditions

If Contractor fails to remedy to the City's satisfaction the breach or default of any of the terms, covenants, or conditions of this Contract within [ten (10) days] after receipt by Contractor of written notice from the City setting forth the nature of said breach or default, the City shall have the right to terminate the Contract without any further obligation to Contractor. Any such termination for default shall not in any way operate to preclude the City from also pursuing all available remedies against Contractor and its sureties for said breach or default.

c. Termination for Default (Supplies and Service) If the Contractor fails to deliver supplies or to perform the services within the time specified in this contract or any extension or if the Contractor fails to comply with any other provisions of this contract, the City may terminate this contract for default. The City shall terminate by delivering to the Contractor a Notice of Termination specifying the nature of the default. The Contractor will only be paid the contract price for supplies delivered and accepted, or services performed in accordance with the manner or performance set forth in this contract.

If, after termination for failure to fulfill contract obligations, it is determined that the Contractor was not in default, the rights and obligations of the parties shall be the same as if the termination had been issued for the convenience of the City.

Cora Orona Ruiz, Executive Director

Name and Title of Authorized Representative

Cora Orona Ruiz

10/20/09

Signature

Date

STATE AND LOCAL LAW DISCLAIMER

Flow Down

The Disclaimer has unlimited flow down.

State and Local Law Disclaimer - The use of many of the suggested clauses are not governed by Federal law, but are significantly affected by State law.

Cara Drona Ruiz, Executive Director

Name and Title of Authorized Representative

Cara Drona Ruiz 10/26/09

Signature

Date

CIVIL RIGHTS REQUIREMENTS

29 U.S.C. § 623, 42 U.S.C. § 2000

42 U.S.C. § 6102, 42 U.S.C. § 12112

42 U.S.C. § 12132, 49 U.S.C. § 5332

29 CFR Part 1630, 41 CFR Parts 60 et seq.

Flow Down

The Civil Rights requirements flow down to all third party contractors and their contracts at every tier.

Civil Rights - The following requirements apply to the underlying contract:

(1) **Nondiscrimination** - In accordance with Title VI of the Civil Rights Act, as amended, 42 U.S.C. § 2000d, section 303 of the Age Discrimination Act of 1975, as amended, 42 U.S.C. § 6102, section 202 of the Americans with Disabilities Act of 1990, 42 U.S.C. § 12132, and Federal transit law at 49 U.S.C. § 5332, the developer agrees that it will not discriminate against any employee or applicant for employment because of race, color, creed, national origin, sex, age, or disability. In addition, the developer agrees to comply with applicable Federal implementing regulations and other implementing requirements of HUD.

(2) **Equal Employment Opportunity** - The following equal employment opportunity requirements apply to the underlying contract:

(a) **Race, Color, Creed, National Origin, Sex** - In accordance with Title VII of the Civil Rights Act, as amended, 42 U.S.C. § 2000e, and Federal transit laws at 49 U.S.C. § 5332, the developer agrees to comply with all applicable equal employment opportunity requirements of U.S. Department of Labor (U.S. DOL) regulations, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor," 41 C.F.R. Parts 60 et seq., (which implement Executive Order No. 11246, "Equal Employment Opportunity," as amended by Executive Order No. 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity," 42 U.S.C. § 2000e note), and with any applicable Federal statutes, executive orders, regulations, and Federal policies that may in the future affect construction activities undertaken in the course of the Project. The developer agrees to take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, creed, national origin, sex, or age. Such action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. In addition, the developer agrees to comply with any implementing requirements HUD may issue.

(b) **Age** - In accordance with section 4 of the Age Discrimination in Employment Act of 1967, as amended, 29 U.S.C. § 623 and Federal transit law at 49 U.S.C. § 5332, the developer agrees to refrain from discrimination against present and prospective employees for reason of age. In addition, the developer agrees to comply with any implementing requirements HUD may issue.

(c) **Disabilities** In accordance with section 102 of the Americans with Disabilities Act, as amended, 42 U.S.C. § 12112, the developer agrees that it will comply with the requirements of U.S. Equal Employment Opportunity Commission, "Regulations to Implement the Equal Employment Provisions of the Americans with Disabilities Act," 29 C.F.R. Part 1630, pertaining to employment of persons with disabilities. In addition, the developer agrees to comply with any implementing requirements HUD may issue.

(3) The developer also agrees to include these requirements in each subcontract financed in whole or in part with Federal assistance provided by HUD, modified only if necessary to identify the affected parties.

Name and Title of Authorized Representative

Lina Orona Ruiz, Executive Director

AGE DISCRIMINATION ACT

The developer shall comply with all the requirements of the Age Discrimination Act of 1975 42 U.S.C. 6101 et seq. Or with respect to otherwise qualified handicapped persons as provided in section 504 of The Rehabilitation Act of 1973 29 U.S. C. 794.

Carla Donahue, Executive Director

Name and Title of Authorized Representative

Carla Donahue

Signature

10/20/09

Date