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City of Las Cruces[®]
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Council Action and Executive Summary

Item # 7 Ordinance/Resolution# 11-029 Council District: 1

For Meeting of August 2, 2010
 (Adoption Date)

TITLE: A RESOLUTION APPROVING THE PURCHASE OF THE PROPERTY AT 342 N. TORNILLO ST., LAS CRUCES, NEW MEXICO, 88001, FOR \$19,200.00 UNDER THE CITY'S NEIGHBORHOOD STABILIZATION PROGRAM (NSP).

PURPOSE(S) OF ACTION: To approve the purchase of an additional property under the City's Neighborhood Stabilization Program (NSP).

Name of Drafter: Maria <i>MF</i> Fahrenkrog		Department: Community Development <i>PRD</i>		Phone: 528-3177	
Department	Signature	Phone	Department	Signature	Phone
Community Development	<i>[Signature]</i>	528-3066	Budget	<i>[Signature]</i>	541-2300
			Assistant City Manager	<i>[Signature]</i>	541-2271
Legal	<i>[Signature]</i>	541-2128	City Manager	<i>[Signature]</i>	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 has been reviewing properties within the priority areas designated by the City for the NSP program and near-by. A number of offers have not come to fruition. However, our offer for this property has been countered and then accepted. The property located at 342 N. Tornillo St. consists of an old dilapidated adobe structure on an 18,077 square foot site, which is owned by Services for Seniors, Inc. The property was appraised at \$72,000. The appraised value was for the land only because the house is in such state of disrepair that it does not have any market value. The lot will be re-platted to allow 13,277 square feet to be used for parking for

Services for Seniors, Inc., to use with the Eastside Community Center. This would leave the old adobe house on a 4,800 square foot lot, which is what the NSP is attempting to purchase. The old adobe house is in the Mesquite/Old Town Historic District of the City of Las Cruces and as such it needs to be restored per approved plans by the State Historic Preservation Office (SHPO) thus contributing to the preservation of the City's historic properties and district(s).

The entire property at 342 N. Tornillo St. appraised for only \$72,000, and this value was for the land only due to the state of disrepair of the house. The portion of the lot for where the house is located will be replatted. NSP funds will be used to purchase that portion and only for the cost of the land only for the house portion, which amounts to \$19,200 if the City Council approves this action. The remaining land will be owned by Services for Seniors, Inc. for use as additional parking at the Eastside Community Center.

Services for Seniors Inc., who currently owns the lot, will loan the \$19,200 in purchase proceeds to Tierra del Sol to aid in the rehabilitation of the house. After the property is rehabilitated, the home will be sold to new a qualified homeowner; the \$19,200 will be placed as a second mortgage due upon sale or transfer with no interest.

SUPPORT INFORMATION:

1. Resolution
2. Exhibit "A" – Offer to Purchase the Property and accepted counteroffer
3. Attachment "A" – Memo to the Mayor and City Council dated Friday, July 16, 2010 with an updated report on NSP Activities and properties to date.

SOURCE OF FUNDING:

Is this action already budgeted?	Yes	<input checked="" type="checkbox"/>	See fund summary below
	No	<input type="checkbox"/>	If No, then check one below:
	<i>Budget Adjustment Attached</i>	<input type="checkbox"/>	Expense reallocated from: The NSP Program
		<input type="checkbox"/>	Proposed funding is from a new revenue source (i.e. grant; see details below)
<input type="checkbox"/>		Proposed funding is from fund balance in the ____ Fund.	
Does this action create any revenue?	Yes	<input type="checkbox"/>	Funds will be deposited into this fund:
	No	<input checked="" type="checkbox"/>	There is no new revenue generated by this action.

FUND SUMMARY:

Fund Name(s)	Account Number(s)	Expenditure Proposed	Available Budgeted Funds in Current FY	Remaining Funds	Purpose for Remaining Funds
HUD Special Projects Fund (Fund 2010)	20184230-722190-12005	\$19,200	\$1,500,000	\$1,480,800	To be used to purchase other properties

OPTIONS / ALTERNATIVES:

1. Vote "Yes"; this will approve the Resolution and approve the purchase of the property under the NSP. This will allow City staff to proceed with the purchase, do the additional renovation on the property as dictated by the State Historic Preservation Office (SHPO), thus contributing to the preservation of the City's Mesquite/Old Town Historic District; and create an affordable homeownership opportunity.
2. Vote "No"; this will disapprove the Resolution and not approve the purchase of the property under the City's NSP. This means that staff will need to cancel this offer and move on to locate other properties, subject to any Council guidance.
3. Vote to "Amend"; the Resolution. This action will be based on the Council's discretion. It may or may not require the offer to be canceled.
4. Vote to "Table"; this Resolution. Direction would be required of the Council to staff. Tabling or postponing the approval means that the offer may expire or the property is purchased by another party. If the offer expires or is otherwise sold, staff will need to move on to locate another property, subject to any Council guidance.

RESOLUTION NO. 11-029**A RESOLUTION APPROVING THE PURCHASE OF THE PROPERTY AT 342 N. TORNILLO ST., LAS CRUCES, NEW MEXICO, 88001, FOR \$19,200.00 UNDER 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, 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 was 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 approved Neighborhood Stabilization Program from the State of New Mexico; and

WHEREAS, the City staff received a waiver to increase the cost limits allowable on each property obtained for the NSP.

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

(I)

THAT the City of Las Cruces' NSP is purchasing a property located at 342 N. Tornillo St., Las Cruces, New Mexico, 88001, in accordance with the Purchase Agreement and Counter offer(s) as shown in Exhibit "A," attached hereto and made part of this Resolution, is hereby approved.

(II)

THAT the property is owned by Services for Seniors Inc. and it is in such state of disrepair that it was appraised based on the value of lot only for \$72,000.

(III)

THAT that this lot will be re-plated to allow a portion of the lot to be used for parking for Services for Seniors, Inc. and another portion which includes the adobe structure to be sold to the NSP as a residential property for \$19,200.

(IV)

THAT Services for Seniors will loan the proceeds of the sale of this property to Tierra del Sol to aid in the rehabilitation of the house.

(V)

THAT the property is in the City's Mesquite/Old Town Historic District and as such it will be rehabilitated as instructed by the State Historic Preservation Office (SHPO), and used for new homeownership opportunities through Tierra del Sol.

(VI)

THAT the property is authorized to be transferred to Tierra del Sol upon completion of the purchase from Services for Seniors, Inc. and for future rehabilitation by Tierra del Sol, consistent with their NSP grant approved by the City Council under Resolution 10-097, as amended. The City's NSP proceeds are authorized to be in third and fourth position mortgages, as needed, behind permanent financing and second position mortgage to Services for Seniors, Inc that is due upon sale or transfer.

(VII)

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.

APPROVED:

(SEAL)

Mayor

ATTEST:

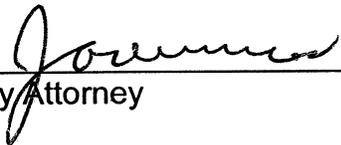
City Clerk

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

Moved by: _____

Seconded by: _____

APPROVED AS TO FORM:



City Attorney

EXHIBIT "A"



**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.

Initials: Buyer  Seller 

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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. J. 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 by the City of Las Cruces as a Buyers Broker

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:

APPROVED AS TO FORM:

[Signature]
BUYER
 Buyer _____ Date 6/24/10 Time _____
 CLC by Terrance Moore

[Signature]
SELLER
 Seller _____ Date 6-28-10 Time 3
 Services for Seniors, Inc

Buyer _____ Date _____ Time _____

Seller _____ Date _____ Time _____

BUYER'S BROKER

International Realty Plus NM
 Buyer's Brokerage Firm
[Signature]
 Broker Signature J. Lance Swarengin

Broker is is not a REALTOR®

6-24-2010
 Date _____ Time _____

SELLER'S BROKER

 Seller's Brokerage Firm

 Broker Signature _____ Date _____ Time _____

Broker is is not a REALTOR®



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OFFER DATE: June 18, 2010

1. PARTIES. CLC by Terrance Moore
("Buyer") agrees to buy from Seller and Services for Seniors, Inc
("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. \$ 17,432.40
A. APPROXIMATE CASH DOWN PAYMENT \$ none
(Including Earnest Money referred to in paragraph 3)
B. AMOUNT OF THE LOAN(S) described in paragraph 7 below. \$ none

3. EARNEST MONEY. Buyer will deliver \$ none
Earnest Money in the form of [] check [] cash [] note dated N/A, to be escrowed upon
mutual acceptance of this Agreement by Buyer and Seller with N/A,
in accordance with New Mexico law. Earnest Money will be applied to Purchase Price and/or closing costs upon Funding
Date.

4. PROPERTY.
A. 342 Tornillo Las Cruces NM 88004
Address City State/Zip Code

Legal Description Lot 2, Block 110, 700-Original Townsite
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 any, rights will convey upon purchase
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:

- [] Refrigerator [] Decorative mirrors above bath vanities
[] Microwave [] Built-in/attached speakers and sub woofers
[] Washer [] TV
[] Dryer [] Audio components
[] Other [] 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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Code of Ethics.

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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. 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: none

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 5 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 60 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	each	his	own
Appraisal Reinspection Fee			x	Special Assessment Search			x
Credit Report			x	Buyer Recording Fees	x		
Loan Assumption/Transfer			x	Seller Recording Fees		x	
Origination Charge: up to <input type="checkbox"/> \$; or <input type="checkbox"/> %			x	Policy Premiums			
Points - Buydown			x	Title Commitment	x		
Points - Discount			x	Standard Owner's Policy	x		
Tax Service Fee			x	Mortgagee's Policy			x
Flood Zone Certification			x	Mortgagee's Policy Endorsements			x
Other:				Other:			
Other:				Miscellaneous			
Prepays Required by Lender				Survey (§ 16C)	x		
Flood Insurance			x	Impact Fees			x
Hazard Insurance			x	Home Warranty contract (§ 17)			x
Interest			x	Transfer Fees (e.g. HOA, etc.)			x
PMI or MIP			x	HOA Fees (e.g. processing)			x
Taxes			x	Other:			
Other:				Escrow Fees			
Other:				Set up			x
Other:				Periodic			x
Other:				Close Out			x
				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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PURCHASE AGREEMENT – RESIDENTIAL RESALE – 2010

13. EXAMINATION OF TITLE; LIENS; DEED.

A. Buyer Seller shall order a title commitment from Southwestern Abstract and Title Co. (Title Company) within 10 days after the Date of Acceptance. Buyer will have 10 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 10 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 30 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 n/a 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 n/a 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.

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

16. SELLER DISCLOSURE AND OTHER DOCUMENTS AND INSPECTIONS. Any "Deadline" can be expressed either as a calendar date or as a number of days after Date of Acceptance. Delivery Deadlines, Objection Deadlines and Resolution Deadlines may be extended only by a written agreement of both parties.

A. DOCUMENTS. Seller shall deliver the following documents by the Delivery Deadline specified below. "Delivery Deadline" is the date by which Buyer shall receive any documents, reports or surveys as set forth below.

DOCUMENTS	Delivery Deadline	Objection Deadline	Resolution Deadline
Seller's Property Disclosure Statement	10 Days After Acceptance	15 Days After Acceptance	20 Days After Acceptance
Road Documents			
Water Rights Documents : <i>IF any</i>	10 Days After Acceptance	15 Days After Acceptance	20 Days After Acceptance
Well Documents			
Other:			
Other:			

Is any part of this Property a residence built before 1978? Yes No *If the answer is yes, federal law says:* Seller cannot legally accept this offer unless Buyer has received, before making this offer, ALL of the following:

1. Lead-Based Paint Addendum to Purchase Agreement (RANM Form 5112) that was first fully completed and signed by Seller and then is signed by Buyer; and
2. A list of and copies of all reports or information relating to lead-based paint inspections, risk assessments, and hazards; and
3. A copy of the pamphlet, "Protect Your Family From Lead-Based Paint in Your Home."

If Buyer received the above items 1, 2, and 3 prior to writing this offer, Buyer's right to a 10 day opportunity to conduct inspections or risk assessments for the presence of lead-based paint and/or lead-based paint hazards will begin on the Date of Acceptance (as defined in the Purchase Agreement).

If Buyer has not received ALL the above items 1, 2 and 3 and had an opportunity to review them before writing this offer, AND has not signed the Lead-Based Paint Addendum to the Purchase Agreement, Seller cannot legally accept this offer. Seller should consult an attorney for specific legal advice.

PROPERTY TAX DISCLOSURE.

Buyer(s) hereby acknowledge receipt of the Estimated Property Tax Levy on the Property, attached as Exhibit 1 and understands that said Estimated Property Tax Levy is based on the LISTING price of the Property.

Buyer(s) hereby acknowledge that the Estimated Property Tax Levy on the Property is not readily available and does hereby waive the right to receive the Estimated Property Tax Levy prior to submitting this Purchase Agreement. See Estimated Property Tax Levy Disclosure Information Sheet (RANM Form 3275).

SEPTIC SYSTEM. Does the Property include an on-site liquid waste system? Yes No *If the answer is "Yes", the transfer of the Property is subject to Regulations of the New Mexico Environment Department governing on-site liquid waste systems, which require inspection and possible repair, and RANM Form 5120a, Septic System Contingency Addendum, is attached hereto and incorporated by reference.*

B. INSPECTIONS. Seller and Broker strongly recommend that Buyer satisfy any concerns that Buyer may have about the physical condition of the Property. To accomplish this, the parties are encouraged to employ competent (and, where appropriate, licensed) professionals to perform inspections of all conditions of the Property. Buyer has the right to have performed the inspections checked below. Seller Buyer will be responsible for paying any charges required by the utility company to have utilities turned on for inspection purposes, but in no event will Buyer be responsible for charges to repair the property, to bring it up to code, to pay unpaid bills, or for anything other than a turn-on fee.

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

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					
Electrical					
Heating/Air Conditioning					
Plumbing					
Roof					
Structural					
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	<input checked="" type="checkbox"/>		30 Days After Acceptance	12 Days After Acceptance	15 Days After Acceptance
Dry Rot					
Radon					
Mold					
Square Foot Measurement					
Sewer Line Inspections					
Ducts (type)					
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	10 Days After Acceptance	15 Days After Acceptance	20 Days After Acceptance
Metes and Bounds Description			
Staked Boundary			
American Land Title Association Survey (ALTA)			
Flood Plain Designation			
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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PURCHASE AGREEMENT – RESIDENTIAL RESALE – 2010

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 \$ none**. 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 10 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 none. 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.

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

- 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: none
- 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.

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

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 checked="" type="checkbox"/> Addendum No. <u>2</u> (5101) | <input type="checkbox"/> Occupancy Agreement – Buyer/Seller (2201/2202) |
| <input type="checkbox"/> Buyer's Sale Contingency | <input type="checkbox"/> Real Estate Contract Addendum (2402) |
| <input checked="" type="checkbox"/> Lead-Based Paint Addendum (5112) | <input type="checkbox"/> Residential Resale Condominium Addendum (2302) |
| <input checked="" type="checkbox"/> Other: <u>Addendum #1-NSP Letter</u> | <input type="checkbox"/> Septic System Contingency Addendum (5120a) |
| <input checked="" type="checkbox"/> Other: <u>Exhibit #1-Tax Levy Form</u> | <input type="checkbox"/> Other: _____ |
| <input checked="" type="checkbox"/> Other: <u>Exhibit #2-LBP Report</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 July 1, 2010, 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 [Signature] Offer Date 6/24/10 Time _____

Buyer Signature _____ Offer Date _____ Time _____

CLC by Terrance Moore Buyer Names (Print) _____ Email Address _____

P.O. Box 20000 Buyer Address _____ Las Cruces City _____ NM State _____ 88004 Zip Code _____

Buyer Home Phone _____ Buyer Cell Phone _____ Buyer Business Phone _____ Buyer Fax _____

APPROVED AS TO FORM:
[Signature]
City Attorney

REALTORS® ASSOCIATION OF NEW MEXICO 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.

6-28-10

Seller Signature _____ Date _____ Time _____

Seller Signature _____ Date _____ Time _____

Services for Seniors, Inc _____ Email Address _____

Seller Names (Print) _____

P.O. Box 2273 _____ **Las Cruces** **NM** **88004**

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 _____

J. Lance Swarengin _____ **Broker is is not a REALTOR®**

By (Print) _____ Email Address _____

SELLER'S BROKER

 Seller's Brokerage Firm _____ Address _____ Office Phone _____ Fax _____

 By (Print) _____ Email Address _____ **Broker is is not a REALTOR®**



REALTORS® ASSOCIATION OF NEW MEXICO
COUNTEROFFER NO. 3 - 2010

This Counteroffer is made a part of the Residential Commercial Vacant Land Farm and Ranch Purchase Agreement dated June 18, 2010 between CLC by Terrance Moore ("Buyer") and Services for Seniors, Inc ("Seller") and relating to the purchase of the following Property:

342 Tornillo Las Cruces 88004
Address City Zip Code
Lot 2, Block 110, 700-Original Townsite
Legal Description

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

Counteroffers that are not expressly listed here are not incorporated into the Purchase Agreement.
Counteroffers 1,2 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 \$19,200.00.
-Purchase subject to be null and void if Tierra del Sol does not submit replat of lot to City of Las Cruces by July 23, 2010.

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.

Initials: Buyer [Signature] Seller [Signature]

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REALTORS® ASSOCIATION OF NEW MEXICO
COUNTEROFFER NO. 3 - 2010

APPROVED AS TO FORM
[Signature]
City Attorney

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 July 9, 2010 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 making a subsequent Counteroffer. However, it is recommended the pages be initialed.

[Signature] BUYER
CLC by Terrance Moore 7/9/10
Buyer _____ Date _____ Time _____

Buyer _____ Date _____ Time _____

[Signature] SELLER
Services for Seniors, Inc 7/9/10
Seller _____ Date _____ Time _____

Seller _____ Date _____ Time _____


City of Las Cruces®

June 18, 2010

L-10-352

Services for Seniors Inc.
PO Box 2626
Anthony, NM 88021

Gentlemen:

The City of Las Cruces is interested in acquiring property you own at 342 N. Tornillo, Las Cruces, NM 88001, 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 \$17,432.40 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 me at 575-528-3208 or email at jnachison@las-cruces.org.

Sincerely,

for.
Jerry Nachison, AICP
Housing Development Coordinator

cc: David Dollahon, Neighborhood Services Administrator
David Weir, Community Development Director
Ray Sartin, Home Rehabilitation Coordinator
Grantee File

Seller's Initials



REALTORS® ASSOCIATION OF NEW MEXICO
ADDENDUM TO PURCHASE AGREEMENT - 2010
ADDENDUM NO. 2

This Addendum is part of the [X] Residential [] Commercial [] Vacant Land [] Farm and Ranch Purchase Agreement
dated June 18, 2010 between CLC by Terrance Moore ("Buyer") and Services for Seniors, Inc ("Seller") and relating to the following Property:

342 Tornillo Las Cruces 88004
Address City Zip Code

Lot 2, Block 110, 700-Original Townsite
Legal Description

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

Buyer and Seller agree as follows:

- 1. Settlement/Signing Date shall be on or before 59 days from the date of acceptance of the agreement.
2. The Funding Date shall be on or before 60 days from the date of acceptance of the agreement.
3. The buyer shall have 21 working days Due Diligence to receive bids and reach a conclusion on the feasibility of purchasing the property.
4. Sale is contingent upon agreement of purchase by City of Las Cruces council.

APPROVED AS TO FORM
[Signature]

The Purchase Agreement referred to above is incorporated by reference into this Addendum.

[Signature] CLC by Terrance Moore 6/24/10
Buyer Date Time

[Signature] Services for Seniors, Inc 6-28-10
Seller Date Time

Seller Date Time

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REALTORS® ASSOCIATION OF NEW MEXICO LEAD-BASED PAINT ADDENDUM TO PURCHASE AGREEMENT - 2010

All parts of this form must be completed in the proper order, including check-boxes, and everyone must sign it before Seller can legally accept an offer from Buyer. It would be a violation of Federal law for Seller to accept an offer from Buyer before Seller and Buyer have complied with each and every provision of the law.

This Disclosure and Acknowledgment will be attached as Addendum No. 3 to the Purchase Agreement between Seller and Buyer, dated June 18, 2010
Relating to the following Property:

342 Tornillo Las Cruces 88004
Address City Zip Code

Lot 2, Block 110, 700-Original Townsite
Legal Description

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

1. LEAD WARNING STATEMENT

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

2. SELLER'S DISCLOSURE

(a) Presence of lead-based paint and/or lead-based paint hazards:

(i) Known lead-based paint and/or lead-based paint hazards are present in the housing (explain):
See LBP Report Attached as Exhibit #2

(ii) Seller has no knowledge of lead-based paint and/or lead-based paint hazards.

(b) Records and reports available to the Seller:

(i) Seller has provided Buyer with all available records and reports pertaining to lead-based paint and/or lead-based paint hazards in the housing. (List documents below.)
See LBP Report Attached as Exhibit #2

(ii) Seller has no reports or records pertaining to lead-based paint and/or lead-based paint hazards in the housing.

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REALTORS® ASSOCIATION OF NEW MEXICO
LEAD-BASED PAINT ADDENDUM TO PURCHASE AGREEMENT - 2010

3. BUYER'S ACKNOWLEDGMENT

- (a) Buyer has received copies of all information listed above.
- (b) Buyer has received the pamphlet "Protect Your Family From Lead in Your Home."

4. BUYER'S RIGHTS

Buyer has:

- (a) received a ten day opportunity (or mutually agreed upon period) to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead-based paint hazards; or
- (b) waived the opportunity to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead-based paint hazards.

5. AGENT'S CERTIFICATION

The Seller's Broker and the Buyer's Broker (if paid by the Seller or Seller's Broker) are the "agents" who are required to comply with the Regulations and sign this form, regardless of their brokerage relationships.

A. Agent has informed Seller of Seller's obligations under Sec. 42 U.S.C.A. 4852d to:

- (1) provide Buyer with the federally approved pamphlet, "Protect Your Family from Lead in Your Home;";
- (2) complete this Lead-Based Paint Addendum before giving it to Buyer;
- (3) disclose any known lead-based paint or lead-based paint hazards in the Property;
- (4) deliver to Buyer a list of and copies of all records and reports pertaining to lead-based paint and/or lead based paint hazards in the Property;
- (5) provide Buyer with a ten-day (10) period (or other period mutually agreed in writing by Buyer and Seller) to have the Property inspected;
- (6) retain a completed copy of this Addendum for at least three (3) years following the closing of the sale.

B. Agent is aware of Agent's duty to ensure compliance with the requirements of Sec. 42 U.S.C.A. 4852d.

Warning

Provisions of this form are required by Federal regulations and should not be revised.

Certification

Each of the following parties has reviewed the information above and certifies, to the best of his or her knowledge, that the information provided by that party is true and accurate.

SELLER

	6-28-10	
Seller Signature	Date	Time
Seller Signature		
Seller Names (Print)	Date	Time
Services for Seniors, Inc		
P.O. Box 2273	Las Cruces	NM
Seller Address	City	State
	88004	88004
Seller Home Phone	Business Phone	Fax
Email Address		

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REALTORS® ASSOCIATION OF NEW MEXICO
LEAD-BASED PAINT ADDENDUM TO PURCHASE AGREEMENT - 2010

BUYER


Buyer _____ Date 6/24/10 Time _____

Buyer _____ Date _____ Time _____

CLC by Terrance Moore
Buyer Names (Print) _____ Email Address _____

P.O. Box 20000 _____ Las Cruces _____ NM _____ 88004
Buyer Address _____ City _____ State _____ Zip Code _____

Buyer Home Phone _____ Business Phone _____ Fax _____

SELLER'S BROKER

Listing Firm _____

By (Signature) _____ Date _____ Time _____

Broker is is not a REALTOR®

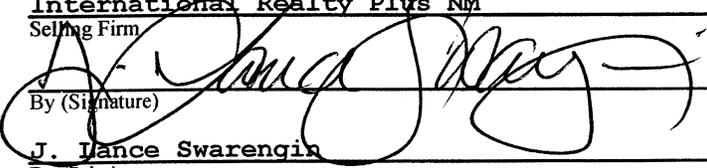
By (Print) _____

Address _____ City _____ State _____ Zip Code _____

Business Phone _____ Fax _____ Email Address _____

BUYER'S BROKER

International Realty Plus NM
Selling Firm _____


By (Signature) _____ Date 6-24-2010 Time _____

Broker is is not a REALTOR®

J. Vance Swarengin
By (Print) _____

1705 N. Valley Dr. Ste 1 _____ Las Cruces _____ NM _____ 88007
Address _____ City _____ State _____ Zip Code _____

(575) 522-0487 _____ (575) 524-4252 _____
Business Phone _____ Fax _____ Email Address _____



REALTORS® ASSOCIATION OF NEW MEXICO CONFIRMATION OF RECEIPT OF LEAD-BASED PAINT PAMPHLET - 2010

I have received a copy of the pamphlet, *Protect Your Family From Lead in Your Home*, informing me of the potential risk of the lead hazard exposure activity to be performed in my dwelling unit. I received this pamphlet before work began.

CLC by Terrance Moore,
Printed Name of Recipient

Signature

APPROVED AS TO FORM
[Signature]
City Attorney

6/24/10
Date

Time

SELF-CERTIFICATION OPTION (for tenant-occupied dwellings only) If the lead pamphlet was delivered but a tenant signature was not obtainable, you may check the appropriate box below:

Refusal to sign - I certify that I have made a good faith effort to deliver the pamphlet, *Protect Your Family From Lead in Your Home*, to the rental dwelling unit listed below at the date and time indicated and that the occupant refused to sign the confirmation of receipt. I further certify that I have left a copy of the pamphlet in the unit with an adult occupant.

Unavailable for signature - I certify that I have made a good faith effort to deliver the pamphlet *Protect Your Family From Lead in Your Home*, to the rental dwelling unit listed below at the date and time indicated and that the occupant was unavailable to sign the confirmation receipt. I further certify that I have left a copy of the pamphlet at the unit by sliding it under the door.

Printed Name of Person Certifying Lead Pamphlet Delivery

Attempted Delivery Date/Time

Signature of Person Certifying Lead Pamphlet Delivery

Date

Time

Unit Address

Note: Regarding Mailing Option: As an alternative to delivery in person, you may mail the lead pamphlet to the owner and/or the tenant. Pamphlet must be mailed at least 7 days before renovation. (Document with a certificate of mailing from the post office.)

KEEP THIS CONFIRMATION FOR AT LEAST THREE YEARS.

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REALTORS® ASSOCIATION OF NEW MEXICO AFFIDAVIT -- NON-FOREIGN SELLER - 2010

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:

342 Tornillo Las Cruces 88004
Address City Zip Code

Lot 2, Block 110, 700-Original Townsite
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: ^{FIN} 85-0295072

3. My home address is: 880 ANTHONY DRIVE, STE C, D, E
(MAIL: P.O. Box 2626) - ANTHONY, NM 88021

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 SERVICES FOR SENIORS INC

Signature [Signature]

Date 6-25-10 Time 3pm

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REALTORS® ASSOCIATION OF NEW MEXICO
AFFIDAVIT -- NON-FOREIGN SELLER - 2010

ENTITY SELLER

1. SERVICES FOR SENIORS, INC. ("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 85-0295072

3. Seller's office address is P.O. Box 2624; ANTHONY, NM 88021

4. If a corporation, Seller's place of incorporation is LAS CRUCES
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 SERVICES FOR SENIORS INC

By ROSE GARCIA Rose Garcia

Its PRESIDENT

Date 6-28-10 Time 3 pm

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.

Received by Buyer Qualified Substitute

Signature _____ Date _____ Time _____



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

TAX YEAR 2010

Buyer(s) CLC by Terrance Moore

Seller(s) Services for Seniors, Inc

Property Address 342 Tornillo, Las Cruces, NM 88004

Parcel ID 02-06474

[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 [] Seller's Broker on the ___ day of ___, ___ and that I provided the same to Buyer on the ___ day of ___, ___.

[Handwritten signature of Lance Swarengin]

Buyer's Broker Lance Swarengin

June 17, 2010

Date

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

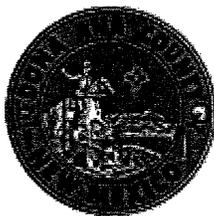
[Handwritten signature of Terrance Moore]

Buyer(s) CLC by Terrance Moore

6/24/10

Date

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DOÑA ANA COUNTY ASSESSOR'S PROPERTY TAX LEVY REQUEST AND CERTIFICATE — 2010

, on behalf of **SERVICES FOR SENIORS INC (Seller)** requests that the Doña Ana County Tax Assessor furnish the following information for the list price of **\$17,432.40** in accordance with the New Mexico Estimated Property Tax Levy Disclosure with respect to the following property:

Property Address: 342 TORNILLO

Parcel ID: 02-06474

Legal Description: ORIGINAL TOWNSITE : LT 2 : 110

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 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: _____ Date: _____ Time: _____

Broker: *[Signature]* Date: 6-24-2010 Time: _____

Property Tax Levy Certificate

The following items are required to be provided by the Doña Ana County Assessor: Actual amount of Property Tax levied for the current calendar year: (or if not available) the amount of Property tax levied for the prior calendar year:

The ESTIMATED Property Tax Levy for the year following the current tax year based upon the above list price:
\$158.66

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 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.

Doña Ana County Tax Assessor:

[Signature]

Date: 06/17/2010 Time: 3:48 pm

[Signature]

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REALTORS® ASSOCIATION OF NEW MEXICO
COUNTEROFFER NO. 2 - 2010

The City asked the state for a change on this particular property to allow for more construction moneys to be used but was denied and the \$50,000 cap was set and needs to be followed. In order for the property to be reconstructed the current estimate is \$80,000 minimum to complete the process and make it habitable. After the purchase price of 17,432.40, if the purchase price is to be donated back to the program to be used on the construction of the property, and the construction money of \$50,000 that leaves an amount of 12,000-\$15,000. Because the rehabilitation is set at a minimum of \$80,000, the city suggests that it could take up to \$35,000 after they meet their cap of \$50,000. If you do have a client interested in purchasing the property their permanent loan will pay the first position mortgage on the property taken out by Tierra del Sol. The City's investment of NSP funds would serve as a soft second to the owner for the amount of their mortgage (the permanent mortgage that takes out the construction loan and any amount of NSP provided to the end purchaser in the amount of a total mortgage payment where the owner does not pay more 30% of the gross income toward their housing costs, and the difference between their permanent mortgage and the appraised value will be a soft second to the City in accordance with the NSP contract with Tierra del Sol.

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 July 8, 2010 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 making a subsequent Counteroffer. However, it is recommended the pages be initialed.


 Buyer CLC by Terrance Moore 6/30/10
 Date Time

Buyer _____ Date _____ Time _____

SELLER
Services for Seniors, Inc
 Seller _____ Date _____ Time _____

Seller _____ Date _____ Time _____

REALTORS¹⁷⁷® 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 July 7, 2010 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 making a subsequent Counteroffer. However, it is recommended the pages be initialed.

BUYER

CLC by Terrance Moore

Buyer _____ Date _____ Time _____

Buyer _____ Date _____ Time _____

SELLER

Services for Seniors, Inc

6-28-10

Seller *see Garin* _____ Date _____ Time _____

Seller _____ Date _____ Time _____



REALTORS® ASSOCIATION OF NEW MEXICO
COMPENSATION TO BROKER AGREEMENT - UNLISTED PROPERTY - 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
 COMPENSATION TO BROKER AGREEMENT - UNLISTED PROPERTY - 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. J. 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. 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 by the City of Las Cruces as a Buyers Broker

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.

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

4. Seller is is not subject to another existing Listing Agreement on the Subject Property.

SELLER

[Signature] _____ 6-28-10
 Seller Date Time Seller Date Time
 Services for Seniors, Inc

BUYER'S BROKER

International Realty Plus NM
 Buyer's Brokerage Firm

[Signature] _____ 6-24-2010
 Signature J. Lance Swarengin Date Time
 Broker is is not a REALTOR®



REALTORS® ASSOCIATION OF NEW MEXICO
COMPENSATION TO BROKER AGREEMENT - UNLISTED PROPERTY - 2010

1. THE PROPERTY.

342 Tornillo Address Las Cruces City 88004 Zip Code
Lot 2, Block 110, 700-Original Townsite Legal Description
or see metes & bounds description attached as Exhibit, Dona Ana County, New Mexico.

2. COMPENSATION. Seller will pay Broker compensation of zero plus applicable gross receipts tax upon:

A. Closing of the sale, lease or exchange of the Property to any Buyer introduced to the Property by Broker unless previously excluded by Seller in writing; or

B. Sale of the Property within none days after the term of this Agreement (the "protection period") to persons to whom Broker Firm has introduced the Property during the term, PROVIDED HOWEVER, that Broker submits to Seller a notice or other writing, either before or within five days after the end of the Term, which discloses the names of the prospective buyers.

Payment of this compensation by Seller to Broker will not create an agency or any other representation relationship between them. If Broker uses the services of an attorney to enforce Broker's right to compensation, damages will include reasonable attorneys' fees.

3. TERM. The Term of this Agreement will begin on June 25, 2010 and terminate at 11:59 pm Mountain Time on July 1, 2010, or if a property is under contract on the date this Agreement would otherwise terminate, the Term will automatically be extended through closing or other final disposition of that property. The word "Term" will include all extensions.

4. LEAD-BASED PAINT DISCLOSURE AND INFORMATION REQUIREMENTS. If a residence on the Property was constructed before 1978, Seller cannot legally accept an offer unless prior to making the offer Buyer receives ALL of the following:

- A. Seller must:
(1) provide the Buyer with a pamphlet ("Protect Your Family from Lead in Your Home"); and
(2) disclose known presence of lead-based paint and lead-based paint hazards; and
(3) provide a list of, and copies of all reports and records available to Seller pertaining to lead-based paint and lead-based paint hazards on the Property.

This information and these disclosures must be given before Seller can accept an offer by a Buyer; AND

B. Buyer signs the Lead-Based Paint Addendum to Purchase Agreement.

5. ADDITIONAL TERMS.

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RANM Form 1203 (2010) Page 1 of 2 ©2007 REALTORS® Association of New Mexico Initials: Buyer Seller

International Realty Plus New Mexico 1705 N Valley Dr Ste 1 Las Cruces, NM 88007
Phone: 575-650-0995 Fax: 575-524-4252 Lance Swarengen 342 Tornillo

REALTORS® ASSOCIATION OF NEW MEXICO
COMPENSATION TO BROKER AGREEMENT - UNLISTED PROPERTY - 2010

The REALTORS® Association of New Mexico and the local board or association of REALTORS® do not fix, control, recommend, suggest or maintain compensation rates for services to be rendered by members, nor the division of Broker's compensation between Broker and cooperating Brokers in a transaction. The amount of compensation and the terms of this Agreement are not prescribed by law and are subject to negotiation.

BROKER

International Realty Plus NM

Broker Firm

J. Lance Swarencin

By (Print)

Broker is is not a REALTOR®

By (Signature)

Date Time

1707 N. Valley Dr. Ste 1

Las Cruces

NM

88007

Address

City

State

Zip Code

(575) 522-0487

(575) 524-4252

lswarencin@gmail.com

Business Phone

Fax

Email Address

6-28-2010

SELLER

Seller Signature

Date Time

Seller Signature

Date Time

Services for Seniors, Inc

Seller Names (Print)

Email Address

P.O. Box 2273

Seller Address

Las Cruces

City

NM

State

88004

Zip Code

Seller Home Phone

Business Phone

Fax

6-28-10 3

BUYER'S ACKNOWLEDGMENT OF COMPENSATION

Buyer hereby consents to Seller's compensation of Broker.

Buyer Signature

Date Time

Buyer Signature

Date Time

CLC by Terrance Moore

Buyer Names (Print)

Email Address

P.O. Box 20000

Buyer Address

Las Cruces

City

NM

State

88004

Zip Code

Buyer Home Phone

Business Phone

Fax

6/30/10

ATTACHMENT "A"



City of Las Cruces

Inter-Departmental Memorandum

To: Mayor and City Council

Through: David Dollahon, Neighborhood Services Administrator *DD*
 David Weir, Community Development Director *DW*
MF

From: Maria Fahrenkrog, Housing Development Coordinator

Subject: Updated Report on Neighborhood Stabilization Program (NSP) Activities and Properties to date

Date: July 16, 2010 File No.: M-10-167

In January, 2009, the City of Las Cruces received \$1.5 million dollars in Neighborhood Stabilization Program (NSP) funds from the State of New Mexico, Department of Finance and Administration. The City's NSP Program has purchased vacant/abandoned or foreclosed properties in defined priority areas, to resale or rent to low/moderate income families through qualified non-profit partners, which are Tierra del Sol and La Casa.

The City needs to obligate all its NSP funds by September 16, 2010. To this date the City has obligated \$1,395,000 as follows:

Tierra del Sol

<u>Properties</u>	<u>Priority Area*</u>	<u>Obligated Funds</u>	<u>Status</u>
1. 4752 Diamante	foreclosure	\$162,856	Purchase Completed/Rehab Pending
2. 4757 Diamante	foreclosure	\$137,928	Purchase Completed/Rehab Pending
3. 2913 Onate Rd.	foreclosure	\$151,915	Purchase Completed/Rehab Pending
4. 342 Tornillo St.	2	\$ 80,000	Council Approval Pending
5. 1734 Seldon	1	<u>\$154,446</u>	Council Approval Pending
Total:		\$687,145	

La Casa

<u>Properties</u>	<u>Priority Area*</u>	<u>Obligated Funds</u>	<u>Status</u>
1. 1307 Magoffin	1	\$167,729	Purchase and Rehab Completed
2. 2872 Ancho	1	\$173,856	Purchase and Rehab Completed
3. 914 Alamo	2	\$195,870	Purchase Completed/Rehab Pending
4. 2559 Benz	1	<u>\$170,400</u>	Purchase Completed/Rehab Pending
Total:		\$707,855	

*Foreclosed properties were a priority for acquisition, regardless of location. The 3 foreclosures are 2 on the east mesa (Diamante) and the last one is within Legends West (Oate). First priority on properties to be acquired by the City for transfer to the developer are within those areas of greatest identified need and are the following Census Tracts, in order of priority (see map):

<u>First Priority Level</u>		<u>Second Priority Level</u>	
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

This 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.

EXHIBIT A

