



**RESIDENTIAL PURCHASE AGREEMENT**

(Joint Escrow Instructions and Earnest Money Receipt)

Date: 7/9/2009

**Pat Cavanaugh** ("Buyer"), hereby offers to purchase 1505 Margaret Av Las Vegas 89101 ("Property"), within the city or unincorporated area of Las Vegas, County of Clark, State of Nevada, A.P.N. # 139-26-415-086 for the purchase price of \$ \$42,000 ("Purchase Price") on the following terms and conditions:

**Offer & Acceptance**

**1. FINANCIAL TERMS & CONDITIONS:**

\$ \$2,000 A. **EARNEST MONEY DEPOSIT** ("EMD") is  presented with this offer - OR -

*(NOTE: It is a felony in the State of Nevada-- punishable by up to four years in prison and a \$5,000 fine--to write a check for which there are insufficient funds. NRS 193.130(2)(d).)*

\$ \$40,000 B. **ADDITIONAL DEPOSIT** to be placed in escrow on or before (date) COE. The additional deposit  will - OR -  will not be considered part of the EMD. (Any conditions on the additional deposit should be set forth in Paragraph 29 herein.)

\$ NA C. **THIS AGREEMENT IS CONTINGENT UPON BUYER QUALIFYING FOR A NEW LOAN ON THE FOLLOWING TERMS AND CONDITIONS:**  
 Conventional  FHA  VA  Other  
Interest:  Fixed rate, \_\_\_\_\_ years - OR -  Adjustable Rate, \_\_\_\_\_ years. Initial rate of interest not to exceed \_\_\_\_\_ %. Initial monthly payment not to exceed \$ \_\_\_\_\_, not including taxes, insurance and/or PMI or MIP.

\$ NA D. **THIS AGREEMENT IS CONTINGENT UPON BUYER QUALIFYING TO ASSUME THE FOLLOWING EXISTING LOAN(S):**  
 Conventional,  FHA,  VA,  Other (specify) \_\_\_\_\_  
Interest:  Fixed rate, \_\_\_\_\_ years - OR -  Adjustable Rate, \_\_\_\_\_ years. Initial rate of interest not to exceed \_\_\_\_\_ %. Monthly payment not to exceed \$ \_\_\_\_\_, not including taxes, insurance and/or PMI or MIP.

\$ NA E. **BUYER TO EXECUTE A PROMISSORY NOTE SECURED BY DEED OF TRUST PER TERMS IN "FINANCING ADDENDUM."**

\$ NA F. **BALANCE OF PURCHASE PRICE** (Balance of Down Payment) in cash or certified funds to be paid at Close of Escrow ("COE").

\$ \$42,000 G. **TOTAL PURCHASE PRICE.** (Total cash, certified funds and/or financing, DOES NOT include closing costs, prorations, or other fees and costs associated with the purchase of the Property as defined herein.)

**Each party acknowledges that he/she has read, understood, and agrees to each and every provision of this page unless a particular paragraph is otherwise modified by addendum or counteroffer:**

Buyer's Name: Pat Cavanaugh BUYER(S) INITIALS: [Signature] / \_\_\_\_\_

Property Address: 1505 Margaret Av Las Vegas 89101 SELLER(S) INITIALS: \_\_\_\_\_ / \_\_\_\_\_

**2. FINANCING CONTINGENCIES:**

**A. NEW LOAN APPLICATION:** Buyer agrees to submit a completed loan application with the required information for loan qualification with a lender within NA business days of Acceptance. Buyer agrees to use Buyer's best efforts to obtain financing under the terms and conditions outlined in this Agreement. If Buyer does not submit the application in the above period, Buyer is in default of this Agreement. Buyer  does -OR-  does not authorize lender to provide loan status updates to Seller's and Buyer's Brokers, as well as Escrow Officer. Different loan types (i.e., FHA, conventional) have different appraisal and financing requirements, which will affect the parties' rights and costs under this Agreement.

**B. APPRAISAL:** If an appraisal is required as part of this agreement, and if the appraisal is less than the purchase price, the transaction will go forward if (1) Buyer, at Buyer's option, elects to pay the difference and purchase the Property for the Purchase Price, or (2) Seller, at Seller's option, elects to adjust the Purchase Price accordingly, such that the Purchase Price is equal to the appraisal. If neither option (1) or (2) is elected, and the Parties cannot renegotiate, then either Party may cancel this Agreement upon written notice, in which event the EMD shall be returned to Buyer.

**3. SALE OF OTHER PROPERTY:** This Agreement  is not -OR-  is contingent upon the sale (and closing) of another property which address is NA. Said Property  is not -OR-  is presently in escrow with \_\_\_\_\_.

**4. ESCROW:**

**A. OPENING OF ESCROW:** The purchase of the Property shall be consummated through Escrow ("Escrow"). Opening of Escrow shall take place by the end of one (1) business day after execution of this Agreement ("Opening of Escrow"), at TBD title or escrow company ("Escrow Company" or "ESCROW HOLDER") with TBD ("Escrow Officer") (or such other escrow officer as Escrow Company may assign). Opening of Escrow shall occur upon Escrow Company's receipt of this fully accepted Agreement and receipt of the EMD (if applicable). Escrow Holder will notify the Parties (through their respective Brokers) of the Opening date and the Escrow Number.

**B. EARNEST MONEY:** Upon Seller and Buyer signing this Agreement and all counteroffers or addenda, Buyer's EMD as shown in Paragraph 1(A), and 1(B) if applicable, of this Agreement, shall be deposited per the Earnest Money Receipt Notice and Instructions contained herein.

**C. CLOSE OF ESCROW:** Close of Escrow ("COE") shall be on (date) See Terms. If the designated date falls on a weekend or holiday, COE shall be the next business day.

**D. 1099.** Seller is hereby made aware that there is a regulation which became effective January 1, 1987, that requires all ESCROW HOLDERS to complete a modified 1099 form, based upon specific information known only between parties in this transaction and the ESCROW HOLDER. ESCROW HOLDER is hereby authorized and instructed to provide this information to the Internal Revenue Service after the close of escrow in the manner prescribed.

**E. FIRPTA.** If applicable, Seller agrees to complete, sign, and deliver to ESCROW HOLDER a certificate indicating whether Seller is a foreign person or a nonresident alien pursuant to the Foreign Investment in Real Property Tax Act (FIRPTA). A foreign person is a nonresident alien individual; a foreign corporation not treated as a domestic corporation; or a foreign partnership, trust or estate. A resident alien is not considered a foreign person under FIRPTA. Seller agrees to comply with IRS reporting requirements. Buyer acknowledges that if the Seller is a foreign person, the Buyer must withhold a tax equal to ten (10) percent of the Purchase Price, unless an exemption applies. 26 USC §1445(a).

Each party acknowledges that he/she has read, understood, and agrees to each and every provision of this page unless a particular paragraph is otherwise modified by addendum or counteroffer.

Buyer's Name: Pat Cavanaugh BUYER(S) INITIALS: PC / \_\_\_\_\_

Property Address: 1505 Margaret Av Las Vegas 89101 SELLER(S) INITIALS: \_\_\_\_\_ / \_\_\_\_\_

**5. PRORATIONS, FEES AND EXPENSES (Check appropriate box):**

**A. TITLE AND ESCROW FEES:**

TYPE	PAID BY SELLER	PAID BY BUYER	50/50	N/A
Escrow Fees .....	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Lender's Title Policy .....	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Owner's Title Policy .....	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Real Property Transfer Tax .....	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other: _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**B. PRORATIONS:**

TYPE	PAID BY SELLER	PRORATE	N/A
CIC (Common Interest Community) Assessments .....	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
CIC Periodic Fees .....	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
SIDs / LIDs / Assessments .....	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Sewer Use Fees .....	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Taxes .....	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Other: _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

All prorations will be based on a 30-day month and will be calculated as of COE. Prorations will be based upon figures available at closing. Any supplementals or adjustments that occur after COE will be handled by the parties outside of Escrow.

**C. INSPECTIONS AND RELATED EXPENSES:**

Seller will ensure that necessary utilities (gas, power and water) are turned on and supplied to the Property within two (2) business days after execution of this Agreement. (It is strongly recommended that Buyer retain licensed Nevada professionals to conduct inspections.) These elections are for the benefit of Buyer and may be waived at any time by Buyer prior to COE.

TYPE	PAID BY SELLER	PAID BY BUYER	WAIVED
Appraisal .....	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
CIC Capital Contribution .....	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
CIC Transfer Fees .....	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Fungal Contaminant Inspection .....	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Land Survey .....	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Mechanical Inspection .....	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Pool/Spa Inspection .....	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Roof Inspection .....	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Septic Inspection .....	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Soils Inspection .....	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Structural Inspection .....	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Termite/Pest Inspection .....	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Well Inspection .....	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Other: _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**D. CERTIFICATIONS:**

TYPE	PAID BY SELLER	PAID BY BUYER	WAIVED
Fungal Contaminant .....	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Roof .....	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Septic .....	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Well .....	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Other: _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The foregoing expenses for inspections and certifications will be paid outside of Escrow unless the Parties present instructions to the contrary prior to COE (along with the applicable invoice). A certification is not a warranty. All inspections and certifications are to be performed by a company licensed and bonded in Nevada. Notwithstanding the above elections, in the event an inspection reveals

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problems with any of the foregoing, Buyer reserves the right to require a certification. This section is for the benefit of Buyer and may be waived hereafter by Buyer prior to COE.

**E. LENDER'S FEES:** In addition to Seller's expenses above, Seller will contribute \$ \$0 to Buyer's Lender's Fees and Buyer's Title and Escrow Fees  including - OR -  excluding costs which Seller must pay pursuant to loan program requirements.

**F. SELLER'S ADDITIONAL COSTS:** Seller agrees to pay a maximum amount of \$ NA to correct defects and/or requirements disclosed by inspection reports and/or appraisals. It is Buyer's responsibility to inspect the Property sufficiently as to satisfy Buyer's use. Buyer reserves the right to request additional repairs based upon the Seller's Real Property Disclosure and/or pursuant to Paragraph 13 herein.

**G. HOME PROTECTION PLAN:** Buyer and Seller acknowledge that they have been made aware of Home Protection Plans that provide coverage to Buyer after COE. Buyer  waives - OR -  requires a Home Protection Plan with \_\_\_\_\_ . Buyer will order the Home Protection Plan.  Seller -OR-  Buyer will pay for the Home Protection Plan at a price not to exceed \$ \_\_\_\_\_ . Neither Seller nor Brokers make any representation as to the extent of coverage or deductibles of such plans. Escrow Holder is not responsible for ordering the Home Protection Plan.

**H. OTHER FEES:** Buyer will also pay \$ \$250 to Buyer's Broker for Transaction Fee

**6. TITLE INSURANCE:** Upon COE, Buyer will be provided with the following type of title insurance policy:  CLTA;  ALTA-Residential; -OR-  ALTA-Extended (including a survey, if required).

**7. TRANSFER OF TITLE:** Upon COE, Buyer shall tender to Seller the agreed upon purchase price, and Seller shall tender to Buyer marketable title to the Property free of all encumbrances other than (1) current pro-rata Property taxes, (2) covenants, conditions and restrictions (C C & R's) and related restrictions, (3) zoning or master plan restrictions and public utility easements; and (4) obligations assumed and encumbrances accepted by Buyer prior to COE.

**8. COMMON OWNERSHIP INTEREST PROPERTIES:** If the Property is subject to a Common Interest Community ("CIC"), Seller or his authorized agent shall request the CIC documents and certificate listed in NRS 116.4109 (collectively, the "resale package") within two (2) business days of Acceptance and provide the same to Buyer within one (1) business day of Seller's receipt thereof. Buyer may cancel this Agreement without penalty until midnight of the fifth (5th) calendar day following the date of receipt of the resale package. If Buyer does not receive the resale package within fifteen (15) calendar days of acceptance, this Agreement may be cancelled in full by Buyer without penalty. If Buyer elects to cancel this Agreement pursuant to this section, he must deliver, via hand delivery or prepaid U.S. mail, a written notice of cancellation to Seller or his authorized agent identified in Paragraph 28 of this Agreement. Upon such written cancellation, Buyer shall promptly receive a refund of the EMD. The parties agree to execute any documents requested by Escrow Holder to facilitate the refund. If written cancellation is not received within the specified time period, the resale package will be deemed approved. Seller shall pay all outstanding CIC fines or penalties at COE.

**9. DELIVERY OF POSSESSION:** Seller shall deliver the Property along with keys, alarm codes and garage door opener/controls outside of Escrow, upon COE. Seller agrees to vacate the Property and leave the Property in a neat and orderly, broom-clean condition and tender possession no later than COE. In the event Seller does not vacate the Property by COE, Seller shall be considered a trespasser and shall be liable to Buyer for the sum of \$ 20 per calendar day in addition to Buyer's legal and equitable remedies. Any personal property left on the Property after COE shall be considered abandoned by Seller.

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10. **DISCLOSURES:** Within five (5) calendar days of Acceptance of this Agreement, Seller will provide the following Disclosures and/or documents (each of which is incorporated herein by this reference). Check applicable boxes.

- Common Interest Community Information Statement** (Homeowner's Associations) (NRS 116.41095)
- Construction Defect Claims Disclosure**, if Seller has marked "Yes" to Paragraph 1(d) of the Sellers Real Property Disclosure Form (NRS 40.688)
- Fungal (Mold) Disclosure Form** (not required by Nevada law)
- Lead-Based Paint Disclosure and Acknowledgment**, required if constructed before 1978 (24 CFR 745.113)
- Methamphetamine Lab Disclosure**, if applicable (NRS 40.770, NRS 489.776)
- Promissory Note and the most recent monthly statement of all loans to be assumed by Buyer**
- Seller Real Property Disclosure Form** (NRS 113.130)
- Pest Notice Form** (not required by Nevada law)
- Other (list) \_\_\_\_\_

In addition, Buyer to be provided with:

- Residential Disclosure Guide** (NRS 645.194)
- Consent to Act**, if applicable (NRS 645.252)
- Duties Owed** (if one party is unrepresented) (NRS 645.252)
- For Your Protection - Get Home Inspection** (HUD 92564-CN) For FHA Loans

In addition, for **NEW CONSTRUCTION**, to the extent applicable, Seller will provide: Public Offering Statement (NRS 116.4108); Electric Transmission Lines (NRS 119.1835); Public Services and Utilities (NRS 119.183); Initial Purchaser Disclosure (NRS 113); Construction Recovery Fund (NRS 624); Gaming Corridors (NRS 113.070); Water/Sewage (NRS 113.060); Impact Fees (NRS 278B.320); Surrounding Zoning Disclosure (NRS 113.070); FTC Insulation Disclosure (16 CFR 460.16); and Other: NA

11. **LICENSEE DISCLOSURE OF INTEREST:** Pursuant to NAC 645.640, NA is a licensed real estate agent in the State(s) of NA, and has the following interest, direct or indirect, in this transaction:  Principal (Seller or Buyer) -OR-  family relationship or business interest: NA

12. **BUYER'S DUE DILIGENCE:**

**A. DUE DILIGENCE PERIOD:** Buyer shall have 10 calendar days from Acceptance of this offer to complete Buyer's Due Diligence. Buyer shall ensure that all inspections and certifications are initiated in a timely manner as to complete the Due Diligence in the time outlined herein. (If utilities are not supplied by the deadline referenced herein or if the Disclosures are not delivered to Buyer by the deadline referenced herein, then Buyer's Due Diligence period will be extended by the same number of calendar days that Seller delayed supplying the utilities or delivering the Disclosures, whichever is longer.) During this period Buyer shall have the exclusive right at Buyer's discretion to cancel this Agreement. In the event of such cancellation, unless otherwise agreed herein, the EMD will be refunded to Buyer. If Buyer provides Seller with notice of objections, the Due Diligence Period will be extended by the same number of calendar days that it takes Seller to respond in writing to Buyer's objections. If Buyer fails to cancel this Agreement within the Due Diligence Period (as it may be extended), Buyer will be deemed to have waived the right to cancel under this section.

**B. PROPERTY INSPECTION/CONDITION:** During the Due Diligence Period, Buyer shall take such action as Buyer deems necessary to determine whether the Property is satisfactory to Buyer including, but not limited to, whether the Property is insurable to Buyer's satisfaction, whether there are unsatisfactory conditions surrounding or otherwise affecting the Property (such as

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location of flood zones, airport noise, noxious fumes or odors, environmental substances or hazards, whether the Property is properly zoned, locality to freeways, railroads, places of worship, schools, etc.) or any other concerns Buyer may have related to the Property. During such Period, Buyer shall have the right to have non-destructive inspections of all structural, roofing, mechanical, electrical, plumbing, heating/air conditioning, water/well/septic, pool/spa, survey, square footage, and any other property or systems, through licensed and bonded contractors or other qualified professionals. Seller agrees to provide reasonable access to the Property to Buyer and Buyer's inspectors. Buyer agrees to indemnify and hold Seller harmless with respect to any injuries suffered by Buyer or third parties present at Buyer's request while on Seller's Property conducting such inspections, tests or walk-throughs. Buyer's indemnity shall not apply to any injuries suffered by Buyer or third parties present at Buyer's request that are the result of an intentional tort, gross negligence or any misconduct or omission by Seller, Seller's Agent or other third parties on the Property.

**C. PRELIMINARY TITLE REPORT:** Within ten (10) business days of Opening of Escrow, Title Company shall provide Buyer with a Preliminary Title Report ("PTR") to review, which must be approved or rejected within five (5) business days of receipt thereof. If Buyer does not object to the PTR within the period specified above, the PTR shall be deemed accepted. If Buyer makes an objection to any item(s) contained within the PTR, Seller shall have five (5) business days after receipt of objections to correct or address the objections. If, within the time specified, Seller fails to have each such exception removed or to correct each such other matter as aforesaid, Buyer shall have the option to: (a) terminate this Agreement by providing notice to Seller and Escrow Officer, entitling Buyer to a refund of the EMD or (b) elect to accept title to the Property as is. All title exceptions approved or deemed accepted are hereafter collectively referred to as the "Permitted Exceptions."

**D. AIRPORT NOISE:** Buyer hereby acknowledges the proximity of various overflight patterns, airports and helipads including, but not limited to, Nellis Air Force Base, McCarran International Airport, the North Las Vegas Airport, and/or the Henderson Executive Airport to the Property. Buyer also fully understands that existing and future noise levels at this location, associated with existing and future airport operations, may affect the livability, value, and suitability of the Property for residential use. Buyer also understands that these airports have been at their present location for many years, and that future demand and airport operations may increase significantly. For further information, contact the Clark County Department of Aviation and/or the Federal Aviation Administration.

**E. CANCELLATION DUE TO INSPECTION REPORT:** If Buyer cancels this Agreement due to a specific inspection report, Buyer shall provide Seller at the time of cancellation with a copy of the report containing the name, address, and telephone number of the inspector.

**F. EXPENSES IN THE EVENT OF CANCELLATION:** In the event this Agreement is canceled under any provision as set forth herein, neither Buyer nor Seller will be reimbursed for any expenses incurred in conjunction with due diligence, inspections, appraisals or any other matters pertaining to this transaction (unless otherwise provided herein).

**G. FEDERAL FAIR HOUSING COMPLIANCE AND DISCLOSURES:** Buyer is advised to consult with appropriate professionals regarding neighborhood or Property conditions, including but not limited to: schools; proximity and adequacy of law enforcement; proximity to commercial, industrial, or agricultural activities; crime statistics; fire protection; other governmental services; existing and proposed transportation; construction and development; noise or odor from any source; and other nuisances, hazards or circumstances. All properties are offered without regard to race, color, religion, sex, national origin, ancestry, handicap or familial status and any other current requirements of federal or state fair housing law.

**13. WALK-THROUGH INSPECTION OF PROPERTY:** Buyer is entitled under this Agreement to a walk-through of the Property within 3 calendar days prior to COE to ensure the Property and all major systems, appliances, heating/cooling, plumbing and electrical systems and mechanical fixtures are as stated in Seller's Real Property Disclosure Statement, and that the Property and improvements are in the same general condition as when this Agreement was signed by Seller and Buyer. To facilitate Buyer's walk-through, Seller is responsible for keeping all necessary utilities on. If any systems cannot be checked by Buyer on walk-through due to non-access or no power/gas/water, then Buyer reserves the right to hold Seller responsible for defects which could not be detected on walk-through because of lack of such access or power/gas/water. The purpose of the walk-through is to confirm (a) the Property is being maintained (b) repairs, if any, have been completed as agreed, and (c) Seller has complied with Seller's other obligations.

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14. **RISK OF LOSS:** Risk of loss shall be governed by NRS 113.040. This law provides generally that if all or any material part of the Property is destroyed before transfer of legal title or possession, Seller cannot enforce the Agreement and Buyer is entitled to recover any portion of the sale price paid. If legal title or possession has transferred, risk of loss shall shift to Buyer.

15. **ASSIGNMENT OF AGREEMENT:** Unless otherwise stated herein, this Agreement is non-assignable by Buyer.

16. **CANCELLATION OF AGREEMENT:** In the event this Agreement is properly cancelled in accordance with the terms contained herein, then Buyer will be entitled to a refund of the EMD.

17. **DEFAULT:**

A. **MEDIATION:** Before any legal action is taken to enforce any term or condition under this Agreement, the parties agree to engage in mediation, a dispute resolution process, through GLVAR in accordance with GLVAR's rules of procedure. Notwithstanding the foregoing, in the event the Buyer finds it necessary to file a claim for specific performance, this paragraph shall not apply.

B. **IF BUYER DEFAULTS:** If Buyer defaults in performance under this Agreement, Seller shall have one of the following legal recourses against Buyer (check one only):

As Seller's sole legal recourse, Seller may retain, as liquidated damages, the EMD. In this respect, the Parties agree that Seller's actual damages would be difficult to measure and that the EMD is in fact a reasonable estimate of the damages that Seller would suffer as a result of Buyer's default. Seller understands that any additional deposit not considered part of the EMD in Paragraph 1(B) herein will be immediately released by ESCROW HOLDER to Buyer.

**-OR-**

Seller shall have the right to recover from Buyer all of Seller's actual damages that Seller may suffer as a result of Buyer's default including, but not limited to, commissions due, expenses incurred until the Property is sold to a third party and the difference in the sales price.

C. **IF SELLER DEFAULTS:** If Seller defaults in performance under this Agreement, Buyer reserves all legal and/or equitable rights (such as specific performance) against Seller, and Buyer may seek to recover Buyer's actual damages incurred by Buyer due to Seller's default.

**Instructions to Escrow**

18. **ESCROW:** If this Agreement or any matter relating hereto shall become the subject of any litigation or controversy, Buyer and Seller agree, jointly and severally, to hold Escrow Holder free and harmless from any loss or expense, except losses or expenses as may arise from Escrow Holder's negligence or willful misconduct. If conflicting demands are made or notices served upon Escrow Holder with respect to this Agreement, the parties expressly agree that Escrow is entitled to file a suit in interpleader and obtain an order from the Court authorizing Escrow Holder to deposit all such documents and monies with the Court, and obtain an order from the court requiring the parties to interplead and litigate their several claims and rights among themselves. Upon the entry of an order authorizing such Interpleader, Escrow Holder shall be fully released and discharged from any obligations imposed upon it by this Agreement; and Escrow Holder shall not be liable for the sufficiency or correctness as to form, manner, execution or validity of any instrument deposited with it, nor as to the identity, authority or rights of any person executing such instrument, nor for failure of Buyer or Seller to comply with any of the provisions of any agreement, contract or other instrument filed with Escrow Holder or referred to herein. Escrow Holder's duties hereunder shall be limited to the safekeeping of all monies, instruments or other documents received by it as Escrow Holder, and for their disposition in accordance with the terms of this Agreement. In the event an action is instituted in connection with this escrow, in which ESCROW HOLDER is named as a party or is otherwise compelled to make an appearance, all costs, expenses, attorney fees, and judgments ESCROW HOLDER may expend or incur in said action, shall be the responsibility of the parties hereto.

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**19. UNCLAIMED FUNDS:** In the event that funds from this transaction remain in an account, held by ESCROW HOLDER, for such a period of time that they are deemed "abandoned" under the provisions of Chapter 120A of the Nevada Revised Statutes, ESCROW HOLDER is hereby authorized to impose a charge upon the dormant escrow account. Said charge shall be no less than \$5.00 per month and may not exceed the highest rate of charge permitted by statute or regulation. ESCROW HOLDER is further authorized and directed to deduct the charge from the dormant escrow account for as long as the funds are held by ESCROW HOLDER.

### Brokers

**20. BROKER FEES:** Buyer herein requires, and Seller agrees, as a condition of this Agreement, that Seller will pay Listing Broker and Buyer's Broker, who becomes by this clause a third party beneficiary to this Agreement, that certain sum or percentage of the purchase price (commission), that Seller, or Seller's Broker, offered for the procurement of ready, willing and able Buyer via the Multiple Listing Service, any other advertisement or written offer. Seller understands and agrees that if Seller defaults hereunder, Buyer's Broker, as a third-party beneficiary of this Agreement, has the right to pursue all legal recourse against Seller for any commission due.

**21. WAIVER OF CLAIMS:** Buyer and Seller agree that they are not relying upon any representations made by Brokers or Broker's agent. Buyer acknowledges that at COE, the Property will be sold AS-IS, WHERE-IS without any representations or warranties, unless expressly stated herein. Buyer agrees to satisfy himself, as to the condition of the Property, prior to COE. Buyer acknowledges that any statements of acreage or square footage by Brokers are simply estimates, and Buyer agrees to make such measurements, as Buyer deems necessary, to ascertain actual acreage or square footage. Buyer waives all claims against Brokers for (a) defects in the Property; (b) inaccurate estimates of acreage or square footage; (c) environmental waste or hazards on the Property; (d) the fact that the Property may be in a flood zone; (e) the Property's proximity to freeways, airports or other nuisances; (f) the zoning of the Property; (g) tax consequences; or (h) factors related to Buyer's failure to conduct walk-throughs or inspections. Buyer assumes full responsibility for the foregoing and agrees to conduct such tests, walk-throughs, inspections and research, as Buyer deems necessary. In any event, Broker's liability is limited, under any and all circumstances, to the amount of that Broker's commission/fee received in this transaction.

### Other Matters

**22. DEFINITIONS:** "Acceptance" means the date that both parties have consented to and received a final, binding contract by affixing their signatures to this Agreement. "Agent" means a licensee working under a Broker. "Agreement" includes this document as well as all accepted counteroffers and addenda. "Bona Fide" means genuine. "Buyer" means one or more individuals or the entity that intends to purchase the Property. "Broker" means the Nevada licensed real estate broker listed herein representing Seller and/or Buyer (and all real estate agents associated therewith). "Business Day" excludes Saturdays, Sundays, and legal holidays. "Calendar Day" means a calendar day from/to midnight unless otherwise specified. "CFR" means the Code of Federal Regulations. "CIC" means Common Interest Community (formerly known as "HOA" or homeowners associations). "CIC Capital Contribution" means a one-time non-administrative fee, cost or assessment charged by the CIC upon change of ownership. "CIC Transfer Fees" means the administrative service fee charged by a CIC to transfer ownership records. "COE" means the time of recordation of the deed in Buyer's name. "Default" means the failure of a Party to observe or perform any of its material obligations under this Agreement. "Down Payment" is the Purchase Price less loan amount(s). "EMD" means Buyer's earnest money deposit. "Escrow Holder" means the neutral party that will handle the escrow. "FHA" is the U.S. Federal Housing Administration. "GLVAR" means the Greater Las Vegas Association of REALTORS®. "HPP" means the Homeowner Protection Plan. "IRC" means the Internal Revenue Code (tax code). "LID" means Limited Improvement District. "N/A" means not applicable. "NAC" means Nevada Administrative Code. "NRS" means Nevada Revised Statutes as Amended. "Party" or "Parties" means Buyer and Seller. "PITI" means principal, interest, taxes, and hazard insurance. "PMI" means private mortgage insurance. "PST" means Pacific Standard Time, and includes daylight savings time if in effect on the date specified. "PTR" means Preliminary Title Report. "Property" means the real property and any personal property included in the sale as provided herein. "Receipt" means delivery to the party or the party's agent. "Seller" means one or more individuals or the entity that is the owner of the Property. "SID" means Special Improvement District. "Title Company" means the company that will provide title insurance. "USC" is the United States Code. "VA" is the Veterans Administration.

Each party acknowledges that he/she has read, understood, and agrees to each and every provision of this page unless a particular paragraph is otherwise modified by addendum or counteroffer.

Buyer's Name: Pat Cavanaugh BUYER(S) INITIALS: PC / \_\_\_\_\_

Property Address: 1505 Margaret Av Las Vegas 89101 SELLER(S) INITIALS: \_\_\_\_\_ / \_\_\_\_\_

**23. DELIVERY, FACSIMILE AND COPIES:** Delivery of all instruments or documents associated with this Agreement shall be delivered to the Agent for Seller or Buyer. This Agreement may be signed by the parties on more than one copy, which, when taken together, each signed copy shall be read as one complete form. Facsimile signatures may be accepted as original.

**24. FIXTURES AND PERSONAL PROPERTY:** The following items will be transferred, free of liens, with the sale of the Property with no real value unless stated otherwise herein. Unless an item is covered under Paragraph 5(F) of this Agreement, all items are transferred in an "AS IS" condition.

- A. All EXISTING fixtures and fittings including, but not limited to: electrical, mechanical, lighting, plumbing and heating fixtures, ceiling fan(s), fireplace insert(s), gas logs and grates, solar power system(s), built-in appliance(s), window and door screens, awnings, shutters, window coverings, attached floor covering(s), television antenna(s), satellite dish(es), private integrated telephone systems, air coolers/conditioner(s), pool/spa equipment, garage door opener(s)/remote control(s), mailbox, in-ground landscaping, trees/shrub(s), water softener(s), water purifiers, security systems/alarm(s);
- B. The following additional items:     , Gas Stove

**25. NOTICES:** Except as otherwise provided in Paragraph 8, when a Party wishes to provide notice as required in this Agreement, such notice shall be sent regular mail, personal delivery and/or by facsimile to the Agent for that Party. The notification shall be effective when postmarked, received and/or faxed. Any cancellation notice shall be contemporaneously faxed to Escrow.

**26. IRC 1031 EXCHANGE:** Seller and/or Buyer may make this transaction part of an IRC 1031 exchange. The party electing to make this transaction part of an IRC 1031 exchange will pay all additional expenses associated therewith, at no cost to the other party. The other party agrees to execute any and all documents necessary to effectuate such an exchange.

**27. MISCELLANEOUS:** Time is of the essence. No change, modification or amendment of this Agreement shall be valid or binding unless such change, modification or amendment shall be in writing and signed by each party. This Agreement will be binding upon the heirs, beneficiaries and devisees of the parties hereto. This Agreement is executed and intended to be performed in the State of Nevada, and the laws of that state shall govern its interpretation and effect. The parties agree that the county and state in which the Property is located is the appropriate forum for any action relating to this Agreement. Should any party hereto retain counsel for the purpose of initiating litigation to enforce or prevent the breach of any provision hereof, or for any other judicial remedy, then the prevailing party shall be entitled to be reimbursed by the losing party for all costs and expenses incurred thereby, including, but not limited to, reasonable attorneys fees and costs incurred by such prevailing party.

**THIS IS A LEGALLY BINDING CONTRACT.** All parties are advised to seek independent legal and tax advice to review the terms of this Agreement.

**NO REAL ESTATE BROKER/AGENT MAY SIGN FOR A PARTY TO THIS AGREEMENT UNLESS THE BROKER OR AGENT HAS A PROPERLY EXECUTED POWER OF ATTORNEY TO DO SO.**

**THIS FORM HAS BEEN APPROVED BY THE GREATER LAS VEGAS ASSOCIATION OF REALTORS® (GLVAR). NO REPRESENTATION IS MADE AS TO THE LEGAL VALIDITY OR ADEQUACY OF ANY PROVISION IN ANY SPECIFIC TRANSACTION. A REAL ESTATE BROKER IS THE PERSON QUALIFIED TO ADVISE ON REAL ESTATE TRANSACTIONS. IF YOU DESIRE LEGAL OR TAX ADVICE, CONSULT AN APPROPRIATE PROFESSIONAL.**

This form is available for use by the real estate industry. It is not intended to identify the user as a REALTOR®. REALTOR® is a registered collective membership mark which may be used only by members of the NATIONAL ASSOCIATION OF REALTORS® who subscribe to its Code of Ethics.

Each party acknowledges that he/she has read, understood, and agrees to each and every provision of this page unless a particular paragraph is otherwise modified by addendum or counteroffer.

Buyer's Name: Pat Cavanaugh BUYER(S) INITIALS: PC /     

Property Address: 1505 Margaret Av Las Vegas 89101 SELLER(S) INITIALS:      /

28. CONFIRMATION OF REPRESENTATION: (NOTE: Both sections must be completed per NAC 645.637.)

The Agents in this transaction are:

Buyer's Broker: John Fleckenstein Company: Las Vegas Realty LLC

Agent's Name: Jim Eagan Agent's MLS Public ID#: 220020

Phone: (702) 287-1092 Fax: (815) 550-2338 E-Mail: jim@ifindproperties.com

Address: 3210 W Charleston #2 Las Vegas NV 89102

Seller's Broker: John McEwen Company: American Realty & Property Man

Agent's Name: Bryan Pellican Agent's MLS Public ID#: 203817

Phone: 702-396-4718 Fax: 800-675-7937 E-Mail: BryanPellican@gmail.com

Address: 6390 W Cheyenne Ave #E, Las Vegas, NV 89108

29. ADDITIONAL TERMS -AND/OR-  ADDENDUM ATTACHED

**Power, water and gas to be on simultaneously to perform due diligence.**  
**Keys to remain in lock box until COE. COE to be 15 days past sellers**  
**signed and delivered contract to buyer agent.**

Each party acknowledges that he/she has read, understood, and agrees to each and every provision of this page unless a particular paragraph is otherwise modified by addendum or counteroffer.

Buyer's Name: Pat Cavanaugh BUYER(S) INITIALS: PC / \_\_\_\_\_

Property Address: 1505 Margaret Av Las Vegas 89101 SELLER(S) INITIALS: \_\_\_\_\_ / \_\_\_\_\_

**Earnest Money Receipt**

BUYER'S AGENT ACKNOWLEDGES RECEIPT FROM BUYER HEREIN of the sum of \$ \$2,000  
evidenced by  Cash,  Cashier's Check,  Personal Check, or  Other \_\_\_\_\_  
payable to \_\_\_\_\_ . Upon Acceptance, Earnest Money to be deposited within ONE (1) business  
day, with  Escrow Holder,  Buyer's Broker's Trust Account, - OR -  Seller's Broker's Trust Account

Date: 7/9/2009 Signed: *Jim Cagon* Buyer's Agent.

**Buyer's Offer**

Upon Seller's acceptance, Buyer agrees to be bound by each provision of this Agreement, and all signed addenda, disclosures, and attachments.

*Pat Cavanaugh* Pat Cavanaugh 7-8-09 9:50  AM  PM  
Buyer's Signature Buyer's Printed Name Date Time

\_\_\_\_\_  
Buyer's Signature Buyer's Printed Name Date Time  AM  PM

Seller must respond by: 5  AM  PM on Tuesday, July 14, 2009

Unless this Agreement is accepted by execution below and delivered to the Buyer's Broker before the above date and time, this offer shall lapse and be of no further force and effect. (Under NAC 645.632, Seller is required by law to respond in any event.)

**Seller's Response**

- ACCEPTANCE: Seller(s) acknowledges that he/she accepts and agrees to be bound by each provision of this Agreement, and all signed addenda, disclosures, and attachments.
- COUNTER OFFER: Seller accepts the terms of this Agreement subject to the attached Counter Offer #1.
- REJECTION: In accordance with NAC 645.632, Seller hereby informs Buyer the offer presented herein is not accepted.

\_\_\_\_\_  
Seller's Signature REO Seller's Printed Name \_\_\_\_\_ Date \_\_\_\_\_ Time \_\_\_\_\_  AM  PM

\_\_\_\_\_  
Seller's Signature Seller's Printed Name \_\_\_\_\_ Date \_\_\_\_\_ Time \_\_\_\_\_  AM  PM

Each party acknowledges that he/she has read, understood, and agrees to each and every provision of this page unless a particular paragraph is otherwise modified by addendum or counteroffer.

Buyer's Name: Pat Cavanaugh BUYER(S) INITIALS: PC / \_\_\_\_\_

Property Address: 1505 Margaret Av Las Vegas 89101 SELLER(S) INITIALS: \_\_\_\_\_ / \_\_\_\_\_