

ARTESIA CONDOMINIUMS

Brownstones / Live Work – Auction Contract

Purchase Contract, Receipt for Deposit and Escrow Instructions

This Purchase Contract, Receipt for Deposit and Escrow Instructions ("Contract") entered into by and between Starpointe Artesia Condominiums LLLP, an Arizona limited liability limited partnership, with principal offices located at 8135 E. Indian Bend Rd., Suite 101, Scottsdale Arizona, 85250, hereinafter referred to as "Seller", and:

BUYER INFORMATION		
Buyer: xxx		
Street Address :		
City:	State:	Zip:
Home Phone:	Business Phone:	
Fax:	Cell / local phone:	
Email:	Other:	

Hereinafter referred to as "Buyer" (whether one or more). For reference purposes only the date of this Contract is December 12, 2009 ("Contract Date").

1. PURCHASE

ARTESIA CONDOMINIUMS, 7297 N. Scottsdale Road, Scottsdale, AZ., 85253	
Unit Number _____	Building Number LW2
Floor Plan _____	Assessor's Number _____

Seller hereby agrees to sell and Buyer, jointly and severally if more than one person, hereby agrees to buy, Unit _____, of ARTESIA CONDOMINIUMS (the "Project"), a condominium according to the Plat of record in Book 952 of Maps, Page 3 as amended subject to the Amended and Restated Declaration of Condominium and of Covenants, Conditions and Restrictions for ARTESIA CONDOMINIUMS recorded in Document No 2009-0084789, as the same may be amended from time to time (the "Declaration"), together with the proportionate interest in the Common Elements and other rights and obligations appurtenant to such Unit as set forth on the Plat and in the Declaration (collectively the "Residence"). Recording references are to the Office of the Maricopa County Recorder, Arizona.

2. PURCHASE PRICE AND METHOD OF PAYMENT

[A]	Price			\$		
[B]	Upgrades (already installed)			\$		
[C]	Buyer's Premium					
[D]	TOTAL PURCHASE PRICE			\$	0	
[E]	Earnest Money Deposit received (see paragraph 3)			<\$		>
[F]	Additional Earnest Money Deposit received (see paragraph 3)			<\$		>
[G]	Loan Amount	0%	of Total Purchase Price	<\$	0	>
[H]	Cash due at closing (exclusive of Closing Costs and Prorated Items)			\$	0	

THE CHECKED ADDENDA ARE ATTACHED AND INCORPORATED HEREIN BY REFERENCE.

- | | |
|---|---|
| <input checked="" type="checkbox"/> Inspection Confirmation | <input checked="" type="checkbox"/> Golf Course Addendum |
| <input checked="" type="checkbox"/> Exhibit "A" | <input checked="" type="checkbox"/> Standard Specifications |
| <input checked="" type="checkbox"/> Occupancy Addendum | <input checked="" type="checkbox"/> Fitness Addendum |
| <input checked="" type="checkbox"/> Sound Transmission Addendum | <input checked="" type="checkbox"/> Pool Disclosure (2 pgs) |
| <input checked="" type="checkbox"/> Agency Disclosure | <input checked="" type="checkbox"/> Addendum to Purchase Contract (Incentive) |
| <input checked="" type="checkbox"/> Public Report Receipt | <input checked="" type="checkbox"/> Live / Work Unit Addendum |

3. EARNEST MONEY DEPOSIT; ESCROW

The Earnest Money Deposit shall be held by Broker until offer is accepted. Upon acceptance, Broker is authorized to deposit the Earnest Money Deposit with Escrow Agent. **All interest earned on the Earnest Money Deposit, or on any other deposits of Buyer held by Escrow Agent, if any, shall be deemed to be part of the Earnest Money Deposit, or on any other deposits of Buyer held by Escrow Agent, if any, shall be deemed to be part of the Earnest Money Deposit for all purposes and shall be paid to the party entitled to receive the Earnest Money Deposit under this Contract. Buyer agrees that, if Buyer breaches this Contract, all Earnest Money Deposits may be forfeited in accordance with this Contract.** All Earnest Money Deposits are subject to collection. Unless otherwise provided herein, all Earnest Money Deposits are considered to be part of the Purchase Price for the Residence.

Amount of Deposit \$ _____ Cashiers Check No. _____ Check No. _____

Deposited With: First American Title Insurance Company
2425 E. Camelback Rd. Ste. #300, Phoenix, AZ. 85016

Phone: 602-567-8100 Fax: 602-567-8101

Escrow Officer: Sarah Lanner

Received By: _____

Starpointe Marketing Concepts, LLC.
Broker for the Seller
8135 E. Indian Bend Rd., Suite 101
Scottsdale, AZ 85250

Date: December 12, 2009

Seller and Buyer hereby employ First American Title Insurance Company ("Escrow Agent") to act as escrow agent for this transaction. The terms of this Contract set forth the instructions to Escrow Agent. THIS CONTRACT WILL BE USED AS ESCROW INSTRUCTIONS. Should Escrow Agent require execution of its standard form printed escrow instructions, Buyer and Seller agree to execute same; however, such printed escrow instructions shall be construed as applying only to Escrow Agent's employment and, if there are conflicts between the terms of this Contract and the terms of the printed escrow instructions, the terms of this Contract shall control.

4. FINANCING CONTINGENCY

NO FINANCING CONTINGENCY (Outside Lender)

This Contract is not subject to or contingent upon Buyer obtaining any financing whatsoever. Buyer has provided from the Contract Date an acceptable Loan pre-qualification letter (contingent or non-contingent) or acceptable proof of cash letter, confirming that Buyer has sufficient funds, or access to funds, to complete the Closing for the purchase of the Residence, upon execution of this Contract. Buyer understands and agrees that all Earnest Money Deposits are non-refundable, subject only to Buyer's receipt and acceptance of subdivision Public Report, if Buyer is unable to or does not timely complete the Close of Escrow. Buyer represents and warrants that the Loan pre-qualification letter or proof of cash letter is true, correct, accurate and complete for all purposes.

(Buyer's Initials)

FINANCING CONTINGENCY (Preferred Lender)

The obligations of Buyer and Seller under the Contract are contingent upon Buyer submitting a substantially complete application from one of our Preferred Lenders, Tiffany Taradash of CNN Mortgage and Jeff Williamson of Homeowners Financial, for pre-approval for a loan in an amount which, when combined with Buyer's down payment, is sufficient to close escrow (the "Loan."). Upon execution and acceptance of this Contract, Buyer shall proceed diligently to obtain Loan approval and will notify Seller within 48 hours of obtaining any Loan approval, rejection or modification. If Buyer does not provide Loan approval or declination within 48 hours from the Contract Date, All Earnest Money Deposit automatically becomes non-refundable. If, after execution of this Contract Buyer determines to forgo obtaining a Loan and pay all cash, Buyer shall immediately notify Seller and provide a proof of cash letter that is acceptable to Seller, whereupon the Earnest Money Deposit shall be non-refundable.

(Buyer's Initials)

Loan Information		
Name of Lending Institution: _____		
Loan Officer: _____		
Phone: _____	Loan Amount: \$ _____	Term of Loan: _____
Type of Loan:	<input type="checkbox"/> Conventional Fixed Rate	<input type="checkbox"/> Conventional Adjustable Rate
<input type="checkbox"/> Other _____		

Private Mortgage Insurance is required for certain types of loans. The cost will be paid by Buyer on the Closing Date in a manner acceptable to Buyer's Lender.

The Seller does not warrant the availability of financing for the Project. Not all loans and financing options provided by lenders may be available for the Project, including Fannie Mae, Freddie Mac and HUD. Buyer is advised to contact their Lender representative regarding available financing.

(Buyer's Initials)

If Buyer seeks financing for the Residence, Buyer shall timely and in good faith supply all information and materials requested or required by the Lender and to take no action or omit to take any action which would result in Buyer being denied financing or delaying such financing. Buyer accepts and agrees to perform and satisfy all terms and conditions as specified by any Loan approval obtained and any future conditions as required by the Lender. In the event Buyer is unable to timely satisfy these requirements, Buyer is not entitled to cancel this Contract or be relieved of Buyer's obligations under this Contract, and if Buyer does not timely Close Escrow, at its option Seller may terminate this Contract and retain all Earnest Money Deposits under Paragraph 16 [A] below. Seller's representatives and Escrow Agent may from time to time contact Buyer's Lender concerning any Loan sought by Buyer and Buyer authorizes its Lender to discuss with Seller and Escrow Agent and its representatives any and all information and/or other matters concerning Buyer's Loan application. Buyer understands and acknowledges that Seller may retain a copy of Buyer's Loan application and credit report, as well as the Loan underwriting and transmittal summary, exclusively for the purpose of facilitating the Close of Escrow and, for this purpose, Seller's representatives are acting exclusively on behalf of and for the benefit of Seller.

If Buyer seeks financing for the Residence, Buyer acknowledges and agrees that any financing arrangement and relationship shall be between Buyer and its Lender and in no event shall Seller have any responsibility, obligation or liability for any matters or disputes which arise in connection with such financing arrangement. Further, in no event shall the Closing be delayed because of financing considerations or because of disputes between Buyer and its Lender or any unfulfilled requests of Lender. Buyer agrees to pay origination fees, discount points, appraisal fees, other mortgage costs and expenses, credit report fees, Lender's policy of title insurance premium, prepaid items and impounds required by its Lender and all other costs of financing. The interest rate and fees for, and all terms of any financing applied for by Buyer are matters solely between Buyer and its Lender and shall not in any way affect the rights and obligations of Seller and Buyer or this Contract. Seller is not responsible for any representations, actions or omissions made by any Lender or any failure of any Lender to timely fund a Loan to Buyer, even if the Lender was suggested by Seller.

(Buyer's Initials)

5. HOMEOWNERS ASSOCIATION

ARTESIA CONDOMINIUMS HOMEOWNERS ASSOCIATION (the "Association") has been incorporated to operate and maintain the Common Elements of the Project. Upon recordation of the Deed (as herein defined) from Seller to Buyer for the Residence, Buyer automatically will become a member of the Association, subject to the Declaration and the Articles of Incorporation, and Bylaws and Rules of the Association (the "Association Documents"). The current Association

regular monthly assessment is **\$260.40** per month. These fees are subject to change on an annual basis. On the Closing Date (as herein defined), Buyer shall also pay to the Association a non-refundable amount equal to one half (1/2) of the annual assessment amount as a Working Capital Fund pursuant to the Declaration. Buyer further agrees to pay a non-refundable amount equal to one half (1/2) of the annual Common Expenses Assessment for the Reserve Contribution pursuant to the Declaration. Buyer understands that the Association is entitled to impose sanctions (including starting foreclosure) upon Buyer in the event Buyer is in violation of any provision of the Association Documents. Buyer understands that the Association Documents do not prohibit the rental of residences in the Project. Buyer is purchasing the Residence with the express knowledge of the existence of such provisions and agrees that it will hold Seller harmless from any claim of lack of knowledge of, or misrepresentation regarding, such provisions.

In addition, on recordation of the Deed, Buyer will also become a member of the McCormick Ranch Property Owners Association, the "Master Association", subject to the Declaration of Covenants, Conditions and Restrictions, the Articles of Incorporation, Bylaws, Rules and Budget of the Master Association. ("Master Association Documents"). The current Master Association regular annual assessment is **\$185**, payable by Buyer directly to the Master Association. In addition, Buyer will be required to pay a \$50 transfer fee and a \$150 Disclosure fee to the Master Association at close of escrow.

6. RECEIPT OF DOCUMENTS

By initialing below, Buyer agrees to the terms of this Contract and acknowledges that Buyer has received and read and shall be bound by all of the terms of the following materials:

- [A] [REDACTED] The Amended and Restated Declaration of Condominium and of Covenants, Conditions and Restrictions, and any Amendments thereto, the Articles of Incorporation, Bylaws, and Rules, and Budget of the Association, Amended and Restated Declaration of Covenants, Conditions and Restrictions (Retail Parcel), Amended and Restated Declaration of Easements and Covenants (Project REA). Also included are The McCormick Ranch Master Association Documents, which include the Declaration of Covenants, Conditions, Assessments, Charges, Servitudes, Liens, Reservations, and Easements for McCormick Ranch, Articles of Incorporation and Bylaws. Buyer acknowledges that said restrictive covenants run with the title of the Residence and are binding upon Buyer's heirs, executors, administrators, successors and assigns..
- [B] [REDACTED] The Arizona Department of Real Estate Final Subdivision Public Report No. **DM07-054072**, effective date **December 13, 2007 and Amended February 13, 2009**
- [C] [REDACTED] A fully completed copy of this Contract, to follow, which shall be subject to and conditioned upon acceptance and signing thereof by an authorized officer of the Seller.

7. CLOSING, CLOSE OF ESCROW AND POSSESSION

[A] NO ENTRY BY BUYER BEFORE CLOSE OF ESCROW. This Contract does not give Buyer any right or interest in the Residence or Project until the Closing Date (as defined below). Buyer does not have the right to inspect or otherwise supervise construction of, take possession or occupancy of, or perform or cause to be performed any custom or other work on the Residence prior to the Closing Date. Buyer acknowledges that Buyer does not have the right to enter the Unit, or any other part of the Project (except the sales office during its business hours or any part

of the Project actually open to the public), until Close of Escrow, with the exception of the Walk-Through Orientation of the Unit. Prior to Close of Escrow, Seller may be engaged in construction activities inside the Unit and elsewhere and unauthorized entry by the Buyer, or Buyer's representatives, may be disruptive to construction activities. In addition, Buyer acknowledges that Seller's insurance does not provide coverage for unauthorized public access to construction areas. If Buyer, any member of Buyer's family or any other person at the request or suggestion or with the permission or knowledge of Buyer or any family member of Buyer ("Invitee"), enter the Residence or other prohibited areas at any time before Closing, or enter any construction area in the Project at any time, Buyer and such other persons assume the risk of bodily injury while doing so. BUYER AGREES TO INDEMNIFY AND HOLD SELLER HARMLESS FROM AND AGAINST ANY AND ALL PERSONAL INJURIES OR PROPERTY DAMAGE TO OR RESULTING FROM THE PRESENCE OF ACTIVITIES OF BUYER OR ANY SUCH INVITEE(S) ON THE PROJECT PRIOR TO THE CLOSING OR AT OR NEAR ANY CONSTRUCTION SITE AT ANY TIME.

(Buyer's Initials)

B] CLOSING DATE. The Closing Date shall be that day on which the Deed is recorded at the County Recorder's office ("Closing Date"). The anticipated Closing Date is on or before January 12, 2010 Projected Closing Date"). Buyer acknowledges that the Projected Closing Date set forth above is Seller's best current estimate as to the availability of the Residence for closing and occupancy by Buyer. Seller will finally update (or provide) the Projected Closing Date at least 30 days prior to the Closing, and may (but shall have no obligation to) update the Projected Closing Date more than once. For all purposes hereunder, except where specifically noted, the term "Projected Closing Date" shall refer to such date as most recently modified. In the event Buyer fails to close escrow on the Projected Closing Date, through no fault of Seller, the Seller may grant a fifteen (15) day extension of the closing date for a non-refundable fee of \$2,500.00 in a cashier's check payable to seller. This fee will not be credited to the purchase price. Request for extensions must be made in writing at least five (5) calendar days prior to the scheduled closing date.

[C] WALK THROUGH ORIENTATION. Prior to the Closing Date, on a date and at a time specified by Seller, Buyer and Seller (or Seller's designated representative) will conduct a Walk-Through Orientation of the Residence. The close of escrow is not contingent upon a Walk-Through Orientation by Buyer. The Buyer is affirmatively obligated to close escrow on or before the Projected Closing Date and shall be protected from any construction deficiencies, commencing as of the Closing Date, by (i) Seller's standard Limited Warranty described in Paragraph 15, and (ii) Arizona law and Registrar of Contractors regulations.

[D] UTILITIES. Buyer shall arrange for the turn-on or transfer into the Buyer's name of all utilities to the Residence effective as of the Closing Date. If Buyer does not do so, (i) Seller shall have the right to disconnect any such utilities as of Close of Escrow or thereafter and Buyer will be without service until Buyer arranges for turn-on of the utilities, or (ii) Seller may recover utility costs incurred beyond the Closing Date from the Buyer, at Seller's option.

[E] POSSESSION AND KEYS. Possession and occupancy of the Residence shall be delivered to Buyer after Close of Escrow, on the Closing Date. Once all funds have been transferred, the Deed to Buyer has recorded and Escrow has closed on the Closing Date, Seller shall provide keys and/or means to operate all locks, mailbox, security system, alarms, and access to all Common Elements (if applicable).

8. CLOSING COSTS AND PRORATIONS

In addition to the Purchase Price, Buyer shall deposit with Escrow Agent at least one (1) business day prior to the Closing Date, an amount (as determined by Escrow Agent, any Lender, or Seller) equal to (i) Buyer's portion of the escrow fee and all other charges normally assessed against Buyer (as determined by Escrow Agent according to the usual and customary practice in Maricopa County, Arizona); (ii) all unpaid financing costs (including credit reports, appraisal, inspection, recording, document preparation, origination and tax service fees) and such impounds for taxes, interest, insurance and Association assessments as may be required by any Lender; and (iii) the cost of any title insurance premiums in excess of the cost of the Title Policy. Taxes, general and special assessments and Association assessments shall be prorated through Escrow between the Seller and Buyer as of the Closing Date based on the latest available information.

9. CONVEYANCE AND TITLE INSURANCE

[A] Title to the Residence shall be conveyed by Special Warranty Deed (the "Deed") subject to the Exceptions described below, all of which are expressly accepted by Buyer. At least ten (10) days before Closing, Buyer will determine and advise Seller and Escrow Agent concerning how Buyer will take title (i.e., community property with rights of survivorship, etc.), consistent with the Lender's approval, if applicable. The manner of taking title may have significant legal and tax consequences. Therefore, please consult your legal or tax advisor.

[B] At the Closing, Seller shall pay for a Standard Plain Language Owner's Policy of Title Insurance issued by Escrow Agent (or its title underwriter) insuring title in the amount of the Purchase Price for the Residence (the "Title Policy"), subject to taxes and assessments not due and payable at Closing, the Declaration, any liabilities, charges and obligations imposed upon the Residence by reason of inclusion or membership in the Association and Master Association, or any electrical, agricultural, hospital or other improvement district or any water users association, matters shown on the Plat of the Project, matters which would be disclosed by an accurate survey or physical inspection of the Residence, those matters disclosed in the Public Report in effect on the Closing Date (except for monetary liens), any other matters of record not adversely affecting the marketability of the Residence, and Buyer's Loan encumbrance, if any (the "Exceptions"). Notwithstanding anything to the contrary, Buyer may utilize any title insurer it selects provided that does not delay the Closing. At Closing, Buyer will receive a credit for the amount of title insurance premiums that Seller would have paid Escrow Agent for the Title Policy.

10. CONSTRUCTION AND COMPLETION

[A] Seller agrees to cause Starcon Construction Group, LLC ("Builder") to complete, on or before the Closing Date, in a good and workmanlike manner, the Unit improvements included in the Residence, furnishing all labor and material therefore. Such improvements shall be completed substantially in accordance with the plans and specifications for the Floor Plan (as designated on page 1) on file in the offices of Seller and available to Buyer at Buyer's request. The issuance of a permanent or temporary certificate of occupancy or the equivalent for the Unit improvements included in the Residence shall constitute completion thereof in accordance with this contract for purposes of proceeding with the Closing. Buyer understands that the Residence is not being custom built for Buyer except as is expressly indicated in this Contract, but rather is one plan being built for Seller and affiliates in different locations. Seller shall have the right to make minor changes in the plans and specifications and in the materials used, provided that any substitute materials are of comparable or better quality. It is specifically understood and agreed that, unless

agreed to in writing by Seller, no change requested by Buyer in the plans or specifications shall be made by Seller or Builder.

[B] Buyer acknowledges unit is “**AS IS**” as set forth in Exhibit “A”. No additional options will be added.

(Buyer's Initials)

[C] Prior to Closing, Seller shall also complete or cause to be completed the electric, gas, telephone, cable, sewer and water systems serving the Unit (but Buyer shall be solely responsible to arrange for utility services for the Unit, and pay activation fees), as well as those driveway, recreational and other amenities being constructed with the phase of the Project that includes the Unit. Buyer's costs of activating utilities are set forth in the Public Report. Buyer understands and agrees that while the infrastructure for telephone, internet and cable will be completed by the Seller, services may not be available at Close of Escrow through the provider. Buyer further understands and agrees that the pool and spa adjacent to Building C-1 will be the only recreational amenities completed with the Close of Escrow. All other amenities are to be completed per the timelines set forth in the Public Report, as amended from time to time.

11. INSULATION

Insulation will be installed in the Unit to the following minimum standards: (i) Typical top floor ceilings: 9” fiberglass batt = R-30; (ii) Ceilings/floors between stacked units (where applicable): 3 ½” fiberglass sound batt; and (iii) Perimeter Wall System (2 x 6), consisting of: 6” fiberglass batt – R-19. R-value is a measure of the resistance of insulation to heat flow. The higher the R-value, the greater the insulating power. Locations specified are only those surrounding air-conditioned livable areas of the Unit. They do not include ceilings and walls surrounding patios, or any areas beyond the exterior walls of the Unit. Notwithstanding, the above, insulation may be of a lesser thickness and R-value than indicated above in certain areas there the design of the Unit does not permit greater thickness. These areas may include areas where studs are placed in walls, at corners and windows, and where roof trusses are attached to outside walls. Thickness of insulation may vary due to the type of material, age, settlement and shrinkage. The R-values stated above are based on the representations of the manufacturer and /or installer of the insulation and Seller does not warrant or represent that these R-values are correct. Seller has the right to make substitutions as to the type, thickness and R-value of installation installed in the Unit without obtaining the consent of Buyer, as long as there is no substantial change in the R-value of the insulation installed in a substantial portion of the Unit. This disclosure is made in accordance with Federal Trade Commission Regulations at 16 CFR 460 regarding labeling and advertising of home insulation.

12. GENERAL DISCLOSURE

Buyer understands that (i) the as-built location of utility lines, utility improvements (such as but not limited to junction boxes, transformers or pedestals) and sewer taps, may vary from locations shown on the Plat; (ii) there may be minor encroachments of buildings, and other improvements within the Project; (iii) future construction on or in connection with the Residence by Buyer must comply with the Association Documents and applicable laws (including building codes); (iv) the character and uses of property surrounding and in the vicinity of the Residence and Project may change; (v) adjoining units (including units above, below and on either side of the Unit), Common Elements, other units or other phases or portions of the Project may be vacant or incomplete on

the Closing Date and construction activity, resulting in construction noise, construction traffic, dust and other inconveniences, may occur in those units or areas subsequent to the Closing Date, (vi) without limiting the foregoing, certain Common Elements may not be complete at the Closing, such as, without limitation, some Common Element finish work and landscaping. Further, to minimize economic waste due to ongoing construction or as a result of construction requirements, at Closing some temporary or partial Common Element finishes may be in place or used, such as, without limitation, temporary Common Element carpeting or other floor coverings or absence of final asphalt coats in driveways, which would be replaced with final items when Seller deems appropriate based on completion of Project construction. The status of such items will not prevent or excuse Buyer's obligation to proceed with Closing on the final Projected Closing Date under Paragraph 7 [B] above provided the Unit improvements included in the Residence are complete (subject to Punch List Items) and a permanent or temporary certificate of occupancy or the equivalent has been issued for the Unit. (vii) as described in Section 2.7 of the Declaration (all of which is incorporated into this Contract) and in the Public Report, the Live/Work Units in the Project may be used for commercial purposes under Section 5.1 of the Declaration. Further, the Project is adjacent to various commercial developments, including the "Retail Parcel" adjacent to the main entryway of the Project. The entryway for the Project from Scottsdale Road is through a driveway located on the Retail Parcel and is not within the Common Elements of the Project. The presence of office, retail, restaurant, bar, club and other commercial uses in and adjacent to the Project will result in greater traffic, noise, dust, light, smells, wear-and-tear and other consequences for owners and occupants of Residential Units than would be found in an entirely residential project and (viii) it is Buyer's sole obligation to review the site plan for the Project, and the location of the Unit in relation to Common Elements such as pool, spa, recreation building or equipment, ramadas, gazebos, barbecues, trash receptacles, driveways, pathways, garage entrances, garage exhaust fans or other equipment, vehicular entry gates, community perimeter walls or fences, etc., and Seller has no responsibility to make any separate disclosure of the locations of those Common Elements or their relationship to the Unit. All future development and amenities at Artesia are subject to future sales and market conditions, the Seller can not guarantee timing for the future development and amenities. Seller discloses to Buyer that Artesia is gated to vehicular traffic, but is not fully surrounded by a continuous wall. Seller also discloses vehicular gate may be left open during the day to accommodate on going construction activity. Seller disclaims and Buyer hereby releases Seller and Builder from any and all responsibility, obligation or liability whatsoever from the occurrence of any of these events or the direct or indirect results thereof.

The Amended and Restated Declaration of Easements and Covenants for Artesia (Project REA) governs the use and maintenance of shared driveways, utilities and other facilities by the Unit Owners, occupants and guests and the owners, occupants, customers and other invitees and licensees of the adjacent "Retail Parcel" along Scottsdale Road and through which Unit Owners and occupants have access to the subdivision. Further, the permitted uses of the Retail Parcel and certain other matters are set forth in the Amended and Restated Declaration of Covenants, Conditions and Restrictions for Artesia (Retail Parcel), for the benefit of the Unit Owners.

As provided in Section 2.8 of the Amended and Restated Declaration of Condominium, a portion of the general Common Elements of the Condominium identified as the "Retail Parking Easement Area" and the "Secondary Access Area" will be maintained by the owner of the Retail Parcel.

Under the Project REA, the Retail Parcel owner has an easement for it and its invitees to use the Retail Parking Easement Area within the Condominium for parking. The Retail Parcel owner will not pay rent for use of that parking but will bear all normal maintenance costs. Unit Owners and

occupants have no right to park in the Retail Parking Easement Area (even though it is part of the Condominium) or any of the parking areas within the Retail Parcel (which includes the parking in front of the Live/Work Units). However, under the Project REA, customers and other licensees of the Owners and occupants of the Live/Work Units can park in those areas.

Each Unit in the Condominium includes an undivided ownership interest in the Common Elements. Therefore, for property tax purposes, each Unit's tax parcel includes a small undivided ownership interest in the Retail Parking Easement Area.

Under the Project REA, the Retail Parcel owner has an easement for it and its invitees to use the portion of the Secondary Access Area located within the Condominium for ingress and egress for pedestrian and vehicular traffic. In addition, the Retail Parcel owner has an easement for it and its invitees to use the "Turnaround" within the Condominium for transitory vehicular ingress and egress as may reasonably be required to re-orient a vehicle. Under the Project REA, the Unit Owners and occupants have an easement for them and their invitees for ingress and egress for pedestrian and vehicular traffic over, through and across the "Primary Entry Area" located within the Retail Parcel and that portion of the Secondary Access Area located within the Retail Parcel.

(Buyer's Initials :)

The Condominium is phased as provided in Section 2.7 of the Condominium with each proposed building being a phase. All Units not currently committed to the Condominium have been conditionally annexed by the First Amendment to the Declaration. Units in any building within the Future Annexable Property will be irrevocably committed to the Condominium only upon the earlier of Seller closing the sale of a Unit in that building/phase or Seller recording a Confirmation of Annexation for that building/phase in accordance with Section 2.7. Seller is not making any promises, warranties or guaranties concerning if or when additional Units will be irrevocably committed to the Condominium.

(Buyer's Initials :)

Buyer further acknowledges that their Residence will not include the custom design features shown in the model homes (such as upgraded floor coverings, wall coverings, window treatments, decorator items, mirrors, furniture and furnishings) unless Buyer has specifically requested and included those features as part of this contract on Exhibit "A" and the cost of such features is included in the Purchase Price.

Buyer understands that the Association has entered into a long-term Telecommunication Agreement with Cox Communications which may impact the Buyer's ability to contract with other vendors for phone, cable and internet service. Copies of the Agreement are available upon request.

13. MOLD/MILDEW

Buyer acknowledges that mold and mildew occur naturally in the environment. Seller cannot and does not represent or guaranty that mold and mildew will not be present in the Unit or on the Project. It is Buyer's responsibility after Close of Escrow to inspect, maintain, clean and dry the Unit, and the Limited Common Elements assigned to the Unit, to deter the growth of mold and mildew.

Buyer acknowledges and agrees that Seller will not be liable for any actual, special, incidental or consequential damages based on any legal theory whatsoever, including, but not limited to, strict liability, breach of express or implied warranty, negligence or any other legal theory with respect to the presence and/or existence of molds, mildew and/or microscopic spores caused by the acts or omissions of Buyer. Buyer, on behalf of itself and Buyer's family members, tenants, invitees and licensees, hereby releases Seller and Seller's officers, managers, partners, members, successors and assigns from and against any and all claims, actions, damages, causes of action, liabilities and expenses (including without limitation, attorneys' fees and costs of enforcing this indemnity) for property damage, injury or death resulting from the exposure of microscopic spores, mold and/or mildew and from any loss or resale value due to the presence and/or existence of mold, mildew and/or microscopic spores caused by the acts or omissions of Buyer.

(Buyer's Initials)

14. NO ORAL CHANGES OR REPRESENTATIONS

[A] Seller wishes to avoid any misunderstanding concerning the purchase of the Residence. Seller will not enter into any oral agreement or to ask Buyer to rely on any oral representations concerning the Residence or the Project. The entire agreement between Buyer and Seller must be expressed in writing. Therefore, Buyer shall write in below any representations or promises, which are not set out in this Contract, but which have been made by Seller, the Broker for the Seller, or their purported agents or employees, and upon which Buyer is relying in making this purchase:

[B] **TO INDUCE SELLER TO ACCEPT THIS CONTRACT, BUYER ACKNOWLEDGES THAT (i) THERE ARE NO UNDERSTANDINGS, REPRESENTATIONS OR PROMISES OF ANY KIND THAT HAVE BEEN MADE TO INDUCE THE EXECUTION OF THIS CONTRACT EXCEPT AS SET FORTH IN THIS CONTRACT, (ii) THAT THIS CONTRACT SETS FORTH IN FULL THE ENTIRE AGREEMENT BETWEEN THE PARTIES AND (iii) THAT BUYER HAS NOT RELIED ON ANY ORAL AGREEMENT, STATEMENT, REPRESENTATION OR OTHER PROMISE THAT IS NOT EXPRESSED IN WRITING IN THIS CONTRACT.** No salesman, broker, agent, or employee of Seller has any authority to modify the terms of this Paragraph or this Contract or any authority to make any verbal representation or agreement not contained in this Contract, and no person on behalf of Seller is authorized to make any future oral agreement upon which Buyer may rely to cancel, change or modify any portion of this Contract. This Contract supersedes any and all prior understandings and agreements. This Contract may be amended or modified only by an agreement in writing signed by both Buyer and Seller.

15. LIMITED WARRANTY

[A] Seller warrants that all work performed in connection with the construction of the Residence will be in conformance with all requirements of the Arizona Registrar of Contractors. Seller warrants the construction of the Unit against defects in workmanship and materials for a period of one (1) year from the Closing Date, except for "structural defects" (as currently interpreted by the Arizona Registrar of Contractors). All of which warranties are subject to the condition and limitations contained herein (the "Warranty"). No steps taken by Seller or Builder to correct defects shall extend the warranty period beyond the periods stated above. The warranty and maintenance information to be given to Buyer on or about the Closing Date provides the Buyer

with specific warranty information including limitations on Seller's responsibility under the Warranty with respect to specific features of the Unit, which limitations are included by reference herein. Seller makes no warranty or representation hereunder, and has made no investigation as to the presence or non-presence of environmental hazards, substances or pollutants (including radon) or health hazards in or possibly affecting the Unit or Buyer, although such conditions could exist in any well built home anywhere in the State of Arizona. UNDER ARIZONA REVISED STATUTES SECTION 32-1155, A BUYER OF A DWELLING HAS THE RIGHT TO FILE A WRITTEN COMPLAINT AGAINST THE HOMEBUILDER WITH THE ARIZONA REGISTRAR OF CONTRACTORS WITHIN TWO YEARS OF THE COMMISSION OF AN ACT IN VIOLATION OF ARIZONA REVISED STATUTES SECTION 32-1154, SUBSECTION A.

Seller will, at Seller's own expense, cause Builder to make any and all repairs and replacements made necessary as a result of defective workmanship or materials, provided Builder is granted reasonable access to the Unit during normal business hours. This warranty is applicable only to requests for repair and replacement reported in writing to Seller. If, subsequent to the Closing Date, Buyer permits Builder or Seller (or Builder's or Seller's agents, employees or contractors), to enter the Unit for any repair work or other reason when Buyer is not present, then it shall be presumed that any theft, damage or other liability discovered thereafter was not occasioned by, or through, Seller, absent specific, sustainable evidence to the contrary.

In no event shall the Warranty extend to, and Seller shall not be liable for, (i) any defect of design, work or materials supplied, performed or caused by, installed at or under the direction of, any person other than Seller or Seller's contractors, including Builder, (ii) normal maintenance, items of insubstantial variances, damage caused by wear and tear or deterioration or any damage caused or made worse by the negligence, improper maintenance, or alteration of the Unit by anyone other than Seller, (iii) any loss or damage resulting from acts of God, including but not limited to, lightning, or the elements, changes that are not reasonably foreseeable in the level of the underground water table, falling trees, aircraft, vehicles, flood, and earthquake.

[B] Seller's Warranty shall in no event extend to any consumer products, appliances, air conditioning units, furnaces, water heaters and other products included in the Unit that are considered "consumer products" as defined by the Federal Trade Commission for the purposes of the Magnuson Moss Act (15 U.S.C. 2301 et seq.) that may be included in this transaction. The manufacturers of some consumer products used in the Residence may have a manufacturer's warranty. Seller has no obligation or responsibility for the manufacturer's performance; however, if a manufacturer's warranty has been issued to Seller, Seller hereby assigns to Buyer all rights under such manufacturer's warranty, such assignment to be effective as of the Closing Date.

(Buyer's Initials)

[C] BUYER UNDERSTANDS THAT BUYER'S ACCEPTANCE OF THE EXPRESS WARRANTY SET FORTH ABOVE IS IN LIEU OF ALL OTHER WARRANTIES, WAS CONSIDERED IN ESTABLISHING THE PURCHASE PRICE, IS A MATERIAL INDUCEMENT TO SELLER ENTERING INTO THIS CONTRACT AND THAT SUCH EXPRESS WARRANTY IS THE ONLY WARRANTY OF ANY KIND WHATSOEVER, EXPRESS OR IMPLIED, MADE BY SELLER OR BUILDER WITH RESPECT TO THE UNIT TO THE EXTENT PERMITTED BY LAW, SELLER HEREBY DISCLAIMS (AND BUYER HEREBY WAIVES AND RELEASES SELLER AND BUILDER FROM) ALL LIABILITIES IN CONNECTION WITH (i) ALL IMPLIED

WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, HABITABILITY OR WORKMANSHIP; AND (ii) ALL WARRANTIES, EITHER EXPRESS OR IMPLIED ON ANY TANGIBLE PERSONAL PROPERTY SUCH AS, BUT NOT LIMITED TO AIR CONDITIONERS, FURNACES, WATER HEATERS, REFRIGERATORS, WASHERS, DRYERS, STOVES, DISHWASHERS, GARBAGE DISPOSALS, PLUMBING FIXTURES, AND ANY OTHER PRODUCTS DEFINED BY THE FEDERAL TRADE COMMISSION AS CONSUMER PRODUCTS. UNDER NO CIRCUMSTANCES SHALL SELLER OR BUILDER BE LIABLE FOR ANY INCIDENTAL OR CONSEQUENTIAL DAMAGES.

(Buyer's Initials)

[D] Seller's liability in connection with the Unit, whether in contract, tort, negligence, under warranty or otherwise, is limited to a remedy of repair or replacement as set forth in this Paragraph 15. No action, regardless of form, arising in connection with the Unit may be brought by Buyer more than two (2) years after the cause of action has occurred. Buyer understands that more than one service call may be required in order to remedy items covered by this Warranty and Buyer agrees to cooperate with Seller, Builder and its contractors and suppliers in scheduling and coordinating any Warranty service work. It shall be in Seller's sole discretion whether to repair or replace any materials or labor subject to a Warranty claim.

[E] Buyer acknowledges that concrete flooring, sidewalks, driveways and patios, will be subject to unavoidable cracking due to settling, expansion and contraction of the concrete. This is a condition that is uncontrollable by Seller and is not covered by the Seller's Warranty if it is within limits acceptable to the Arizona Registrar of Contractors. When ceramic tile, slate, marble or any other hard flooring is installed over concrete or any such crack or joint, the flooring and/or flooring joints may crack and Buyer understands and agrees that the same is a maintenance item and the sole responsibility of Buyer.

(Buyer's Initials)

[F] The parties agree to fully comply with all provisions of A.R.S. 12-1361 through 1366 with respect to alleged construction defects. These statutes require that Buyer give prior notice to Seller and an opportunity to Seller to cure construction problems before Buyer may file any "dwelling action".

[G] Seller and Builder have no warranty or other construction liability or responsibility to Buyer with respect to the Common Elements, but Seller will provide a separate Warranty (consistent with the Warranty hereunder for the Unit) to the Association for the Common Elements. If, despite the foregoing, Seller and/or Builder are found to have warranty or other construction liability or responsibility to Buyer with respect to any Common Elements, all such liability and responsibility shall be fully subject to the terms and provisions of this Paragraph 15.

16. DEFAULT AND REMEDIES

[A] If, due to circumstances other than the Seller's failure to perform any material term or condition hereof, Buyer fails to make any payment when due or to timely perform any other term or condition hereof prior to Closing, Seller may retain \$2,000.00 cashier's check or up to 3% of the purchase price.

[B] If Seller fails to comply with the terms and conditions of this Contract and if Buyer shall have timely complied with all of its obligations hereunder, then Buyer shall deliver to Seller and Escrow

Agent a written notice (the "Default Notice") setting forth in detail the alleged failure of performance by Seller. Seller shall have thirty (30) days from the receipt of Default Notice within which to cure such failure of performance, except that if the required performance cannot reasonably be completed by Seller within said thirty (30) day period, then Seller shall have a reasonable time (not to exceed an additional thirty (30) days) within which to complete its performance. If, at the expiration of such period, or additional period, as applicable, Seller shall not have cured such failure of performance Buyer may, as its sole remedy, by further notice to Seller either (i) require Seller to refund all money paid to Seller by Buyer, whereupon this Contract shall be terminated without liability to either party, or (ii) if construction of the Unit is complete but Seller refuses to complete the Closing and convey title to the Residence to Buyer, then, provided Buyer tenders complete performance under this Contract and Buyer commences a legal action within forty-five (45) days following Buyer's initial notice of default to Seller, Buyer may seek to enforce specific performance of this Contract. However, if specific performance is not available, under Sub paragraph B (ii) above, because Seller has conveyed the Residence to another party, then and only then Buyer may pursue an action against Seller to recover its actual damages, which in no event shall exceed five percent (3%) of the purchase price.

Buyer waives, and under no circumstances shall Seller be liable for, any claims for damages Of any kind, including actual, special, incidental, consequential, lost profit or opportunity or punitive damages, (except for limited, actual damages as expressly set forth in Sub paragraph (B)(ii) above). Buyer specifically disclaims the right to pursue an action for damages or any other right or remedy at law or in equity except as specifically provided in this Paragraph 16[B] or elsewhere in this Contract. If the Default Notice does not specify a remedy, Buyer shall be conclusively deemed to have elected to terminate this Contract and receive a refund of all money paid to Seller, as its sole remedy.

[C] If either party cancels this Contract as authorized hereunder, Buyer shall have no further right, title or interest in or to the Residence and shall execute any quit claim deed or equivalent document requested by Seller confirming the foregoing (which obligation of Buyer shall survive any such cancellations).

[D] If it becomes necessary for any party to employ an attorney to enforce any of the terms of this Contract, the non-prevailing party shall pay to the prevailing party all reasonable attorney's fees, court or arbitration costs and other expenses of suit (including any appeal) in connection therewith.

[E] The parties hereby agree that any judicial proceeding related to this Contract, the Residence or the Project shall be tried in a court with jurisdiction located in Maricopa County, Arizona, and shall be tried to the court without a jury. The parties hereby waive any right to have any disputes related to this Contract, any breach or default under this Contract, the Residence or the Project tried before a jury. The parties agree that this provision is a material consideration to Seller entering into this Contract. Buyer further agrees to the waivers set forth in Section 10.21 of the Declaration.

17. NOTICES

All notices except as otherwise specified herein, to be given by either party to the other shall (a) be in writing, (b) be addressed to the party to receive the notice at the address set forth herein or any such other address as may be indicated by a party by at least 10 days' written notice to the other, and (c) be effective on the earlier of (i) the day of actual delivery thereof to the party to

whom directed, (ii) one (1) day following the date of deposit thereof with delivery charges prepaid with a national delivery service, or (iii) two (2) days following the day of deposit in the United States mail, first class, registered or certified, postage prepaid.

18. MISCELLANEOUS

[A] If this Contract is signed by more than one Buyer, each Buyer shall be jointly and severally liable hereunder. The number and gender used herein shall be deemed to apply to such number and gender as the context may so require.

[B] This Contract shall inure to the benefit of and shall be binding upon the parties, successors and assigns; provided, however, neither this Contract nor any rights hereunder may be assigned or transferred by Buyer without the prior written consent of Seller in its sole and absolute discretion and any such prohibited assignment shall be voidable by Seller.

[C] Time is of the essence with respect to the performance of all terms, conditions and provisions of this Contract. If Escrow Agent is closed on the Projected Closing Date or any other day scheduled for Closing, the requirements of the parties may be met on the next succeeding day upon which Escrow Agent is open for business.

[D] This Contract shall not be binding upon Seller until accepted by Seller and executed by Seller's authorized representative. Unless and until this Agreement is signed by both Seller and Buyer and signed duplicate is delivered to Buyer, this Agreement and the Earnest Money Deposit are subject to any prior sale, and in the event of a prior sale, all money paid by Buyer to Seller shall be promptly refunded to Buyer and this Agreement shall be deemed canceled and of no further force and effect. Seller shall have the power and authority to determine in Seller's sole and absolute discretion, which of two or more sales shall be deemed to have occurred first in time if Seller's written records do not conclusively indicate which sale of a particular Residence occurred first in time. Negotiation by Seller or Escrow Agent of Buyer's Earnest Money Deposit shall not be deemed an acceptance of this Contract unless and until this Contract is so executed on behalf of Seller.

[E] If prior to the Closing Date all or a substantial portion of the Unit shall be destroyed or materially damaged by fire or other casualty, either Buyer or Seller may cancel this Contract in which event Buyer shall be entitled to a full refund of all amounts paid hereunder.

[F] This Contract shall be governed and construed under the laws of the State of Arizona. Paragraph headings shall be disregarded in interpreting this Contract.

[G] Buyer acknowledges that Seller has not directly or indirectly required Buyer, as a condition of sale, to purchase either a fee owner's or mortgagee's title insurance policy from any particular title insurance company or to use any particular lender. In the event the Escrow Company is not also the Title Insurer, the Escrow Company is instructed to issue a closing protection letter. The Escrow Company is also instructed in FIRPTA reporting.

[H] Within five (5) days after request therefore, Buyer and Seller shall execute and deliver any additional documents required or reasonably requested by the other party, any lender or Escrow Agent in order to evidence or give effect to the provisions of this Contract, both prior to and following the Closing Date. If the parties cannot agree upon the terms and conditions of any

documents to be executed, which are not specifically agreed upon in this Contract, then Escrow Agent's standard form of that particular document shall be used.

[I] No waiver under this Contract shall be effective unless in writing signed by the party against whom enforcement is sought.

[J] Escrow Agent is hereby granted the right to execute on behalf of Buyer and Seller the Affidavit of Value as required by Arizona law, using the Total Purchase Price for the established value of the Residence.

[K] Buyer acknowledges that the property insurance carried by the Association pursuant to Section 8.1 of the Declaration does not cover the Buyer's personal property and some real property. Buyers are advised to consult with an insurance agent and obtain an appropriate condominium policy.

[L] Seller hereby discloses that certain employees, principals, agents and/or affiliates of Seller hold real estate licenses in the State of Arizona. Buyer represents and warrants to Seller that Buyer has has not employed a real estate broker or agents, as their Buyer Broker representative in connection with the purchase and sale of the Residence contemplated by this Contract. Buyer agrees that the Seller or representatives may contact the Buyer directly regarding any and all items concerning this sale. Buyer covenants and agrees to indemnify Seller for, from and against any loss, liability, cost, claims, demands, damages, actions, causes of action, and suits arising out of or in any manner relating to the alleged employment or use by Buyer of any real estate broker or agent in connection with the purchase and sale of the Residence. This indemnity shall survive the Closing. On the Closing Date, Seller shall pay a Commission to:

Buyer Broker

Company

Address

Phone

Fax

E-mail

19. ADDITIONAL NOTICES

[A] CONTRARY TO THE TERMS AND PROVISIONS OF THIS CONTRACT YOU MAY HAVE ADDITIONAL RIGHTS, REMEDIES AND WARRANTIES AS PROVIDED BY LAW.

[B] SELLER SHALL GIVE BUYER A COPY OF THE PUBLIC REPORT AND AN OPPORTUNITY TO READ AND REVIEW IT BEFORE BUYER SIGNS THIS DOCUMENT.

BUYER:

BUYER:

Date: _____

Date: _____

APPROVED AND ACCEPTED BY SELLER

STARPOINTE ARTESIA CONDOMINIUMS LLLP, an Arizona limited liability limited partnership

By: Starpointe Artesia, LLC, an Arizona limited liability company
Its: General Partner

By: Starpointe Indian Bend Artesia Limited Partnership, a Delaware limited partnership
Its: Sole Member

By: SP Indian Bend Artesia General Partner, LLC, an Arizona limited liability company
Its: General Partner

By: Starpointe Communities III, LLC, an Arizona limited liability company
Its: Manager

By: R.A. Lyles, Inc. Its: Member

By: _____
Robert A. Lyles, Its President

_____ Date

Submitted by the following Broker/Salesperson _____ on _____, 2009.

Approved By Designated Broker (_____ Initials) File # _____ Date: _____

INSPECTION CONFIRMATION

The undersigned, who intends to purchase Unit _____ of ARTESIA CONDOMINIUMS, hereby acknowledges that before signing the Purchase Contract for the Unit, he/she inspected the building lot which the Project, including the Unit, is to be constructed.

Buyer Signature

Date

Buyer Signature

Date

EXHIBIT "A" COMPLETED "AS IS"

Starpointe Artesia Condominiums LLLP hereby assures that an elevator shaft and the electrical wiring is installed and available in all Brownstone Residences in the event an elevator is to be purchased outside of this contract.

STARPOINTE ARTESIA CONDOMINIUMS LLLP, an Arizona limited liability limited partnership

By: Starpointe Artesia, LLC, an Arizona limited liability company
Its: General Partner

By: Starpointe Indian Bend Artesia Limited Partnership, a Delaware limited partnership
Its: Sole Member

By: SP Indian Bend Artesia General Partner, LLC, an Arizona limited liability company
Its: General Partner

By: Starpointe Communities III, LLC, an Arizona limited liability company
Its: Manager

By: R.A. Lyles, Inc. Its: Member

By: _____
Robert A. Lyles, Its President

_____ Date

ARTESIA CONDOMINIUMS

Level B - Brownstones

Standard Features

Kitchen

- Stainless steel under counter sink – double bowl with 9” depth
- Delta Brizo single-lever faucet set with pullout sprayer – stainless steel
- 1/3 horsepower garbage disposal.
- Custom hardwood cabinetry featuring 42” upper cabinets, fully finished interiors and adjustable shelves.
- 3cm Granite slab countertops
- Viking – Professional Series 36” six-burner gas range – Stainless Finish.
- Viking – Professional Series 27” built in Microwave 2.0 cu. ft. – Stainless Finish
- Viking – Professional Series 30” wide wall hood – Stainless Finish
- Viking – Professional Series 24” under counter dishwasher – Stainless Finish
- Viking – Professional Series 36” counter depth refrigerator, 21.5 cu.ft. – Stainless Finish

Living Room & Master Bedroom

- Pre-wire for ceiling fans in all bedrooms/dens

Dining Room

- Recessed can lighting w/ dimmers

Bathrooms

- Granite slab countertops with square sink bowl and 4” back splash – choice of colors
- 36” height countertops (34” height at required ADA locations) with hardwood custom cabinetry, fully finished interiors and adjustable shelves – Door style and finish to match kitchen selection.
- Delta Brizo – 8” widespread center set faucet with dual handles in master & 2nd baths
- Delta Brizo matching shower head and tub hardware
- Vanity lights in master bath & 2nd baths above mirror
- Soaking tubs in master bath & tubs in 2nd bath (per plan)
- Shower surrounds - 1”x 3” tile floor with 4”x12” tile/tub surrounds to 7 above finish floor at step-in shower (per plan only)
- Delta matching bath accessories including decorative towel bars, shower rods and paper holders
- Semi-recessed medicine cabinet with mirror door and frameless trim
- Shower rods on all tubs
- Framed mirrors w/ beveled edge at master, 2nd, & 3rd bathrooms
- Oval mirror at powder rooms
- Elongated 2-piece bowl toilets.

Laundry Room

- Whirlpool Duet Sport – Large Capacity front loading washer
- Whirlpool Duet Sport – Large capacity front loading dryer

Flooring

- 18” x 18” travertine stone, 20” x 20” porcelain, or wood laminate

- Hard surface flooring at entry, kitchen, bath, laundry closet and fireplace surround (per plan)
- Carpet – Shaw Industries: Soundtrack II or Mesmerize
- Carpet Pad – 6 pound density, 3/8 inch rebond

Interior Paint/Finish

- Quality brand paint – Swiss Coffee or Bone White; flat finish on walls and ceilings except kitchen/bath/laundry, semi-gloss enamel on doors, wood trim, kitchen, bath and laundry walls.
- Hand trowelled finish on walls and ceilings

Doors

- Entry door – 8’ height, custom Therma-Tru simulated wood, stained and sealed with privacy viewer
- Interior doors – 8’0” height, two panel solid core masonite doors
- Patio doors – 8’ height

Door Hardware

- 8’ entry door – lever style handle with stainless finish
- Interior door - lever style handles with stainless finish
- Stainless finger pulls on by-pass closet doors
- 8’ French doors (select units only)
- Door hinges to match finish

Windows

- Dual pane, low E glass
- Aluminum frame, bronze anodized color
- Recessed windows providing architectural styling

Natural Gas Features

- Standard features include gas range, dryer, and water heater
- Fireplace with log kit

Miscellaneous

- Electric smoke detectors with battery back-up
- Security System pre-wire
- Gas water heaters – 50 gallon
- Satellite TV ready infrastructure
- Fully fire sprinklered interiors
- Wood shelving with metal rods in closets
- Baseboard – 3 1/4” wood finish
- Large decorative crown molding in dining & living room
- Security system pre-wire with trim (no panel supplied - cover plate only) in each unit – all doors and operable windows
- Fully integrated structured wiring package for voice, data and video services per Cox Communications requirements
- 13 seer HVAC units
- Decora rocker electrical switches

ARTESIA CONDOMINIUMS

FITNESS CENTER ACCESS AGREEMENT & RELEASE “Fitness Addendum”

This Fitness Center Access Agreement & Release (the "Addendum") dated December 12, 2009 between Artesia Condominiums Homeowners Association ("Association") and xxx ("Resident") who is the Owner or Tenant of Unit# _____ at ARTESIA CONDOMINIUMS.

The Association owns and maintains certain fitness equipment (the "Equipment") located in the Fitness Room (the "Facilities") and makes the Equipment and the Facilities available to Residents under the following terms and conditions:

1. **PERSONAL USE ONLY.** The Equipment is for the personal use of Residents and their invited guest only. The fitness equipment may not be used for business purposes. No clients or customers may be admitted to the Facilities. All Residents and their guests are advised to obtain medical advice from a licensed physician prior to using the fitness equipment and that the Association shall have no responsibility to verify medical clearance.
2. **PERSONS UNDER 18.** Persons under the age of 18 must be accompanied by an adult Resident.
3. **HOURS OF USE.** The Facilities will be available from 6:30 a.m. to 10:00 p.m., 7 days per week. The hours are subject to change by the Board of Directors in their sole discretion.
4. **GUEST.** Residents may admit no more than two (2) guests at any time to the Facilities. Invited guests must be accompanied by a Resident at all times.
5. **USE OF EQUIPMENT.** Residents must abide by the posted time limits for use of the Equipment. Equipment is available on a "first-come, first-serve" basis. No reservations or waiting lists will be established or maintained.
6. **NO ATTENDANT.** Resident acknowledges that the Association does not provide an attendant at the Facilities and that the use of the Facilities is at the sole risk of the Resident and their guests.
7. **INOPERABLE EQUIPMENT.** Residents are asked to report inoperable equipment to the Manager immediately. Residents are prohibited from attempting to repair equipment on their own.
8. **PERSONAL EFFECTS.** Residents acknowledge that personal effects are not to be left on the premises, and Residents assume all risk of theft or other loss. Any personal effects left on the premises will be removed by management and management shall have no obligation to return, or attempt to return any items to owners.

ARTESIA CONDOMINIUMS

FITNESS CENTER ACCESS AGREEMENT & RELEASE "Fitness Addendum"

9. CLEANLINESS. Residents are asked to be aware that the Facilities are cleaned frequently, but not daily, and that all users are asked to keep the Facilities as they found them. Trash should be disposed of in the trash containers provided. Please wipe down fitness equipment after use.

10. KEYS. Residents will be provided with one key by the Association. One additional key is available for a \$25.00 charge. Management will provide replacement keys for lost or stolen keys for a \$25.00 charge per key. Residents agree not to copy keys or to give keys to any party except other Residents.

11. RELEASE. The Association, its officers, directors, employees and agents hereby expressly disclaim any responsibility or liability for any damages or injury which Resident or Resident's guest may incur directly or indirectly as a result of using the Equipment or Facilities. By the Resident's acknowledgement below, Resident hereby agrees to indemnify, hold harmless and release the Association, its officers, directors, employees and agents from any and all claims, demands, causes of action, obligations, damages, liabilities, attorneys' fees and costs resulting directly or indirectly from said use of the Equipment or Facilities.

RESIDENT: _____

RESIDENT: _____

AN IMPORTANT NOTICE ABOUT POOL SAFETY*

Drowning is a serious threat to young children in Arizona. Young children also suffer from a high number of near drownings that may leave to permanent, severe disability. Most of these incidents occur in the child's own backyard swimming pool. These tragedies must be stopped. To that end, the Arizona Legislature has passed a law requiring that new occupants of dwellings with pools and persons having a pool installed receive this safety message about steps to prevent drownings and the legal responsibilities of pool ownership.

State of Arizona law requires a barrier between the house and pool. **

This law applies to homes with both a child under 6 years of age and a pool built after June 1, 1991. This law aims to impede children's access to their own pools. Likewise, all pools must have a barrier to keep out uninvited neighborhood children.

Unless a local code provides otherwise***, the barrier must:

- Entirely enclose the pool area.
- Be at least 5 feet high, measured on the outside of the barrier.
- Not have openings, handholds or footholds that can be used to climb the barrier. Wire mesh or chain link fences shall have a maximum mesh size of 1 ¾ inches measured horizontally.
- Have no openings through which a sphere 4 inches in diameter can pass. Horizontal components of any barrier shall be spaced not less than 45 inches apart measured vertically or shall be placed on the pool side of the barrier which shall have no openings greater than 1 ¾ inches measured horizontally.
- Be at least 20 inches from the water's edge.
- Prevent direct access from the house to the pool.

Gates must be self-closing and self-latching with the latch located at least 54 inches above the ground or on the pool side with a release mechanism at least 5 inches below the top of the gate and no opening greater than ½ inch within 24 inches of the release mechanism to be secured by a padlock or similar device which requires a key, electronic opener or integral combination which can have the latch at any height. Gates must open outward from the pool.

If a wall of the home forms part of the barrier, one of the following must be used:

- A barrier at least 4 feet high between the home and the pool which otherwise meets all of the requirements for a barrier set forth above.
- A motorized, safety pool cover which does not require manual operation other than the use of a key switch which meets the American Society of Testing and Materials (ASTM) emergency standard 13-89 (now ASTM #F 1346-91).
- Self-latching devices on all doors with direct access to the pool. Such latches shall meet the requirements for latches on self-closing gates set forth above.
- Emergency escape or rescue windows from sleeping rooms with access to the pool shall be equipped with a latching device not less than 54 inches above the floor. All other openable dwelling unit or guest room windows with similar access shall be equipped with a screwed-in-place wire mesh screen or a keyed lock that prevents opening the window more than 4 inches or a latching device located not less than 54 inches above the floor.

An above-ground swimming pool shall have non-climbable exterior sides which are a minimum height of 4 feet. Any access ladder or steps shall be removable without tools and secured in an inaccessible position with a latching device not less than 54 inches above the ground when the pool is not in use.

* Approved pursuant to Arizona Revised Statutes §36-1681 and A.A.C R9-3-101.
** "Pool" means an in-ground or above-ground swimming pool or other contained body of water 18 or more inches in depth, wider than 8 feet and intended for swimming.
***Phoenix, Peoria, Tucson and some other cities and unincorporated areas of Maricopa, Pima and Pinal counties have different pool barrier requirements. Check with your City and County Governments to see if they have adopted different pool barrier requirements.

Supervision is the key to prevent drownings.

Never leave children unsupervised in the pool or inside the pool area – not even for a second!

Inform guests to your home of the importance of closely watching children around water. At parties, make sure someone is always watching the children around the pool.

Don't count on barriers to keep children from reaching the pool. No barrier is foolproof. Barriers only slow a child's access to the pool.

In case of an emergency: act immediately

- Shout for help.
- Pull the child out of the water.
- Take the child to the phone and dial 911 (or the local emergency number) for help.
- Check airway and breathing. If needed, start CPR immediately. CPR can save lives and prevent serious injury.

Other smart tips to protect children around water:

DON'T:

- Don't keep toys, tricycles or other playthings in the pool area. Also remove items that a child could use to climb over the barrier.
- Don't be distracted by phone calls, doorbells, or chores while children are in the pool. Your full attention should be on the children.
- Don't rely on swimming lessons or "floaties" to protect your children.
- Don't prop gates open.

DO:

- Attend a CPR class. All family members and babysitters should know CPR. For the nearest class contact your local fire department.
- Post 911 (or the local emergency number) on all phones.
- Learn water rescue. Keep life saving equipment mounted near the pool, especially if you can't swim.
- Lock passageways (such as pet doors) leading to the pool.
- Inspect latches and gates regularly; keep them in working order.
- Set a good example. Insist on safety around the pool.

Buyer: _____

Date _____

Buyer: _____

Date _____

ARTESIA CONDOMINIUMS
Addendum Concerning McCormick Ranch Golf Course

THIS ADDENDUM dated December 12, 2009 between **STARPOINTE ARTESIA CONDOMINIUMS LLLP, AN ARIZONA LIMITED LIABILITY LIMITED PARTNERSHIP** (“Seller”) and xxx (“Buyer”) relates to that Purchase Contract, Receipt for Deposit and Escrow Instructions between the parties (“Purchase Contract”) with respect to Unit ooo of Artesia Condominiums (the “Residence”). Capitalized terms used but not defined herein shall have the meanings set forth in the Purchase Contract. Buyer agrees and acknowledges as follows:

As provided in Article 11 of the Declaration, the Project is adjacent to the McCormick Ranch Golf Course (the “Golf Course”). All of the provisions of Article 11 of the Declaration are incorporated into this Addendum by this reference. Without limiting the foregoing, Buyer acknowledges that:

1. Seller does not control the Golf Course and, therefore, makes no representations or warranties concerning the Golf Course or its operations, including whether, for what periods or how the Golf Course will be operated or used. Seller is not responsible for any noise or inconvenience resulting from operation of the Golf Course.

2. The project is subject to receiving errant golf balls from the Golf Course and Seller has no responsibility therefore or for any damage or injury resulting there from.

Buyer

Buyer

OCCUPANCY ADDENDUM

Artesia Condominiums

Addendum to the Purchase Contract dated December 12, 2009 Between **Starpointe Artesia Condominiums LLLP, an Arizona limited liability limited partnership**, as Seller, and xxx, as Buyer.

Unit # _____

Buyer acknowledges the occupancy status of the Unit as follows:

_____ **Primary or Secondary Residence:** The Residence will be occupied by Buyer as his/her principal residence or occupied by Buyer as a second home, while maintaining principal residence elsewhere.

Buyer hereby certifies that Buyer’s intent is to purchase the Residence as Buyer’s principal residence or secondary residence, with occupancy to begin within 30 days after the Close of Escrow and extend for an indefinite period of time in the future. Buyer hereby certifies that Buyer’s intent is to seek an “owner-occupied” Loan for this purchase.

Buyer understands and agrees that if Buyer does not obtain an “owner-occupied” Loan and intend to occupy the Unit as agreed above, Buyer will be in default of the terms of the Purchase Contract and Seller will have the right to cancel the Purchase Contract and retain all funds on deposit as liquidated damages.

Buyer agrees to forfeit all funds on deposit if they are not able to qualify for second home financing, due to other second home or investor purchases in Arizona or other locations.

_____ **Investment Property:** The Residence will not be “owner occupied.” The Residence is purchased as an investment to be held, sold or rented after Close of Escrow.

Buyer understands and agrees that Investor purchases may be limited per community as determined by Seller in its sole discretion.

Buyer further acknowledges, as it relates to financing, that it is a Federal crime, punishable by fine or imprisonment, or both, to knowingly make false statements concerning any of the above facts under the provisions of Title 18, United States Code, Section 1001, et seq.

Buyer

Buyer

Date
Artesia Contract –BROWNSTONES & TOWN HOMES 28
111009

Date
Unit # _____ Buyer’s Initials _____

SOUND TRANSMISSION ADDENDUM

This Addendum is to the Purchase Contract, Receipt for Deposit and Escrow Instructions dated December 12, 2009 between **xxx** ("Buyer") and ARTESIA CONDOMINIUMS LLLP an Arizona limited liability limited partnership ("Seller"), relative to the real property described as follows:

Unit # _____, Artesia Condominiums

1. Although Seller has met all applicable building codes, there will still be noise present due to sound transmission throughout the Project.
2. Buyers are aware that the building is located in an urban environment. Buyers are aware that they are purchasing a multi-family product that includes common wall and floor/ceiling assemblies with other units and the Common Elements. The Buyer(s) understand that the Unit they purchase is not "soundproof", and that sound, both laterally and vertically, from adjoining Units and Common Elements is inevitable, including, but not limited to, the sound of plumbing, television and/or stereo, noise and impact sounds (like footfall).
3. Buyers are aware that the exterior façade of the building includes windows, which may be operable. In an urban environment, noise from exterior activity, including but not limited to vehicle movement, voices and the operation of equipment may be audible within the Unit.
4. Buyers are aware that Common Elements and other equipment including, but not limited to, elevators, garage exhaust vents, mechanical systems, and electrical equipment is located within the building. Buyers understand that the operation of such equipment may be audible within the Unit.
5. The walls of the Unit, including the corridor and demising wall assemblies, meet the applicable acoustical code requirements for airborne sound isolation in the City of Scottsdale.
6. The floor/ceiling assembly of the Unit meet the applicable acoustical code requirements for airborne and impact sound isolation in the City of Scottsdale.
7. The Common Element equipment meets the applicable acoustical code requirements in the City of Scottsdale.

BUYER _____ Date _____

BUYER _____ Date _____

APPROVED AND ACCEPTED BY SELLER

STARPOINTE ARTESIA CONDOMINIUMS LLLP, an Arizona limited liability limited partnership

By: Starpointe Artesia, LLC, an Arizona limited liability company

its: General Partner

By: Starpointe Indian Bend Artesia Limited Partnership, a Delaware limited partnership

Its: Sole Member

By: SP Indian Bend Artesia General Partner, LLC, an Arizona limited liability company

Its: General Partner

By: Starpointe Communities III, LLC, an Arizona limited liability company

Its: Manager By: R.A. Lyles, Inc.

Its: Member

By: _____
Robert A. Lyles President

_____ Date

LIVE/WORK UNIT ADDENDUM

This Addendum relates to the Purchase Contract, Receipt for Deposit and Escrow Instructions dated December 12, 2009 between xxx (“Buyer”) and STARPOINTE ARTESIA CONDOMINIUMS, LLLP, an Arizona limited liability limited partnership (“Seller”), concerning the real property described as follows:

Unit #000, Artesia Condominiums

Buyer and Seller acknowledge that the Unit is a Live/Work Unit and the following provisions will apply:

Buyer discloses to Seller and agrees that the Unit will be used solely for the following commercial business following Close of Escrow N/A (“Business”). Buyer understands that use of the Unit solely for the Business following Closing is a material fact in Seller’s execution of the Purchase Contract and agreement to sell the Unit to Buyer, due to the relationship of the Live/Work Units to the rest of the Project. If Seller determines that the Unit will not be used solely for the Business following Closing, at its sole option Seller may cancel the Purchase Contract with all Earnest Money to be paid to Seller, whereupon the parties will have no further obligations to each other.

Should the buyer desire to use the Unit for a commercial business after close of escrow, Buyer understands that,

1. _____ Permitted uses of the Live/Work Unit are limited by and subject to compliance with Section 4.1 [C] and all other provisions of the Declaration of Condominium and of Covenants, Conditions and Restrictions (“Declaration”). Buyer has received and reviewed the Declaration and, in particular, Section 4.1 [C].
2. _____ Pursuant to Section 4.1 [C] (v), (vi), (vii), and (viii) of the Declaration, a single interior window sign will be permitted for the Unit, not larger than two (2) feet by three (3) feet in size, and mounted in conformance with the Board’s Sign Criteria. No exterior signs, banners, balloons, flags or similar items of any kind are permitted. No exterior awnings are permitted on any Live/Work Unit. No exterior lights, or interior lights visible from the exterior, are permitted in any Live/Work Unit, except normal office lighting and exterior lighting which is standard for the Condominium and no exterior music or video speakers, screens or other equipment is permitted, nor shall doors or windows be kept open to permit music to be audible outside of the Live/Work Unit. Buyer further understands and agrees that exterior paint colors are determined though the Association and Buyer is not permitted to re-paint or change the exterior color. All other exterior changes are subject to Board approval and compliance with all guidelines to ensure compatibility.
3. _____ Section 4.1 [C] of the Declaration contains various restrictions on numbers of employees, hours of operation and other operational matters relating to use of Live/Work Units.

4. _____ Permitted commercial uses of the live/work units are restricted to the first floor, "home office" portion of the unit.

5. _____ All employee, customer, vendor and business invitee parking for the Unit is limited two parking spaces in the Retail Parcel (including the parking spaces in front of the Live/Work Units, if available) described in the Declaration and located outside the Artesia residential wall and gate. No employees, customers, vendors or business invitees shall have or be given any access to any part of the Project beyond the Project's gate, including parking, pools, clubhouse, other recreational facilities and other Common Elements.

6. _____ Prior to commencement of commercial use, Buyer agrees to provide HOA and Seller with a Certificate of Insurance as described in section 4.1 [C] of the Declaration.

Seller discloses (i) the unit construction plans were reviewed and permitted under the City of Scottsdale's applicable code of 2003 IRC Building code. The 2003 IBC Building code was used for accessibility requirements; (ii) both Live/Work buildings are located within the commercial parcel of the project. This parcel is zoned C-1, and it is subject to all applicable City of Scottsdale use restrictions; (iii) the Declaration discusses use restrictions in Section 4.1. Additionally, Section 4.1 (c) further clarifies restrictions associated with Live/Work business operations and (iv) Seller recommends Buyer to contact the City of Scottsdale Planning Department at (480) 312-7000 to clarify any questions regarding use restrictions and business operations associated with the Live/Work units.

This Addendum does not set forth all provisions of Section 4.1 [C] or elsewhere in the Declaration that apply to the Unit or its use as a Live/Work Unit, and Buyer must comply with all such provisions whether or not set forth in this Addendum.

 BUYER Date

 BUYER Date

APPROVED AND ACCEPTED BY SELLER

STARPOINTE ARTESIA CONDOMINIUMS LLLP, an Arizona limited liability limited partnership
 By: Starpointe Artesia, LLC, an Arizona limited liability company
 Its: General Partner
 By: Starpointe Indian Bend Artesia Limited Partnership, a Delaware limited partnership
 Its: Sole Member
 By: SP Indian Bend Artesia General Partner, LLC, an Arizona limited liability
 company
 Its: General Partner
 By: Starpointe Communities III, LLC, an Arizona limited liability company
 Its: Manager
 By: R.A. Lyles, Inc. Its: Member

By: _____
Robert A. Lyles President

Date

ADDENDUM TO PURCHASE CONTRACT, RECEIPT FOR DEPOST AND ESCROW INSTRUCTIONS

This Addendum is to the Purchase Contract, Receipt for Deposit and Escrow Instructions dated **December 12, 2009** between **xxx** ("Buyer") and STARPOINTE ARTESIA CONDOMINIUMS, LLLP, an Arizona limited liability limited partnership ("Seller"), relative to the real property described as follows:

Unit #000, Artesia Condominiums

Seller / Lender hereby agree to offer the following sales incentive:

Seller / Lender to contribute up to \$3,000.00 towards buyers closing costs, pre-paids and or HOA dues

Purchaser agrees and understands that Seller's / Lender's obligation to provide the above mentioned discounts or incentive is contingent upon the following:

- Purchaser agrees to apply, and close their loan with Seller's preferred lender (s) Buyer agrees to provide Builder with a pre-approval letter from Builder's Preferred Lender

OR

- Purchaser intends to pay cash for the property, and seller has determined Purchaser has sufficient funds to acquire property, and Purchaser pays cash at closing without a mortgage loan

Purchaser acknowledges that any closing documents which reflect purchaser discounts will be adjusted at closing to delete those discounts and or incentives if purchaser fails to comply with the terms of this agreement. Purchaser understands that Seller's Preferred Lender may change at any time.

BUYER Date

BUYER

APPROVED AND ACCEPTED BY SELLER

STARPOINTE ARTESIA CONDOMINIUMS LLLP, an Arizona limited liability limited partnership

By: Starpointe Artesia, LLC, an Arizona limited liability company

its: General Partner

By: Starpointe Indian Bend Artesia Limited Partnership, a Delaware limited partnership

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By: SP Indian Bend Artesia General Partner, LLC, an Arizona limited liability company
Its: General Partner
By: Starpointe Communities III, LLC, an Arizona limited liability company
Its: Manager
By: R.A. Lyles, Inc. Its: Member

By: _____
Robert A. Lyles President

Date