

SUPERIOR COURT OF ARIZONA  
MARICOPA COUNTY

CV 2019-055353

05/12/2026

HONORABLE MELISSA IYER JULIAN

CLERK OF THE COURT  
A. Cage  
Deputy

JIE CAO, et al.

JIE CAO  
14850 E GRANDVIEW DR  
FOUNTAIN HILLS AZ 85268

v.

LORNE POLGER, et al.

JEFFERSON R HAYDEN  
LOUIS D LOPEZ  
STONE XIA  
15742 E EAGLE CREST RD  
FOUNTAIN HILLS AZ 85268  
HAINING XIA  
14850 E GRANDVIEW DR  
FOUNTAIN HILLS AZ 85268  
CHARLES E MARKLE  
JUDGE JULIAN

**RULING**

**Re: Motion to Confirm Arbitration Award**

This Court has considered Defendants PFP Dorsey Investments, LLC, and Dorsey Place Condominium Association's Motion to Confirm Arbitration Award, filed March 18, 2026, Plaintiffs' Response, filed April 26, 2026, and Defendants' Reply, filed May 5, 2026. For the following reasons, the arbitration award will be confirmed.

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**BACKGROUND**

This case arises from the termination of Dorsey Place Condominiums and the valuation procedure applicable to Plaintiffs' former Unit 106. The Arizona Supreme Court ordered the parties to engage in final and binding arbitration, as set forth in A.R.S. § 33-1228 and the Condominium Termination Agreement, to determine the fair market value of the Plaintiffs' unit, and this Court later ordered the parties to do the same.

Under the governing 2018 version of A.R.S. § 33-1228(G)(1), the relevant valuation is the fair market value of the unit "immediately before the termination." The statute further provides that if the second appraisal exceeds the association's appraisal by more than five percent, the unit owner shall submit to arbitration at the association's expense and the arbitration amount is the final sale amount.

The Condominium Termination Agreement contains a similar dispute resolution procedure. It provides that if an owner's appraisal differs from the Association's appraisal by more than five percent, the dispute shall be resolved by final and binding arbitration before a single arbitrator selected by the two appraisers, with the arbitrator's fair market value determination to be final and binding.

Here, Defendants' appraisal valued Plaintiffs' unit at \$234,000, while Plaintiffs' appraisal valued it at \$270,000. Because the competing appraisals differed by more than five percent, the matter proceeded to arbitration under the statute and the Termination Agreement. On February 9, 2026, Defendants' appraiser selected Frank Ugenti as the arbitrator without objection from Plaintiffs' appraiser.

Mr. Ugenti then reviewed the two 2019 appraisals and issued his report on March 16, 2026. In that report, he concluded that one appraisal undervalued the unit and the other overvalued it, and he rendered his own opinion that the fair market value of Unit 106 was \$250,000 as of April 22, 2019. (Motion, Ex. C at 7.) Defendants then filed the pending Motion to Confirm Arbitration Award on March 18, 2026.

**ANALYSIS**

Under the Arizona Revised Uniform Arbitration Act, a party may ask the superior court to confirm an arbitration award. A.R.S. § 12-3022. The opposing party may ask the court to vacate the award, but only on specific grounds set out in the statute. A.R.S. § 12-3023. Those grounds include corruption, fraud, or other undue means; evident partiality, corruption, or misconduct by the arbitrator; an arbitrator's refusal to postpone a hearing on sufficient cause shown or to consider material evidence, or other conduct that substantially prejudiced a party's

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rights; the arbitrator exceeding his powers; the absence of an agreement to arbitrate; or lack of required notice that substantially prejudiced a party's rights. A.R.S. § 12-3023(A). The party objecting to the award has the burden of making an adequate showing that one of those grounds exists. *Park Imperial, Inc. v. E. L. Farmer Const. Co.*, 9 Ariz. App. 511, 513 (1969). A trial court's role in confirming, vacating, or modifying an arbitration award is limited. It "may reject an arbitration award only on narrow statutorily enumerated grounds." *Nolan v. Kenner*, 226 Ariz. 459, 461, ¶ 5 (App. 2011).

Plaintiffs' response does not identify any statutory basis to vacate, modify, or correct the arbitration award. Plaintiffs do not argue that the award was procured by corruption or fraud, that the arbitrator was partial or engaged in misconduct, that the arbitrator exceeded his powers, or that the arbitration proceeded without required notice. See A.R.S. §§ 12-3023, -3024. Instead, Plaintiffs repeat their earlier arguments regarding which version of A.R.S. § 33-1228 applies and assert that valuation should be based on a current market value rather than value as of the 2019 termination.

Those arguments do not provide a basis to disturb the award. This Court has already ruled that the governing arbitration procedure is controlled by the 2018 version of A.R.S. § 33-1228(G)(1), together with the Termination Agreement. Under that statute, arbitration is required when the owner's second appraisal exceeds the association's appraisal by more than five percent, and the arbitration amount is the final sale amount. See *Cao v. PFP Dorsey Investments, LLC*, 257 Ariz. 109, 118, ¶ 45 (2024). Plaintiffs' renewed reliance on later statutory language requiring affiliation with a national arbitration association does not alter the governing law in this case and, in any event, is not a ground for vacating the award.

Plaintiffs' request that the Court require a current valuation date likewise fails. Plaintiffs contend that because the 2019 sale was "impermissible," valuation must be based upon today's market value. (Resp. at 3-5.) But Plaintiffs identify no language in the Arizona Supreme Court's mandate, the 2018 version of A.R.S. § 33-1228, or the Termination Agreement supporting that position. The mandate directed the parties to engage in final and binding arbitration under A.R.S. § 33-1228 and the Termination Agreement to determine the fair market value of the Plaintiffs' unit; it did not authorize a different valuation framework or a reset valuation date. The 2018 statute expressly measures fair market value "immediately before the termination," and the Termination Agreement likewise ties the appraisal and arbitration process to the original termination event and the competing appraisals exchanged as part of that process. Neither source provides that valuation is recalculated years later based on the date arbitration concludes or payment is made. The Court therefore cannot require a new valuation date simply because Plaintiffs disagree with the 2019 termination date used in the arbitration process.

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Mr. Ugenti's report shows that he reviewed the two 2019 appraisals, found neither fully reliable, and then provided his own opinion of market value as of April 22, 2019. (Motion, Ex. C.) His opinion followed the procedure required to arbitrate the parties' valuation dispute under the 2018 version of the statute and the Termination Agreement, which is what the Supreme Court mandate requires.

Because Plaintiffs have not carried their burden to show any ground under A.R.S. § 12-3023 or § 12-3024 for setting aside or altering the award, A.R.S. § 12-3022 requires confirmation. The Motion to Confirm Arbitration Award is therefore granted.

**DISPOSITION**

**IT IS THEREFORE ORDERED** granting Defendants PFP Dorsey Investments, LLC and Dorsey Place Condominium Association's Motion to Confirm Arbitration Award, filed March 18, 2026.

**IT IS FURTHER ORDERED** confirming the March 16, 2026 Arbitration Award and determining that the final sale amount for Plaintiffs' former Unit 106 is \$250,000.

**IT IS FURTHER ORDERED** that within 20 days of the filing date of this minute entry, Defendants shall submit any application for attorneys' fees and taxable costs together with a proposed form of judgment. The proposed judgment shall leave a blank space for the amount awarded and shall include Rule 54(c) language. After considering any objections to the application and form of judgment, this Court will enter final judgment in this matter.