



**ARIZONA SUPREME COURT  
ORAL ARGUMENT CASE SUMMARY**



**AROCA v. TANG INVESTMENT COMPANY LLC  
CV-24-0049-PR  
544 P.3d 653 (Ariz. App. 2024)**

**PARTIES:**

*Petitioner:* Tang Investment Company, LLC (“Tang”)  
*Respondents:* Jose R. Aroca and Kirstin Aroca (the “Arocas”)

**FACTS:**

In 2007, the Arocas executed a promissory note and deed of trust wherein they promised to pay Tang \$40,000 for value received, secured by real property in Pinal County owned by the Arocas. The terms and conditions of the note required the Arocas to make semi-annual, interest-only payments commencing in 2008, with the entire unpaid balance due and payable on April 30, 2012. Tang recorded the deed with the Pinal County Recorder’s Office. The Arocas made interest-only payments on the note for one year, but then stopped making payments and subsequently defaulted on the note in 2012. Tang failed to initiate collection proceedings or bring any action on the underlying debt for the next ten years.

In June 2022, the Arocas filed a complaint to quiet title, and Tang responded with a motion to dismiss. The superior court granted Tang’s motion and dismissed the Arocas’ action, concluding that A.R.S. § 33-714 superseded prior case law and extended the statute of limitations for Tang to initiate a foreclosure action until 2057. The Arocas appealed.

The court of appeals reversed the dismissal of the Arocas’ claim. It found that § 33-714 sets forth an outer limit for the expiration of mortgage liens but does not implicate the remedy of foreclosure or the timeframe in which a foreclosure proceeding must be initiated. The court rejected Tang’s argument that pursuant to *Provident Mut. Building-Loan Ass’n v. Schwertner*, 15 Ariz. 517 (1914), the Arocas are not entitled to relief unless and until they pay off their debt, even though it is barred by the statute of limitations. The court concluded that because Tang’s recorded deed of trust is barred by limitation, the lien has been discharged and the Arocas are entitled to judgment under A.R.S. § 12-1104, which provides for “judgment barring and forever estopping assertion of” an interest or lien on real property where the interest, lien, or remedy for enforcement is barred by limitation.

**ISSUE:**

The Arizona Supreme Court granted review as to this rephrased issue: Does expiration of the statute of limitation for suit on an unpaid mortgage debt permit an action to quiet title?

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