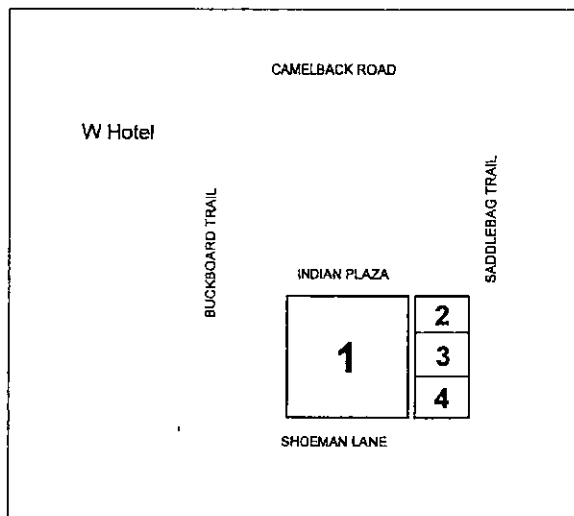


**Neighborhood Notification
Open House Information
Citizen Comments**

NEIGHBORHOOD OPEN HOUSE NOTIFICATION

You are invited to a neighborhood open house on May 29, 2012 from 5:30 to 7:00 pm at the W Hotel meeting room to review the applications for conditional use permits being requested for properties within the Scottsdale Retail Plaza project, bounded generally by Indian Plaza, Saddlebag Trail, Shoeman Lane, and Buckboard Trail. Recently the City Council approved the abandonment of an alley and rezoning necessary to make the Scottsdale Retail Plaza possible, and the upcoming open house is intended to solicit neighborhood input on four applications for bar and live entertainment venues within the Scottsdale Retail Plaza.

The locations and individual applications are described below:



- 1 **Beach Club** 9-UP-2012 and 10-UP-2012
Conditional Use Permit for a Bar with Live Entertainment
- 2 **Munchbar** 11-UP-2012
Conditional Use Permit for a Bar
- 3 **Whiskey Row** 12-UP-2012 and 13-UP-2012
Conditional Use Permit for a Bar with Live Entertainment
- 4 **Derby Public House** 166-PA-2012
Conditional Use Permit for a Bar

Historically, the property proposed for the Beach Club has been home to Myst and Suede, both bars. Myst was also approved for live entertainment. CUP's are now required for all new bars, and separate CUP's are required for bars that are proposing to have live entertainment. If you are not able to attend the open house, please feel free to contact the applicant or city staff processing the applications for more information.

WHEN: MAY 29, 2012 from 5:30 TO 7:00 PM.

WHERE: W HOTEL MEETING ROOM

For more information contact:

Applicant contact:	Randy Grant 480-748-8888
City staff contact:	Kim Chafin 480-312-7734

21-UP-2012
1st: 10/02/12

22-UP-2012
1st 10/02/12

NEIGHBORHOOD OPEN HOUSE SUMMARY

The neighborhood open house for the Conditional Use Permits for all four establishments (Beach Club, Munchbar, Whiskey Row, and Derby House) was held on May 29, 2012 at the W Hotel. Of the 8 people attending, 6 expressed support for the project and 2 expressed concern about existing conditions within the commercial area – particularly trash and one instance of vandalism. The concerns were expressed about one particular business, and that business has been notified and is in contact with the concerned property owner. Four comment cards were submitted, all in favor of the project.

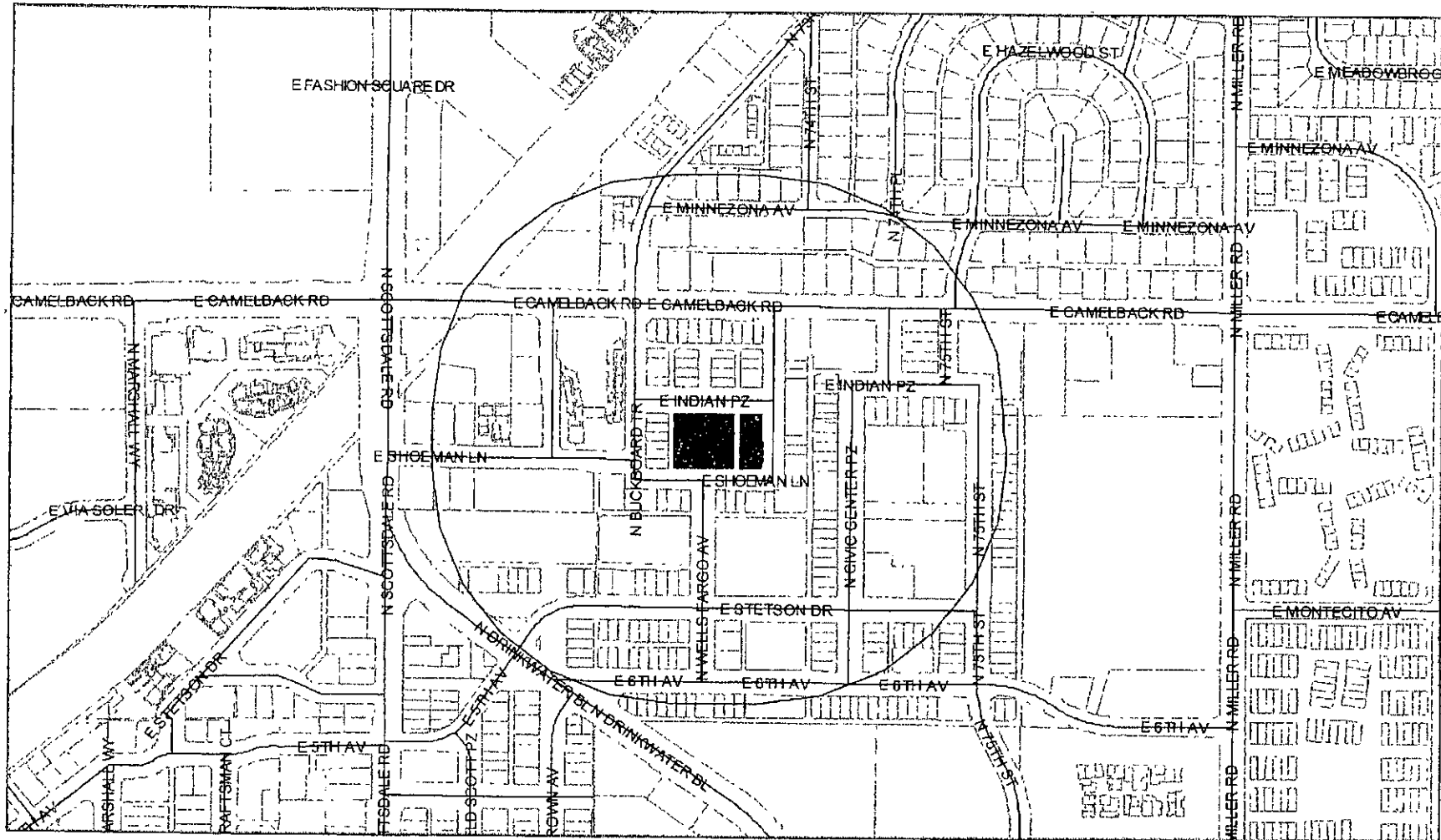
Attendees:

Flip Weber
Jeffrey Cohn
Kathy Cohn
Jon Wright
Mike Troyan
Ryan Hibbert
Anca Maras
Jennifer Jones

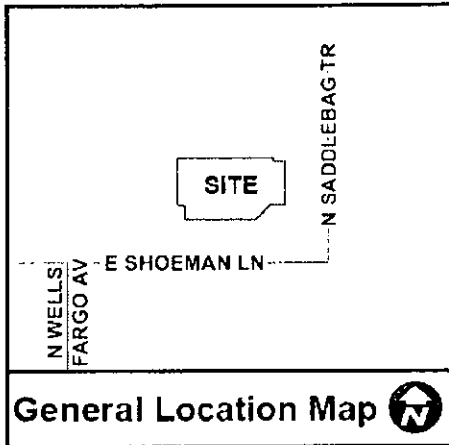
Other comments received from neighbors to date have been positive. Terry Brodtkin, owner of the Swiss Embassy building, has expressed frustration about the demolition work being done on the property, and about some service interruptions that have resulted from utility line disturbances. No other comments have been received from the public to date.

Our outreach efforts will continue and business owners within the area will be contacted with information about the project.

750' Notification Map



KEEPING YOU INFORMED



Site Location:

4420 N. Saddlebag Trail

Case Name:

Derby Public House

Case Number:

21-UP-2012 & 22-UP-2012

Dear Property Owner:

This is to inform you of a request by applicant for approval of Conditional Use Permits for a Bar and Live Entertainment for a new 4,242 +/- square-foot establishment located at 4420 N. Saddlebag Trail Suite 100 with Central Business District, Parking District, Downtown Overlay (C-2/P-3 DO) zoning.

Applicant contact: Brett Sherin, 602-679-9563

City contact: Kim Chafin, AICP, 480-312-7734

To view applications, call **480-312-7000**; for more information or to comment, e-mail projectinput@scottsdaleaz.gov.

To view the case fact sheet, enter the case number at:
<http://eservices.scottsdaleaz.gov/cases/>

To view activity in your neighborhood, visit:
<http://www.scottsdaleaz.gov/projects/myneighborhood>

Scottsdale P & Z Link - An email bulletin to keep residents and merchants informed about upcoming projects.
Subscribe at <https://eservices.scottsdaleaz.gov/listserve/default.asp>

The case file may be viewed at Current Planning, 7447 E Indian School Road, Suite 105

4101113

SECURITY, MAINTENANCE AND OPERATIONS PLAN

For Bars and Live Entertainment Use Permits



Scottsdale Police Department, 3700 North 75th Street, Scottsdale, AZ 85251

480.312.5000

FAX 480.312.7701

City of Scottsdale Planning, 7447 E. Indian School, Scottsdale, AZ 85251

480-312-7000

FAX 480-312-7088

Assigned Planner:

Coordinator - Kim Chafin

Police Detective:

JOHN MILLER

Establishment:

DERBY PUBLIC HOUSE Social Room

Address:

4420 AL SAROLENAG TRAIL, STE 100, Scottsdale

Business Phone:

602-284-2121

Business FAX:

-

Maximum Occupancy:

266

Effective Date of the Plan:

January 1, 2013

Date of Plan Review:

Oct 2, 2012

Use Permit Issue Date:

TBD

Liquor License Number:

TBD

Contact Person (1):

Dan Wierck

Home Phone:

602-284-2121

Contact Person (2):

John Dolan

Home Phone:

602-850-7500

DW

rec'd signed +
initialed copy 10-29-12

Purpose of the Plan

To address security measures, maintenance/refuse and operations for an establishment whose use shall require a Security Plan pursuant to Scottsdale Revised Codes. These uses typically include a Bar Use Permit and a Live Entertainment Use Permit. The contents of this plan will address the listed concerns as well as community concerns regarding:

- Any significant increase in vehicular or pedestrian traffic, including effects on parking, traffic and circulation in the area.
- Adequate control of disruptive behavior both inside and outside the premises to include property damage and refuse issues.
- Compatibility with surrounding structures and uses.

It is the intent of the City of Scottsdale to provide an environment that enhances the safeguarding of property as well as public welfare and to limit the need for law enforcement involvement.

The Permittee agrees that successful execution and enforcement of this Plan are a required condition of the use permit. Termination, cancellation, deviation or non-approval of the Plan constitutes a breach of the Plan and could result in the revocation of the use permit.



Revised

Operations and Hours

1. Permittee: Interpud Investments, LLC.
- Type of Organization: Arizona Corporation Corporation
Sole Proprietorship LLC
Partnership Other
2. Managing Agents Name: Nan Wiersch
Title: Owner / Managing Partner
Address: 4420 N. Saddlebag Trail, Suite 100
Scottsdale, AZ. 85251
Phone Numbers: (602) 274-2121
Fax or Other Numbers: -
3. Business Owner(s) (if different than Managing Agent) Name, Address, Phone: N/A
4. Property Owner or Property Manager (if different from Managing Agent) Name, Address, Phone: Equity Partners Group, LLC
602-744-8188 4501 N. Scottsdale Rd., # 201 Scottsdale 85251
5. Hours of Operation:

	Peak/Non-Peak Night	Open to Customers	Liquor Sale Begin	Liquor Sale Ends	Closed to Customers
Monday	NP	11 AM - 2 AM	11 AM	2 AM	2 AM - 11 AM
Tuesday	NP				
Wednesday	NP				
Thursday	NP				
Friday	X <u>Peak</u>				
Saturday	X <u>Peak</u>				
Sunday	NP				

6. Promotional Events: (Attach an addendum which describes week to week promotional events you plan to have throughout the year i.e. "Ladies night." Do not include special events)
7. Program Format/Entertainment/Advertising: (Complete for Live Entertainment Use Permit Only. Attach addendum that describes

entertainment format i.e. DJ, Live music, Comedy acts etc.) See Scottsdale Revised Code -- Appendix B, Zoning Ordinance for definitions.

8. Special Events:

Permittee must give notice to City of Scottsdale Planning and Development at least forty-five (45) days prior to conducting Special Events on the premises. "Special Events" are any program formats varying from the regular format and audiences described or provided above organized or planned by Permittee. Scottsdale requires separate licenses for outdoor special events.

9. Cooperation/Complaints/Concerns:

Permittee will maintain communications with establishments located on and adjacent to the premises, and with residents and other businesses that may be affected by patrons or operations of the Permittee. Permittee designates the following person to receive and respond to concerns or complaints from other residents or businesses:

Name: Dan Wright Address: 4416 Suite 100 Phone: 602 284 2121

Permittee, managing agents, on-duty managers, supervisors and security personnel will cooperate closely with Scottsdale Police, City of Scottsdale Code Enforcement staff or other City staff as well as business and residential neighbors in addressing and investigating complaints, criminal acts, refuse issues and any other concerns.

Security and Maintenance

Security Attire

Security personnel must be readily identifiable to police, patrons, and other employees to ensure the safety of the security staff when engaged with patrons. Security personnel should wear an appropriate styled shirt with the word "security" on both the front and back, in two (2) inch lettering and clearly visible. During cold weather, a jacket with the same inscription should be worn.

The use of radios should be employed between security staff and management when the size of the establishment limits communication efforts.

Security Officer Responsibilities

The Permittee or management must clearly delineate the below responsibilities to all new security personnel and ensure these responsibilities are explained and understood.

Civilian Security Officers will be responsible for patrolling the full property of the liquor establishment during all hours when patrons are in the establishment, outside the establishment, and in the establishment parking areas.

On peak nights, there will be a minimum of 2 uniformed security officer(s). (Wearing the above-described uniform). The following responsibilities shall be agreed upon and adhered to:

1. 1 Security officer(s) will be responsible for roaming the interior of the business and identifying hazards, problems, and maintaining guest safety.
2. 2 Security officer(s) will be responsible for checking identifications at the front door. Acceptable identification are those listed in Arizona Revised Statutes Title 4, section 241A and apply to patrons accessing any area of the licensed premises, including the time period of After-Hours, if applicable. Additional responsibilities shall include: access control, counting of patrons, and prevention of intoxicated persons from entering the business.
3. 2 Security officer(s) will be responsible for conducting roaming patrol of the exterior in an effort to prevent criminal behavior, maintain the peace and prevent refuse issues. This patrol shall include all parking areas to prevent a gathering of patrons during business hours and up to thirty (30) minutes after closing.

In addition, security officers will report all acts of violence to management personnel, complete a written report, log the act of violence, and contact Scottsdale Police Department immediately. Liquor establishment management and/or ownership has the ultimate responsibility for the recording of the act of violence, logging of the act of violence, and reporting the act of violence to the police department and the State Department of Liquor Licenses.

Management Responsibilities

The Permittee must clearly delineate the below responsibilities to all managers, assistant managers, and person(s)-in-charge and ensure these responsibilities are understood and followed.

The manager(s) shall ensure that all employees, security staff and off-duty officers (if applicable) be trained and knowledgeable about the contents of this plan. The following shall be agreed upon and adhered to:

1. There will be a minimum of 2 manager(s) available during peak nights.
2. There shall be a general manager and one assistant manager on duty all hours while open for business and for thirty minutes after closing.
3. A manager shall be identified as the "Security Manager" for the establishment and be responsible for ensuring that a safe environment exists; for the supervision of all security personnel and that all security personnel as identified here shall meet or exceed the requirements established by A.R.S. 32-2621 through A.R.S. 32-2636, as amended, relating to security personnel and guards, and any regulation issued pursuant thereto.
4. At least one security manager will be on duty until one hour after closing or the last security officer is off duty, whichever occurs last.

Uniformed Sworn Officer Responsibilities:

If Off-duty law enforcement is used for security, it is the responsibility of the Permittee or management to clearly delineate the following responsibilities, which include at a minimum the following:

1. Conduct traffic control as needed.
2. Assist civilian security officer(s) in removal of disorderly and/or intoxicated guests and maintain the peace outside the establishment.
3. If necessary, patrol the exterior portions of the business to maintain the peace as well as prevent criminal acts.
4. If a valet is utilized, maintain the peace in the area of the valet.
5. Assist Security Officers with maintaining order in the entrance line and assist in discovery of underage patrons attempting admittance.

☐ I plan to hire _____ officer(s) during peak nights from (name of agency) _____

☒ I do not plan to hire off-duty law enforcement.

Parking.

In order to reduce criminal activity that negatively affects the nearby businesses, the Permittee is responsible for the designated parking area to include any lots used by the Permittee's contracted valet company. It is the Permittee's responsibility to ensure that parking areas utilized by patrons and employees will be routinely patrolled by security staff so parking areas are not used: as a gathering place; for consumption of spirituous liquor; for violations of state or city law; for acts of violence, or disorderly conduct. Management will ensure that all patrons have left the parking areas within thirty minutes after the designated closing time.

If valet is used, it is the Permittee's responsibility to ensure the valet company meets all the requirements of the City of Scottsdale and has a valid valet license and permit prior to conducting valet business.

Refuse Plan

It is the Permittee's responsibility to ensure refuse containers are properly used and the area in and around the business is kept clean. Failure to do so will result in an investigation and possible citation from the City of Scottsdale Code Enforcement or other governmental agencies.

At closing, management will be responsible for refuse pick-up and any appropriate cleaning, for any refuse found within a 300 foot (three hundred) radius of the business. This will also include patron parking lot(s), valet parking lot(s) and employee parking lot(s). All bottles, trash, bodily fluids or secretions and refuse found on streets, sidewalks, private property, and empty lots within the above designated areas will be placed in the refuse container or cleaned appropriately.

Enforcement of Security Plan

Violations of this Security Plan will be enforceable by City of Scottsdale Police Officers and/or Code Enforcement employees and may constitute grounds for revocation of applicable use permits relating to the establishment.

Violation, amendment, revocation, as defined in Scottsdale City Zoning Code Sec. 1.402.

Conditional use permits, which have been approved by the City Council, shall be subject to the following procedures and criteria regarding any violation, amendment, or revocation.

- The violation of any condition imposed by the conditional use permit shall constitute a violation of this ordinance and shall be subject to the requirements of Section 1.1400 et seq.
- Conditional uses shall be developed in conformance to the approved plans as determined by the Zoning Administrator. An amendment to a conditional use permit is required before implementation of any material change in the scope and nature of an approved conditional use, material change in any conditions or stipulations to a conditional use permit or material change in the physical size, placement or structure of property subject to a conditional use permit. The Zoning Administrator shall have the discretion to determine if a proposed change warrants an amendment. An amendment must be approved as provided in Section 1.400 et seq. for the approval of conditional use permits.

The Zoning Administrator may recommend to the City Council and the City Council may affect revocation of a conditional use permit pursuant to Section 1.402 of the Scottsdale Zoning Code for acts including but not limited to:

1. A violation of the Plan.
2. Violation of the conditions of the Use Permit.
3. Violation of Scottsdale ordinances or law.
4. Repeated acts of violence or disorderly conduct as reflected by police calls for service or offenses occurring on premises utilized by patrons of the Permittee, or failure to report acts of violence.
5. Failure of the Permittee to take reasonable steps to protect the safety of persons entering, leaving or remaining on the premises when the Permittee knew or should have known of the danger to such person, or the Permittee fails to take reasonable steps to intervene by notifying law enforcement officials or otherwise to prevent or break up an act of violence or an altercation occurring on the premises or on premises utilized by patrons and employees of the Permittee when the Permittee knew or reasonably should have known of such acts of violence or altercations.
6. Any enlargement or expansion of the premises, plan of operation or program format without appropriate approval from the City.
7. Misrepresentations or material misstatements of the Permittee, its agents or employees.

Dissemination of the Security Plan

- A copy of this security plan must be provided to each security officer and off-duty sworn law enforcement officer as well as the manager(s) and assistant manager(s) employed by the permittee.
- A reading log will be maintained and will be signed by each of the above persons, stating they have read and understood this plan. Each security employee must read the plan once per year, or when there are any changes to the plan.
- A current copy of this plan will be maintained on the premises at all times, and a copy of this plan must be made available upon request of any code enforcement officer or police officer.
- Failure to conform to this plan will be considered a violation of the use permit.

DW

Termination of the Plan

This plan terminates on the date that the permittee's use permit terminates, or two (2) years from the security plan's effective date, whichever occurs first.

Enclosures

☐ Addendums attached

☒ No enclosures

APPLICANT/MANAGEMENT:

Name: Dan Wierck
 Address: 4420 N. Saddlebag Trail #100 Scottsdale AZ 85251
 Phone: 602-284-2121
 Date: 9-13-12
 Signature: [Signature]

APPROVED BY:

Detective: JOHN MILLER
 Phone: 480-312-5252
 Date: 10/14/12
 Signature: [Signature]



Operation Plan

An Operation Plan explains operational characteristics of a proposed use

1. Business use type. Restaurant
2. Days of Operation: 7 days a week
3. Hours of Operation: 11am - 2pm
4. Number of employees
 - a. Full time, indicate work shift _____
 - b. Part time, indicate work shift 28 11-7pm, 7pm-2am
5. Other business officials on site if not employees NOT APPLICABLE
6. Customer characteristics
 - a. Patron seating _____
 - b. Frequency and peak time of customer activity _____
7. Outdoor operations
 - a. Explain all outdoor activities (e.g. everything that takes place outside the confines of an enclosed building).
 - Parking STREET PARKING ADJACENT TO BLDG FRONTAGE
 - Loading ESTABLISH LOADING ZONE REAR OF BLDG
 - Storage N/O OUTSIDE STORAGE
 - Display BLDG SIGNAGE UNDER SEPERATE
 - Product demonstrations/testing ALL DEMOS CONDUCTED INSIDE
 - Activities that take place within areas that are walled but not roofed or covered NO WALLED EXTERIOR AREA.
 - Other activities _____
8. Description of service activities such as parking lot sweeping, loading, trash hauling and similar associated activities. MEMBER OF Scottsdale Downtown & Entertainment District Assn. who will maintain a clean area around the proposed space.
 - a. Frequency of service Activities days of week, hours of day Thurs - Sun 4 hours
 - b. Location of Service Activities relative to lower intensity uses N/A
9. Description of refuse removal
 - a. The location of anticipated parking area for customers including those located off the site. _____
 - b. The area surrounding the property that will be cleaned of debris by the applicant MEMBER OF SCOTTSDALE DOWNTOWN & ENTERTAINMENT DISTRICT ASSN. WHO WILL MAINTAIN A CLEAN AREA AROUND THE AREA.
 - c. Time of day of refuse removal. MON, WED, FRI 9-12 AM.

Planning, Neighborhood and Transportation

7447 E Indian School Road, Suite 105, Scottsdale, AZ 85251 • Phone: 480-312-2500 • Fax: 480-312-7088



Operation Plan

An Operation Plan explains operational characteristics of a proposed use

10. Description of activities that generate noise that will be apparent to/from adjoining properties.

- a. Source of noise NOISE CONCEALED TO SUBJECT SPACE
- b. Noise level in DBA at source of noise and point of impact N/A
- c. Description and diagrams of noise source location N/A

11. Description and documentation of how noise is abated

- a. Narrative description _____
- b. Attach site plans, elevation, and other plans that visually demonstrate noise source and noise levels, and how noise will be abated

12. Proposal for noise monitoring and maintenance of acceptable noise level: _____

Schools Only.

1. Number of students on site at any given time: _____

2. Frequency of drop offs and pick-ups (start and stop times) on each day of the week: _____

Planning, Neighborhood & Transportation

7447 E. Indian School Road, Suite 105, Scottsdale, AZ 85251 ♦ Phone 480-312-2500 ♦ Fax 480-312-7088

Pre-application No 166-PA 2012
Project Name: DELAIR PUBLIC HOUSE

AFFIDAVIT OF AUTHORITY TO ACT FOR PROPERTY OWNER

1. This affidavit concerns the following parcel of land:

- a. Street Address: 4420N SADDLEBAG TRAIL - STE. 100
b. County Tax Assessor's Parcel Number 173-41-139 / 173-41-140
c. General Location SADDLEBAG TRAIL
d. Parcel Size: 4310 SQFT
e. Legal Description: LOT 23, 24, 25 - CAMELBACK PARK PLAZA.

(If the land is a platted lot, then write the lot number, subdivision, name, and the plat's recording number and date. Otherwise, write "see attached legal description" and attach a legal description.)

2. I am the owner of the land or I am the duly and lawfully appointed agent of the owner of the land and have authority from the owner to sign this affidavit on the owner's behalf. If the land has more than one owner then I am the agent for all of the owners, and the word "owner" in this affidavit refers to all of them.

3. I have authority from the owner to act for the owner before the City of Scottsdale with regard to any and all reviews, zoning map amendments, general plan amendments, development variances, abandonments, plats, lot splits, lot ties, use permits, building permits and other land use regulatory or related matters of every description involving the land, or involving adjacent or nearby lands in which the owner has (or may acquire) an interest and all applications, dedications, payments, assurances, decisions, agreements, legal documents, commitments, waivers and other matters relating to any of them.

4. The City of Scottsdale is authorized to rely on my authority as described in this affidavit until three work days after the day the owner delivers to the general manager of the Scottsdale Planning and Development Services Department a written statement revoking my authority.

5. I will immediately deliver to the general manager of the City of Scottsdale Planning and Development Services Department written notice of any change in the ownership of the land or in my authority to act for the owner.

6. If more than one person signs this affidavit, each of them, acting alone, shall have the authority described in this affidavit, and each of them warrant to the City of Scottsdale the authority of the others.

7. Under penalty of perjury, I warrant and represent to the City of Scottsdale that this affidavit is true and complete. I understand that any error or incomplete information in this affidavit or any applications may invalidate approvals or other actions taken by the City of Scottsdale, may otherwise delay or prevent development of the land and may expose me or the owner to other liability. I understand that people who have not signed this form may be prohibited from speaking for the owner at public meetings or in other city processes.

Name (printed):
Shawn Yari, for
Equity Partners Group LLC

Date
9-14 2012
____ 20____
____ 20____
____ 20____

Signature
[Signature]
Manager



CHICAGO TITLE INSURANCE COMPANY

Title No CTA1109551

COMMITMENT FOR TITLE INSURANCE

Issued by

Chicago Title Insurance Company

Chicago Title Insurance Company ("Company"), for a valuable consideration, commits to issue its policy or policies of title insurance, as identified in Schedule A, in favor of the Proposed Insured named in Schedule A, as owner or mortgagee of the estate or interest in the land described or referred to in Schedule A, upon payment of the premiums and charges and compliance with the Requirements; all subject to the provisions of Schedules A and B and to the Conditions of this Commitment.

This Commitment shall be effective only when the identity of the Proposed Insured and the amount of the policy or policies committed for have been inserted in Schedule A by the Company.

All liability and obligation under this Commitment shall cease and terminate 6 months after the Effective Date or when the policy or policies committed for shall issue, whichever first occurs, provided that the failure to issue the policy or policies is not the fault of the Company.

The Company will provide a sample of the policy form upon request.

IN WITNESS WHEREOF, CHICAGO TITLE INSURANCE COMPANY has caused its corporate name and seal to be affixed by its duly authorized officers on the date shown in Schedule A.

Jon Fossheim

Countersigned



CHICAGO TITLE INSURANCE COMPANY

BY

Gene M. Finley

President

ATTEST

[Signature]

Secretary

CHICAGO TITLE INSURANCE COMPANY

2555 E. Camelback Rd., # 500
Phoenix, AZ 85016

SCHEDULE A

Title Officer: Chris Ziegler
Escrow Officer: Maida Klein
Escrow No.: CTA1109551-CTA2949

1. Effective date: March 5, 2012 at 07:30 AM
2. Policy or Policies to be issued: Amount
 - (a) Loan Policy (ALTA Loan Policy (06/17/2006))
Proposed Insured:
TO COME, its successors and/or assigns as their respective interests may appear.
3. The estate or interest in the land described or referred to in this Commitment is:
A Fee
4. Title to the estate or interest in the land is at the Effective Date vested in:
Equity Partners Group, L.L.C., an Arizona Limited Liability Company
5. The land referred to in the Commitment is described as follows:
SEE EXHIBIT "ONE" ATTACHED HERETO AND MADE A PART HEREOF

Title No.. CTA1109551
Amendment No. 1/cz

CHICAGO TITLE INSURANCE COMPANY

LEGAL DESCRIPTION

EXHIBIT "ONE"

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE COUNTY OF MARICOPA, STATE OF ARIZONA AND IS DESCRIBED AS FOLLOWS:

Lots 23, 24 and 25, CAMELBACK PARK PLAZA, according to the plat of record in the office of the County Recorder of Maricopa County, Arizona, recorded in Book 86 of Maps, Page 13.

CHICAGO TITLE INSURANCE COMPANY
SCHEDULE B - SECTION I
REQUIREMENTS

1. Pay the agreed amounts for the interest in the Land and/or the mortgage to be insured.
2. Pay us the premiums, fees and charges for the policy.
3. Documents satisfactory to us creating the interest in the Land and/or the mortgage to be insured must be signed, delivered and recorded.
4. You must tell us in writing the name of anyone not referred to in this commitment who will get an interest in the Land or who will make a loan on the Land. We may then make additional requirements or exceptions.
5. Payment of taxes for the second half of the year 2011 plus interest and penalties, if any.
6. An inspection of said Land may be needed. Furnish the amount to be insured and/or final policy type as soon as possible so a determination can be made. If an inspection needs to be ordered; upon its completion the Company reserves the right to except additional items and/or make additional requirements.
7. Furnish for review a full and complete copy of any unrecorded agreement, contract, license and/or lease together with all supplements, assignments and amendments thereto, prior to the close of this transaction.

The Company reserves the right to add additional items or make further requirements after review of the requested documentation.

8. The transaction contemplated in connection with this Report is subject to the review and approval of the Company's Corporate Underwriting Department. The Company will require a liability amount and list of requested endorsements prior to submitting the transaction for said approval. Failure to provide this information may result in the closing being delayed.

The Company reserves the right to add additional items or make further requirements after review of the requested documentation.

SCHEDULE B - SECTION I

(Continued)

- 9 The Company will require the following documents for review prior to the issuance of any title assurance predicated upon a conveyance or encumbrance from the entity named below

Limited Liability Company
Company

Equity Partners Group, L.L.C., an Arizona Limited Liability

- a) A copy of its operating agreement, if any, and any and all amendments, supplements and/or modifications thereto, certified by the appropriate manager or member.
- b) If a domestic Limited Liability Company, a copy of its Articles of Organization and all amendments thereto with the appropriate filing stamps
- c) If the Limited Liability Company is member-managed a full and complete current list of members certified by the appropriate manager or member
- d) If the Limited Liability Company was formed in a foreign jurisdiction, evidence, satisfactory to the Company, that it was validly formed, is in good standing and authorized to do business in the state of origin.
- e) If less than all members, or managers, as appropriate, will be executing the closing documents, furnish evidence of the authority of those signing

The Company reserves the right to add additional items or make further requirements after review of the requested documentation.

10. Furnish for recordation a partial release/reconveyance of deed of trust:

Amount.	\$6,600,000 00
Dated.	March 27, 2008
Trustor/Grantor:	Equity Partners Group, L.L.C., an Arizona Limited Liability
Company	
Trustee:	Fidelity National Title Insurance Company
Beneficiary:	M&I Marshall & Ilsley Bank
Loan No.	
Recording Date:	March 27, 2008
Recording No.	2008-0270929

11. Furnish for recordation a partial release of the Assignment of Rents and Leases

Executed by:	Equity Partners Group, L.L.C., an Arizona Limited Liability
Company	
To:	M&I Marshall & Ilsley Bank
Recording Date:	March 27, 2008
Recording No.	2008-0270930

SCHEDULE B - SECTION I

(Continued)

12. Furnish for recordation a deed of trust, securing an indebtedness,

Executed by: Equity Partners Group, L.L.C., an Arizona Limited Liability
 Company
 Beneficiary: TO COME, its successors and/or assigns as their respective
 interests may appear.
 Amount: \$

Tax Note:

Year: 2011
 Tax Parcel No: 173-41-139
 Total Tax: \$4,034.22
 First Installment Amount: \$PAID
 Second Installment Amount: \$2,017.11

Tax Note:

Year: 2011
 Tax Parcel No: 173-41-140
 Total Tax: \$1,821.70
 First Installment Amount: \$PAID
 Second Installment Amount: \$910.85

Tax Note:

Year: 2011
 Tax Parcel No: 173-41-141
 Total Tax: \$1,821.70
 First Installment Amount: \$PAID
 Second Installment Amount: \$910.85

13. Note: Pursuant to Arizona Revised Statutes 11-480, effective January 1, 1991, the County Recorder may not accept documents for recording that do not comply with the following:
- (a) Print must be ten-point type or larger.
 - (b) Margins of at least one-half inch along all sides, including top and bottom, except the top of the first page which must be at least two inches for recording and return address information. The margin must be clear of all information including but not limited to, notaries, signatures, page numbers.
 - (c) Each instrument shall be no larger than 8 - 1/2 inches in width and 14 inches in length.
14. Note: Any documents being executed in conjunction with this transaction must be signed in the presence of an authorized Company employee, an authorized employee of an agent, an authorized employee of the insured lender, or by using Bancserv or other approved third-party service. If the above requirement cannot be met, please call the Company at the number provided in this report.

SCHEDULE B - SECTION I

(Continued)

- 15 Note: The policy of title insurance will include an arbitration provision. The Company or the insured may demand arbitration. Arbitrable matters may include, but are not limited to, any controversy or claim between the Company and the insured arising out of or relating to this policy, any service of the Company in connection with its issuance or the breach of a policy provision or other obligation. Please ask your escrow or title officer for a sample copy of the policy to be issued if you wish to review the arbitration provisions and any other provisions pertaining to your Title Insurance coverage.

END OF SCHEDULE B - SECTION I



CHICAGO TITLE INSURANCE COMPANY

Title No . CTA1109552

COMMITMENT FOR TITLE INSURANCE

Issued by

Chicago Title Insurance Company

Chicago Title Insurance Company ("Company"), for a valuable consideration, commits to issue its policy or policies of title insurance, as identified in Schedule A, in favor of the Proposed Insured named in Schedule A, as owner or mortgagee of the estate or interest in the land described or referred to in Schedule A, upon payment of the premiums and charges and compliance with the Requirements; all subject to the provisions of Schedules A and B and to the Conditions of this Commitment

This Commitment shall be effective only when the identity of the Proposed Insured and the amount of the policy or policies committed for have been inserted in Schedule A by the Company

All liability and obligation under this Commitment shall cease and terminate 6 months after the Effective Date or when the policy or policies committed for shall issue, whichever first occurs, provided that the failure to issue the policy or policies is not the fault of the Company

The Company will provide a sample of the policy form upon request.

IN WITNESS WHEREOF, CHICAGO TITLE INSURANCE COMPANY has caused its corporate name and seal to be affixed by its duly authorized officers on the date shown in Schedule A.

Countersigned



CHICAGO TITLE INSURANCE COMPANY

BY

ATTEST

President

Secretary

CHICAGO TITLE INSURANCE COMPANY

2555 E Camelback Rd , # 500
Phoenix, AZ 85016

SCHEDULE A

Title Officer. Chris Ziegler
Escrow Officer. Maida Klein
Escrow No . CTA1109552-CTA2949

- 1 Effective date March 5, 2012 at 07.30 AM
- 2 Policy or Policies to be issued: Amount
 - (a) Loan Policy (ALTA Loan Policy (06/17/2006))
Proposed Insured.
TO COME, its successors and/or assigns as their respective interests may appear
- 3 The estate or interest in the land described or referred to in this Commitment is:
A Fee
4. Title to the estate or interest in the land is at the Effective Date vested in:
Equity Partners Group, L.L.C , an Arizona Limited Liability Company
- 5 The land referred to in the Commitment is described as follows.
SEE EXHIBIT "ONE" ATTACHED HERETO AND MADE A PART HEREOF

CHICAGO TITLE INSURANCE COMPANY
LEGAL DESCRIPTION
EXHIBIT "ONE"

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE COUNTY OF MARICOPA, STATE OF ARIZONA AND IS DESCRIBED AS FOLLOWS:

Lots 26, 27 and 28, CAMELBACK PARK PLAZA, according to Book 86 of Maps, Page 13, records of Maricopa County, Arizona.

CHICAGO TITLE INSURANCE COMPANY
SCHEDULE B - SECTION I
REQUIREMENTS

- 1 Pay the agreed amounts for the interest in the Land and/or the mortgage to be insured.
- 2 Pay us the premiums, fees and charges for the policy
- 3 Documents satisfactory to us creating the interest in the Land and/or the mortgage to be insured must be signed, delivered and recorded.
- 4 You must tell us in writing the name of anyone not referred to in this commitment who will get an interest in the Land or who will make a loan on the Land. We may then make additional requirements or exceptions
- 5 An inspection of said Land may be needed. Furnish the amount to be insured and/or final policy type as soon as possible so a determination can be made. If an inspection needs to be ordered; upon its completion the Company reserves the right to except additional items and/or make additional requirements
6. Furnish for review a full and complete copy of any unrecorded agreement, contract, license and/or lease together with all supplements, assignments and amendments thereto, prior to the close of this transaction.

The Company reserves the right to add additional items or make further requirements after review of the requested documentation.

7. The transaction contemplated in connection with this Report is subject to the review and approval of the Company's Corporate Underwriting Department. The Company will require a liability amount and list of requested endorsements prior to submitting the transaction for said approval. Failure to provide this information may result in the closing being delayed.

The Company reserves the right to add additional items or make further requirements after review of the requested documentation.

SCHEDULE B - SECTION I

(Continued)

8. The Company will require the following documents for review prior to the issuance of any title assurance predicated upon a conveyance or encumbrance from the entity named below.

Limited Liability Company: Equity Partners Group, L.L.C., an Arizona Limited Liability Company

- a) A copy of its operating agreement, if any, and any and all amendments, supplements and/or modifications thereto, certified by the appropriate manager or member.
- b) If a domestic Limited Liability Company, a copy of its Articles of Organization and all amendments thereto with the appropriate filing stamps.
- c) If the Limited Liability Company is member-managed a full and complete current list of members certified by the appropriate manager or member.
- d) If the Limited Liability Company was formed in a foreign jurisdiction, evidence, satisfactory to the Company, that it was validly formed, is in good standing and authorized to do business in the state of origin.
- e) If less than all members, or managers, as appropriate, will be executing the closing documents, furnish evidence of the authority of those signing.

The Company reserves the right to add additional items or make further requirements after review of the requested documentation.

9. Furnish for recordation a partial release/reconveyance of deed of trust:

Amount: \$6,600,000.00
Dated: March 27, 2008
Trustor/Grantor: Equity Partners Group, L.L.C., an Arizona Limited Liability Company
Trustee: Fidelity National Title Insurance Company
Beneficiary: M&I Marshall & Ilsley Bank
Loan No.
Recording Date: March 27, 2008
Recording No: 2008-0270929

10. Furnish for recordation a partial release of the Assignment of Rents and Leases

Executed by: Equity Partners Group, L.L.C., an Arizona Limited Liability Company
To: M&I Marshall & Ilsley Bank
Recording Date: March 27, 2008
Recording No: 2008-0270930

SCHEDULE B - SECTION I

(Continued)

- 11 Furnish for recordation a deed of trust, securing an indebtedness,

Executed by Equity Partners Group, L.L.C., an Arizona Limited Liability
 Company
 Beneficiary: TO COME, its successors and/or assigns as their respective
 interests may appear
 Amount \$

Tax Note:

Year: 2011
 Tax Parcel No: 173-41-142
 Total Tax: \$7,773.36
 First Installment Amount: \$
 Second Installment Amount \$3,886.68

Tax Note:

Year: 2011
 Tax Parcel No: 173-41-143
 Total Tax: \$1,821.70
 First Installment Amount \$
 Second Installment Amount: \$910.85

Tax Note:

Year: 2011
 Tax Parcel No: 173-41-144
 Total Tax: \$1,821.70
 First Installment Amount: \$
 Second Installment Amount: \$910.85

12. Note. Pursuant to Arizona Revised Statutes 11-480, effective January 1, 1991, the County Recorder may not accept documents for recording that do not comply with the following:
- (a) Print must be ten-point type or larger.
 - (b) Margins of at least one-half inch along all sides, including top and bottom, except the top of the first page which must be at least two inches for recording and return address information. The margin must be clear of all information including but not limited to, notaries, signatures, page numbers.
 - (c) Each instrument shall be no larger than 8 - 1/2 inches in width and 14 inches in length.
- 13 Note. Any documents being executed in conjunction with this transaction must be signed in the presence of an authorized Company employee, an authorized employee of an agent, an authorized employee of the insured lender, or by using Bancserv or other approved third-party service. If the above requirement cannot be met, please call the Company at the number provided in this report

SCHEDULE B - SECTION I

(Continued)

14. Note: The policy of title insurance will include an arbitration provision. The Company or the insured may demand arbitration. Arbitrable matters may include, but are not limited to, any controversy or claim between the Company and the insured arising out of or relating to this policy, any service of the Company in connection with its issuance or the breach of a policy provision or other obligation. Please ask your escrow or title officer for a sample copy of the policy to be issued if you wish to review the arbitration provisions and any other provisions pertaining to your Title Insurance coverage

END OF SCHEDULE B - SECTION I



Appeals of Dedication, Exactions, or Zoning Regulations

Rights of Property Owner

In addition to the other rights granted to you by the U.S. and Arizona Constitution, federal and state law, and city ordinances or regulations, you are hereby notified of your right to appeal the following City actions relating to your property.

- 1) Any dedication or exaction which is required of you by an administrative agency or official of the city as a condition of granting approval of your request to use, improve or develop your real property. This appeal right does not apply to a dedication or exaction required as part of a city legislative act (for example a zoning ordinance) when an administrative agency or official has no discretion to determine the dedication or exaction.
- 2) The adoption or amendment of a zoning regulation that creates a taking of property in violation of Arizona and federal court decision.

Appeal Procedure

The appeal must be in writing and specify the City action appealed and the date final action was taken, and must be filed with or mailed to the hearing officer designated by the city within 30 days after the final action is taken.

- No fee will be charged for filing.
- The city Attorney's Office will review the appeal for compliance with the above requirements, and will notify you if your appeal does not comply.
- Eligible appeals will be forwarded to the hearing officer, and a hearing will be scheduled within 30 days of receipt by the hearing officer of your request. Ten days notice will be given to you of the date, time and place of the hearing unless you indicate that less notice is acceptable to you.
- The City will submit a takings impact report to the hearing officer.
- In an appeal from a dedication or exaction, the City will bear the burden of proving that the dedication or exaction to be imposed on your property bears an essential nexus between the requirement and a legitimate governmental interest and that the proposed dedication or exaction is roughly proportional to the impact of the use, improvement or development you proposed.
- In an appeal from the adoption or amendment of a zoning regulation, the City will bear the burden of proving that any dedication or exaction requirement in the zoning regulation is roughly proportional to the impact of the proposed use, improvement, or development, and that the zoning regulation does not create a taking of property in violation of Arizona and federal court cases.
- The hearing officer must render his decision within five working days after the appeal is heard.
- The hearing officer can modify or delete a dedication or exaction or, in the case of an appeal from a zoning regulation, transmit a recommendation to the City Council.
- If you are dissatisfied with the decision of the hearing officer, you may file a complaint for a writ of review with the Superior Court within 30 days of the hearing officer's decision.

For questions, you may contact
City's Attorney's Office
3939 Drinkwater Blvd
Scottsdale, AZ 85251
480-312-2405

Address your appeal to:
Hearing Officer, C/O City Clerk
3939 Drinkwater Blvd
Scottsdale, AZ 85251

Please be aware that City Staff cannot give you legal advice. You may wish, but are not required, to hire an attorney to represent you in an appeal.

Planning, Neighborhood and Transportation Division

7447 E Indian School Road, Suite 105 Scottsdale, AZ 85251 • Phone 480-312-7000 • Fax: 480-312-7088

Owner Certification
Acknowledging Receipt
Of
Notice Of Right To Appeal
Exactions And Dedications

I hereby certify that I am the owner of property located at.

4420 N. Saddlebag Trail
(address where development approval building permits, or city required improvements and dedications are being required)

and hereby certify that I have received a notice that explains my right to appeal all exactions and/or dedications required by the City of
Scoutsdale as part of my property development on the parcel listed in the above address.

Signature of Property Owner

Date

[Signature]
Manager of Equity Partners Group, LLC

9/14/12