

207 Waiver

Title

Legal Description

Policy or Appeals

Correspondence Between Legal & Staff

Letter of Authorization

EXHIBIT "A"

(Insured legal description)

PARCEL NO. 1 (Seville Retail):

A portion of the Southwest quarter of Section 2, Township 2 North, Range 4 East of the Gila and Salt River Base and Meridian, Maricopa County, Arizona, being more particularly described as follows:

BEGINNING at a brass cap in handhold marking the Southwest corner of said Section 2 from which a 3 inch brass cap flush with the pavement marking the West quarter corner of said Section 2, bears North 00 degrees 30 minutes 40 seconds West, a distance of 2641.15 feet;

THENCE North 00 degrees 30 minutes 40 seconds West, along the West line of said Southwest quarter, said West line being the basis of bearings for this description, a distance of 580.00 feet;

THENCE North 89 degrees 29 minutes 20 seconds East, a distance of 210.68 feet;

THENCE South 45 degrees 30 minutes 40 seconds East, a distance of 377.85 feet;

THENCE North 89 degrees 29 minutes 20 seconds East, a distance of 761.10 feet;

THENCE South 00 degrees 14 minutes 07 seconds West, a distance of 344.99 feet to the South line of said Southwest quarter;

THENCE North 89 degrees 01 minutes 10 seconds West, along the South line a distance of 1234.88 feet to the POINT OF BEGINNING;

EXCEPT the West 75 feet and the South 33 feet thereof; and

EXCEPT all groundwaters underlying the surface of said land as reserved in instrument recorded in Docket 14037, Page 26, records of Maricopa County, Arizona.

PARCEL NO. 2 (Seville Retail):

An Easement for vehicular maneuvering and traffic and a common driveway for vehicular and pedestrian traffic as created by instrument recorded in Document No. 1987-0632657, records of Maricopa County, Arizona, over the following described property;

A portion of Tract A, Condominium Plat for TRAVIATA CONDOMINIUMS, according to Book 632 of Maps, Page 5, records of Maricopa County, Arizona, more particularly described as follows:

That part of the Southwest quarter of Section 2, Township 2 North, Range 4 East of the Gila and Salt River Base and Meridian, Maricopa County, Arizona, being more particularly described as follows:

COMMENCING at the Southwest corner of said Southwest quarter;

THENCE North 00 degrees 30 minutes 40 seconds West, along the West line of said Southwest quarter, a distance of 580.00 feet;

THENCE North 89 degrees 29 minutes 20 seconds East, a distance of 65.00 feet to a point on the East line of the West 65.00 feet of said Southwest quarter and the POINT OF BEGINNING;

THENCE North 00 degrees 30 minutes 40 seconds West, along said West line, a distance of 28.00 feet;

THENCE North 89 degrees 29 minutes 20 seconds East, a distance of 145.68 feet;

THENCE South 00 degrees 30 minutes 40 seconds East, a distance of 28.00 feet;

THENCE South 89 degrees 29 minutes 20 seconds West, a distance of 145.68 feet to the POINT OF BEGINNING;

EXCEPT all groundwaters underlying the surface of said land as reserved in instrument recorded in Docket 14037, Page 26, records of Maricopa County, Arizona.

PARCEL NO. 3 (Seville Retail):

All rights appurtenant to the fee parcel as set forth in instrument recorded in Docket 9148, Page 706, and Amendment in Docket 12749, Page 676, and Amendment in Docket 14056, Page 1401.

PARCEL NO. 4 (Seville Retail):

An Easement for access as created by instrument recorded in Document No. 1989-415179.

PARCEL NO. 5 (Seville Retail):

All rights appurtenant to the fee parcel as set forth in instrument recorded in Document No. 2002-1237693.

EXHIBIT B
TO
SPECIAL WARRANTY DEED
(Percentage Interest of Grantee)
Seville Retail

HCA AZ, LLC., LLC., an Arizona limited liability company as to 70.57%

MPI AZ, LLC., an Arizona limited liability company as to 6.08%

SPI AZ, LLC., an Arizona limited liability company as to 4.86%

KB LMS, LLC., an Arizona limited liability company as to 15.72%

KB LMSII, LLC., an Arizona limited liability company as to 2.77%

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A portion of Tract A, Condominium Plat for TRAVIATA CONDOMINIUMS, according to Book 632 of Maps, Page 5, records of Maricopa County, Arizona, more particularly described as follows:

2-UP-2016
03/04/16

That part of the Southwest quarter of Section 2, Township 2 North, Range 4 East of the Gila and Salt River Base and Meridian, Maricopa County, Arizona, being more particularly described as follows:

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MPI AZ, LLC., an Arizona limited liability company as to 6.08%

SPI AZ, LLC., an Arizona limited liability company as to 4.86%

KB LMS, LLC., an Arizona limited liability company as to 15.72%

KB LMSII, LLC., an Arizona limited liability company as to 2.77%

INFORMATION

The Title Insurance Commitment is a legal contract between you and the company. It is issued to show the basis on which we will issue a Title Insurance Policy to you. The Policy will insure you against certain risks to the land title, subject to the limitations shown in the Policy

The Company will give you a sample of the Policy form, if you ask.

The Commitment is based on the land title as of the Commitment Date. Any changes in the land title or the transaction may affect the Commitment and the Policy.

The Commitment is subject to its Requirements, Exceptions and Conditions.

THIS INFORMATION IS NOT PART OF THE TITLE INSURANCE COMMITMENT.



COMMITMENT FOR TITLE INSURANCE

ISSUED BY

First American Title Insurance Company
through its Division

First American Title Insurance Company

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 EXCEPTIONS - PART TWO Schedule B (inside)
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 REQUIREMENTS (Continued)Requirements (inside)
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YOU SHOULD READ THE COMMITMENT VERY CAREFULLY

If you have any questions about the Commitment, contact:

***First American Title Insurance Company National Commercial Services
2425 E. Camelback Road, Suite 300, Phoenix, AZ 85016***

**2-UP-2016
03/04/16**

AGREEMENT TO ISSUE POLICY

We agree to issue a policy to you according to the terms of this Commitment. When we show the policy amount and your name as the proposed insured in Schedule A, this Commitment becomes effective as of the date shown in Schedule A.

If the Requirements shown in this Commitment have not been met within six months after the Commitment Date, our obligation under this Commitment will end. Also, our obligation under this Commitment will end when the Policy is issued and then our obligation to you will be under the Policy.

Our obligation under the Commitment is limited by the following:

**The Provisions in Schedule A
The Requirements
The Exceptions in Schedule B - Parts 1 and 2
The Conditions**

This Commitment is not valid without SCHEDULE A and Parts 1 and 2 of SCHEDULE B.

SCHEDULE B - EXCEPTIONS

Any Policy we issue will have the following exceptions unless they are taken care of to our satisfaction.

Part One: (for use with 2006 ALTA policies)

1. (a) Taxes or assessments that are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the Public Records; (b) proceedings by a public agency that may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the Public Records.
2. Any facts, rights, interests or claims that are not shown by the Public Records but which could be ascertained by an inspection of the Land or that may be asserted by persons in possession of the Land.
3. Easements, liens or encumbrances, or claims thereof, not shown by the Public Records.
4. Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land and not shown by the Public Records.
5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b), or (c) are shown by the Public Records.

Part One: (for use with 1992 and prior ALTA policies)

1. Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records.

Proceedings by a public agency which may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the public records.

2. Any facts, rights, interests or claims which are not shown by the public records but which could be ascertained by an inspection of the land or by making inquiry of persons in possession thereof.
3. Easements, liens or encumbrances, or claims thereof, which are not shown by the public records.
4. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, or any other facts which a correct survey would disclose, and which are not shown by the public records.
5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water; whether or not the aforementioned matters excepted are shown by the public records.
6. Any lien, or right to a lien, for services, labor or material heretofore or hereafter furnished, imposed by law and not shown by the public records.

Part One of Schedule B will be eliminated from any A.L.T.A. Extended Coverage Policy, A.L.T.A. Plain Language Policy and policies with EAGLE Protection added. However, the same or similar exception may be made in Schedule B of those policies in conformity with Schedule B, Part Two of this Commitment.

**REQUIREMENTS
(Standard)**

The following requirements must be met:

- (a) Pay the agreed amounts for the interest in the land and/or the mortgage to be insured.
- (b) Pay us the premiums, fees and charges for the policy.
- (c) Documents satisfactory to us creating the interest in the land and/or the mortgage to be insured must be signed, delivered and recorded.
- (d) You must tell us in writing the name of anyone not referred to in this commitment who will get interest in the land or who will make a loan on the land. We may then make additional requirements or exceptions.

(Continued on Requirements Page)

CONDITIONS

1. DEFINITIONS

- (a) "Mortgage" means mortgage, deed of trust or other security instrument.
- (b) "Public Records" means title records that give constructive notice of matters affecting the title according to the state law where the land is located.

2. LATER DEFECTS

The Exceptions in Schedule B may be amended to show any defects, liens or encumbrances that appear for the first time in the public records or are created or attached between the Commitment Date and the date on which all of the Requirements are met. We shall have no liability to you because of this amendment.

3. EXISTING DEFECTS

If any defects, liens or encumbrances existing at Commitment Date are not shown in Schedule B, we may amend Schedule B to show them. If we do amend Schedule B to show these defects, liens or encumbrances, we shall be liable to you according to Paragraph 4 below unless you knew of this information and did not tell us about it in writing.

4. LIMITATION OF OUR LIABILITY

Our only obligation is to issue to you the Policy referred to in this Commitment, when you have met its Requirements. If we have any liability to you for any loss you incur because of an error in this Commitment, our liability will be limited to your actual loss caused by your relying on this Commitment when you acted in good faith to:

comply with the Requirements

or

eliminate with our written consent any Exceptions shown in Schedule B

We shall not be liable for more than the Amount shown in Schedule A of this Commitment and our liability is subject to the terms of the Policy form to be issued to you.

5. CLAIMS MUST BE BASED ON THIS COMMITMENT

Any claims, whether or not based on negligence, which you may have against us concerning the title to the land must be based on this Commitment and is subject to its terms

**First American Title
Insurance Company
National Commercial
Services**



**The First American
Corporation**

PRIVACY POLICY

We Are Committed to Safeguarding Customer Information

In order to better serve your needs now and in the future, we may ask you to provide us with certain information. We understand that you may be concerned about what we will do with such information - particularly any personal or financial information. We agree that you have a right to know how we will utilize the personal information you provide to us. Therefore, together with our parent company, The First American Corporation, we have adopted this Privacy Policy to govern the use and handling of your personal information.

Applicability

This Privacy Policy governs our use of the information which you provide to us. It does not govern the manner in which we may use information we have obtained from any other source, such as information obtained from public records or from another person or entity. First American has also adopted broader guidelines that govern our use of personal information regardless of its source. First American calls these guidelines its *Fair Information Values*, a copy of which can be found on our web site at www.firstam.com.

Types of Information

Depending upon which of our services you are utilizing, the types of nonpublic personal information that we may collect include:

- Information we receive from you on applications, forms and in other communications to us, whether in writing, in person, by telephone or any other means;
- Information about your transactions with us, our affiliated companies, or others; and
- Information we receive from a consumer reporting agency.

Use of Information

We request information from you for our own legitimate business purposes and not for the benefit of any nonaffiliated party. Therefore, we will not release your information to nonaffiliated parties except: (1) as necessary for us to provide the product or service you have requested of us; or (2) as permitted by law. We may, however, store such information indefinitely, including the period after which any customer relationship has ceased. Such information may be used for any internal purpose, such as quality control efforts or customer analysis. We may also provide all of the types of nonpublic personal information listed above to one or more of our affiliated companies. Such affiliated companies include financial services providers, such as title insurers, property and casualty insurers, and trust and investment advisory companies, or companies involved in real estate services, such as appraisal companies, home warranty companies, and escrow companies. Furthermore, we may also provide all information we collect, as described above, to companies that perform marketing services on our behalf, on behalf of our affiliated companies, or to other financial institutions with whom we or our affiliated companies have joint marketing agreements.

Former Customers

Even if you are no longer our customer, our Privacy Policy will continue to apply.

Confidentiality and Security

We will use our best efforts to ensure that no unauthorized parties have access to any of your information. We restrict access to nonpublic personal information about you to those individuals and entities who need to know that information to provide products and services to you. We will use our best efforts to train and oversee our employees and agents to ensure that your information will be handled responsibly and in accordance with this Privacy Policy and First American's *Fair Information Values*. We currently maintain physical, electronic, and procedural safeguards that comply with federal regulations to guard your nonpublic personal information.

**First American Title Insurance Company
National Commercial Services**

SCHEDULE A

ESCROW/CLOSING INQUIRIES should be directed to your Escrow Officer: **Cathy Criner at (602)567-8100**

Effective Date: **January 19, 2016** at 7:30 a.m.

1. Policy or (Policies) to be issued:

ALTA 2006 Extended Owner's Policy for \$0.00

Proposed Insured:

To Be Determined

2. The estate or interest in the land described or referred to in this commitment and covered herein is Fee as to Parcel No. 1 and Easement as to Parcel Nos. 2, 3 and 4 and title thereto is at the effective date hereof vested in:

HCA AZ, LLC, an Arizona limited liability company as to an undivided 70.57% interest, MPI AZ, LLC, an Arizona limited liability company as to an undivided 6.08% interest, SPI AZ, LLC, an Arizona limited liability company as to an undivided 4.86% interest, KB LMS, LLC, an Arizona limited liability company as to an undivided 15.72% interest and KB LMS II, LLC, an Arizona limited liability company as to an undivided 2.77% interest, as tenants in common

3. Title to the estate or interest in the land upon issuance of the policy shall be vested in:

To Be Determined

4. The land referred to in this Commitment is located in Maricopa County, AZ and is described as:

SEE EXHIBIT "A " ATTACHED HEREIN

Title officer: Cyndi Allison @ (602)567-8151/callison@firstam.com.

Pages 1 through 5 of this document consist of the Title Insurance Commitment contract and our Privacy Policy.

EXHIBIT "A"

PARCEL NO. 1

A PORTION OF THE SOUTHWEST QUARTER OF SECTION 2, TOWNSHIP 2 NORTH, RANGE 4 EAST, OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A BRASS CAP IN HANDHOLD MARKING THE SOUTHWEST CORNER OF SAID SECTION 2 FROM WHICH A 3 INCH BRASS CAP FLUSH WITH THE PAVEMENT MARKING THE WEST QUARTER CORNER OF SAID SECTION 2 BEARS NORTH 00 DEGREES 30 MINUTES 40 SECONDS WEST, A DISTANCE OF 2641.15 FEET BASIS OF BEARINGS FOR THIS DESCRIPTION;

THENCE SOUTH 89 DEGREES 01 MINUTES 10 SECONDS EAST ALONG THE SOUTH LINE OF SAID SOUTHWEST QUARTER, A DISTANCE OF 1234.88 FEET TO THE POINT OF BEGINNING;

THENCE NORTH 00 DEGREES 14 MINUTES 07 SECONDS EAST, A DISTANCE OF 344.99 FEET;

THENCE NORTH 89 DEGREES 29 MINUTES 20 SECONDS EAST, A DISTANCE OF 477.00 FEET;

THENCE SOUTH 22 DEGREES 12 MINUTES 00 SECONDS EAST, A DISTANCE OF 166.45 FEET;

THENCE SOUTH 29 DEGREES 48 MINUTES 00 SECONDS EAST, A DISTANCE OF 237.88 FEET TO THE SOUTH LINE OF SAID SOUTHWEST QUARTER;

THENCE NORTH 89 DEGREES 01 MINUTES 10 SECONDS WEST, ALONG THE SOUTH LINE A DISTANCE OF 659.61 FEET TO THE POINT OF BEGINNING;

EXCEPT THE SOUTH 33 FEET THEREOF;

EXCEPT ALL GROUND WATERS UNDERLYING THE SURFACE OF SAID LAND AS RESERVED IN INSTRUMENT RECORDED IN DOCKET 14037, PAGE 26, RECORDS OF MARICOPA COUNTY, ARIZONA; AND

LESS AND EXCEPT THE FOLLOWING DESCRIBED PARCEL OF LAND MORE PARTICULARLY DESCRIBED AS FOLLOWS:

THAT PORTION OF THAT PARTICULAR PARCEL OF LAND ACCORDING TO RECORDING NO. 20061451575 OF OFFICIAL RECORDS, MARICOPA COUNTY RECORDER, ARIZONA, SAID PARCEL LYING WITHIN THE SOUTHWEST QUARTER OF SECTION 2, TOWNSHIP 2 NORTH, RANGE 4 EAST, OF THE GILA AND SALT RIVER MERIDIAN, MARICOPA COUNTY, ARIZONA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF SAID SECTION 2 (BRASS CAP IN HANDHOLE) FROM WHICH THE SOUTH QUARTER CORNER OF SAID SECTION 2 (BRASS CAP IN HANDHOLE) BEARS SOUTH 89 DEGREES 00 MINUTES 07 SECONDS EAST, 2603.14 FEET;

THENCE SOUTH 89 DEGREES 00 MINUTES 07 SECONDS EAST, 1234.45 FEET ALONG THE SOUTH LINE OF SAID SOUTHWEST QUARTER OF SECTION 2;

THENCE DEPARTING SAID SOUTH LINE NORTH 00 DEGREES 59 MINUTES 53 SECONDS EAST, 33.00 FEET TO THE SOUTHWEST CORNER OF SAID PARTICULAR PARCEL RECORDED IN RECORDING NO. 2006145575 OF OFFICIAL RECORDS AND THE POINT OF BEGINNING;

THENCE NORTH 00 DEGREES 15 MINUTES 10 SECONDS EAST, 7.00 FEET ALONG THE WEST LINE OF SAID PARTICULAR PARCEL;

THENCE DEPARTING SAID WEST LINE SOUTH 89 DEGREES 00 MINUTES 07 SECONDS EAST, 227.64 FEET;

THENCE SOUTH 00 DEGREES 59 MINUTES 53 SECONDS WEST, 7.00 FEET TO THE SOUTH LINE OF SAID PARTICULAR PARCEL;

THENCE NORTH 89 DEGREES 00 MINUTES 07 SECONDS WEST, 227.55 FEET ALONG SAID SOUTH LINE TO THE POINT OF BEGINNING.

PARCEL NO. 2

ALL RIGHTS APPURTENANT TO THE FEE PARCEL AS SET FORTH IN INSTRUMENT RECORDED IN DOCKET 9148, PAGE 706, AND AMENDMENT IN DOCKET 12749, PAGE 676, AND AMENDMENT IN DOCKET 14056, PAGE 1401.

PARCEL NO. 3

EASEMENT FOR ACCESS AS CREATED BY INSTRUMENT RECORDED IN DOCUMENT NO. 1989-415180 OF OFFICIAL RECORDS.

PARCEL NO. 4

ALL RIGHTS APPURTENANT TO THE FEE PARCEL AS SET FORTH IN INSTRUMENT RECORDED IN DOCUMENT NO. 2002-1237693 OF OFFICIAL RECORDS.

**First American Title Insurance Company
National Commercial Services**

SCHEDULE B

PART TWO:

1. Second installment of 2015 taxes, a lien, payable on or before March 1, 2016, and delinquent May 1, 2016.
2. Taxes for the full year of 2016.
(The first half is due October 1, 2016 and is delinquent November 1, 2016. The second half is due March 1, 2017 and is delinquent May 1, 2017 .)
3. Any charge upon said land by reason of its inclusion in McCormick Ranch Property Owners Association. (All assessments due and payable are paid.)
4. Reservations or Exceptions in Patents, or in Acts authorizing the issuance thereof.
5. Declaration of Covenants, Conditions, Restrictions and Easements, recorded in Docket 9148, Page 706; and Amendment recorded in Docket 12749, Page 676; and Amendment recorded in Docket 14056, Page 1401, but deleting any covenant, condition or restriction indicating a preference, limitation or discrimination based on race, color, religion, sex, handicap, familial status or national origin to the extent such covenants, conditions or restrictions violate 42 USC 3604(c).
6. Declaration of Covenants, Conditions, Restrictions and Easements, recorded in 2002-1237693 of Official Records, but deleting any covenant, condition or restriction indicating a preference, limitation or discrimination based on race, color, religion, sex, handicap, familial status or national origin to the extent such covenants, conditions or restrictions violate 42 USC 3604(c).
7. Declaration of Covenants, Conditions and Restrictions recorded in 1987-632659 of Official Records, but deleting any covenant, condition or restriction indicating a preference, limitation or discrimination based on race, color, religion, sex, handicap, familial status or national origin to the extent such covenants, conditions or restrictions violate 42 USC 3604(c).
8. Declaration of Covenants, Conditions and Restrictions recorded in Docket 14037, Page 30; and thereafter Assignment of Declarant's Interest recorded as 1983-211674 of Official Records, but deleting any covenant, condition or restriction indicating a preference, limitation or discrimination based on race, color, religion, sex, handicap, familial status or national origin to the extent such covenants, conditions or restrictions violate 42 USC 3604(c).
9. Covenants, Conditions and Restrictions as set forth in document recorded in 1989-503430 of Official Records, but deleting any covenant, condition or restriction indicating a preference, limitation or discrimination based on race, color, religion, sex, handicap, familial status or national origin to the extent such covenants, conditions or restrictions violate 42 USC 3604(c).
10. The terms and provisions contained in the document entitled "Tenancy In-Common Agreement" recorded as 2006-1242339 of Official Records.

11. All matters as set forth in Reservation of Architectural Control, recorded December 29, 1971 as Docket 9148, Page 701; Delegation of Rights under Reservation of Architectural Control recorded as 1987-348551 of Official Records and recorded as 1988-288978 of Official Records.
12. All matters as set forth in Lot Split Map, recorded as 618 of Maps, Page 35.
13. All matters as set forth in City of Scottsdale Lot Split Approval, recorded January 09, 2003 as 2003-030657 of Official Records.
14. Right to withdrawal, removal and use of groundwaters and conditions and covenants and restrictions recorded in Docket 14037, Page 26.
15. An easement for roadway and incidental purposes in the document recorded as Docket 8713, Page 732.
16. An easement for slope and incidental purposes in the document recorded as Docket 13172, Page 846; and re-recorded in Docket 14507, Page 746; and Acknowledgement recorded as 1989-503424 of Official Records.
17. An easement for drainage and incidental purposes in the document recorded as Docket 13172, Page 850; and Amendment recorded as 1989-503425 of Official Records.
18. An easement for public parking and incidental purposes in the document recorded as 1989-415179 of Official Records.
19. An easement for access and incidental purposes in the document recorded as 1989-415180 of Official Records.
20. An easement for electric lines and facilities and incidental purposes in the document recorded as 1990-311033 of Official Records.
21. An easement for electric lines and facilities and incidental purposes in the document recorded as 1991-057164 of Official Records.
22. An easement for electric lines and facilities and incidental purposes in the document recorded as 1997-0389499 of Official Records.
23. An easement for gas pipelines and facilities and incidental purposes in the document recorded as 2004-1243317 of Official Records.
24. Any facts, rights, interests or claims that may exist or arise by reason of the following matters disclosed by an ALTA/ACSM survey made by _____ on _____, designated Job Number _____:

25. The rights of parties in possession by reason of any unrecorded lease or leases or month to month tenancies affecting any portion of the within described property.
NOTE: This matter will be more fully set forth or deleted upon compliance with the applicable requirement(s) set forth herein.
26. Water rights, claims or title to water, whether or not shown by the public records.

End of Schedule B

**First American Title Insurance Company
National Commercial Services**

REQUIREMENTS:

1. Compliance with A.R.S. 11-480 relative to all documents to be recorded in connection herewith. See note at end of this section for details.
2. First half of 2015 taxes are paid in full.

NOTE: Taxes are assessed in the total amount of \$174,492.74 for the year 2015 under Assessor's Parcel No. 174-23-005Y 4.

3. Proper evidence showing that all assessments due and payable, levied by McCormick Ranch Property Owners Association, have been paid to and including the closing date of this transaction.
4. Record full release and reconveyance of a Deed of Trust securing an original indebtedness in the amount of \$13,000,000.00, recorded December 14, 2005 as 2005-1889589 of Official Records
Dated: December 14, 2005
Trustor: DTR3, L.L.C., an Arizona limited liability company
Trustee: Lawyers Title of Arizona Inc.
Beneficiary: Morgan Stanley Mortgage Capital Inc.

A document recorded June 23, 2006 as 2006-849633 of Official Records provides that the Deed of Trust or the obligation secured thereby has been modified.

The beneficial interest in the Deed of Trust was assigned to Lasalle Bank National Association, as Trustee for Morgan Stanley Capital I Inc., Commercial Mortgage Pass-Through Certificates, Series 2006-HQ10 by Assignment recorded February 14, 2007 as 2007-0187585 of Official Records.

The beneficial interest in the Deed of Trust was assigned to U.S. Bank National Association, a National Banking Association organized and existing under the laws of the United States of America, not in its individual capacity but solely in its capacity as Trustee for Morgan Stanley Capital I Inc., Commercial Mortgage Pass-Through Certificates, Series 2006-HQ10 by Assignment recorded January 30, 2013 as 2013-0094787 of Official Records and re-recorded June 04, 2013 as 2013-0512337 of Official Records.

And thereafter amended and restated Deed of Trust, Assignment of Leases and Rents, Security Agreement and Fixture Filing recorded September 19, 2006 as 2006-1242335 of Official Records.
Dated: September 18, 2006
Trustor: SPI AZ, LLC, an Arizona limited liability company; HCA AZ, LLC, an Arizona limited liability company; MPI AZ, LLC, an Arizona limited liability company; KB LMS, LLC, an Arizona limited liability company; and KB LMS II, LLC, an Arizona limited liability company

A document recorded November 08, 2006 as 2006-1478197 of Official Records provides that the Deed of Trust or the obligation secured thereby has been modified.

Note: Assignment of Leases and Rents recorded December 14, 2005 as 2005-1889593 of Official Records.

First Amendment to Assignment of Leases and Rents recorded June 23, 2006 as 2006-849634 of Official Records.

And thereafter amended and restated Assignment of Leases and Rents recorded September 19, 2006 as 2006-1242336 of Official Records.

Note: Amendment to Amended and Restated Assignments of Leases and Rents recorded November 08, 2006 as 2006-1478197 of Official Records.

Note: Assignment of Amended and Restated Assignment of Leases and Rents recorded February 14, 2007 as 2007-0187585 of Official Records.

Note: Assignment of Amended and Restated Assignment of Leases and Rents recorded January 30, 2013 as 2013-0094788 of Official Records and re-recorded June 04, 2013 as 2013-0512338 of Official Records.

Note: Subordination, Nondisturbance and Attornment Agreement recorded October 27, 2015 as 2015-0770681 of Official Records.

5. Record full Release of a financing statement recorded December 14, 2005 as 2005-1889597 of Official Records.

Debtor: DTR3, L.L.C., an Arizona limited liability company
Secured Party: Morgan Stanley Mortgage Capital Inc.

An amendment to the financing statement was recorded September 19, 2006 as 2006-1242337 of Official Records.

Commercial code financing statement recorded February 14, 2007 as 2007-187587 of Official Records, assigning interest of the secured party to LaSalle Bank National Association, as Trustee for Morgan Stanley Capital I Inc., Commercial Mortgage Pass-Through Certificates, Series 2006-HQ10.

6. Record full Release of a financing statement recorded September 19, 2006 as 2006-1242338 of Official Records.

Debtor: SPI AZ, LLC, an Arizona limited liability company, HCA AZ, LLC, an Arizona limited liability company, MPI AZ, LLC, an Arizona limited liability company, KB LMS, LLC, an Arizona limited liability company and KB LMS II, LLC, an Arizona limited liability company
Secured Party: Morgan Stanley Mortgage Capital Inc.

Commercial code financing statement recorded February 14, 2007 as 2007-187586 of Official Records, assigning interest of the secured party to LaSalle Bank National Association, as Trustee for Morgan Stanley Capital I Inc., Commercial Mortgage Pass-Through Certificates, Series 2006-HQ10.

7. Furnish Plat of Survey of the subject property by a Registered Land Surveyor in accordance with the "Minimum Standard Detail Requirements for ALTA/ACSM Land Title Surveys" which became effective February 23, 2011. Said Plat of survey shall include the required certification and, at a minimum, also have shown thereon Items 1, 8, 11(b), 16, 17, 20(a), and 20(b) from Table A thereof. If zoning assurances are requested, Items 7(a), 7(b), 7(c) and 9 from Table A and information regarding the usage of the property must be included.

NOTE: If a Zoning Endorsement is requested, Items 7(a), 7(b) and 7(c) of Table A will also be required. If "parking" is to be added to the endorsement, the number and type of parking spaces must be shown on the survey. Property use information must also be provided to First American Title Insurance Company.

8. Furnish copies of any existing leases affecting the within described property and insertion of said leases in Schedule B of the Policy of Title Insurance.
9. Furnish a copy of the Articles of Organization, stamped "filed" by the Arizona Corporation Commission; a fully executed copy of the Operating Agreement, and any amendments thereto; and a list of the current members of HCA AZ, LLC, a limited liability company.
10. Furnish a copy of the Articles of Organization, stamped "filed" by the Arizona Corporation Commission; a fully executed copy of the Operating Agreement, and any amendments thereto; and a list of the current members of MPI AZ, LLC, a limited liability company.
11. Furnish a copy of the Articles of Organization, stamped "filed" by the Arizona Corporation Commission; a fully executed copy of the Operating Agreement, and any amendments thereto; and a list of the current members of SPI AZ, LLC, a limited liability company.
12. Furnish a copy of the Articles of Organization, stamped "filed" by the Arizona Corporation Commission; a fully executed copy of the Operating Agreement, and any amendments thereto; and a list of the current members of KB LMS, LLC, a limited liability company.
13. Furnish a copy of the Articles of Organization, stamped "filed" by the Arizona Corporation Commission; a fully executed copy of the Operating Agreement, and any amendments thereto; and a list of the current members of KB LMS II, LLC, a limited liability company.
14. Furnish the names of parties to be insured herein and disposition of any matters disclosed thereby.
15. Approval by all parties to this transaction of the description used herein.
16. Record Warranty Deed from HCA AZ, LLC, an Arizona limited liability company, MPI AZ, LLC, an Arizona limited liability company, SPI AZ, LLC, an Arizona limited liability company, KB LMS, LLC, an Arizona limited liability company and KB LMS II, LLC, an Arizona limited liability company, as tenants in common to Buyer(s).

NOTE: If this will be other than a Cash Transaction, notify the title department prior to close and additional requirements will be made.

17. Such further requirements as may be necessary after completion of the above.
18. Return to title department for final recheck before recording.

NOTE: In connection with Arizona Revised Statutes 11-480, as of 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. A margin of two inches at the top of the first page for recording and return address information and margins of one-half inch along other borders of every page.
- c. Each instrument shall be no larger than 8-1/2 inches in width and 14 inches in length.

DISCLOSURE NOTE: In the event any Affidavit required pursuant to A.R.S. 33-422 has been, or will be, recorded pertaining to the land, such Affidavit is not reflected in this Commitment nor will it be shown in any policy to be issued in connection with this Commitment. The statute applies only to unsubdivided land in an unincorporated area of a county.

NOTE: The policy to be issued may contain an arbitration clause. When the Amount of Insurance is less than the certain dollar amount set forth in any applicable arbitration clause, all arbitrable matters shall be arbitrated at the option of either the Company or the Insured as the exclusive remedy of the parties. If you desire to review the terms of the policy, including any arbitration clause that may be included, contact the office that issued this Commitment or Report to obtain a sample of the policy jacket for the policy that is to be issued in connection with your transaction.

End of Requirements

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

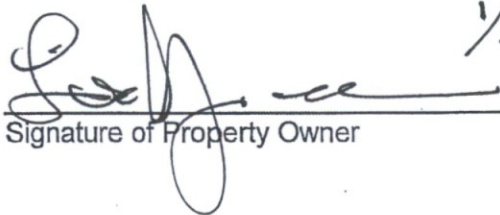
Agent for Owner

I hereby certify that I am the ~~owner~~ of property located at:

7001 N. Scottsdale Road, Scottsdale, Arizona 85258

(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 Scottsdale as part of my property development on the parcel listed in the above address.


Signature of Property Owner

1/27/16

Date

Agent for Owner



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 of 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 violations 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 of 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 trial nevo 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

AFFIDAVIT OF AUTHORITY TO ACT FOR PROPERTY OWNER

1. This affidavit concerns the following parcel of land:
- a. Street Address: 7001 N. Scottsdale Road, Suite E-195, Scottsdale, AZ 85258
 - b. County Tax Assessor's Parcel Number 174-23-005Z
 - c. General Location Northeast corner of Scottsdale Road and Indian Bend Road
 - d. Parcel Size: +/- 9.5 acres
 - e. Legal Description: See attached.
- (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)
Lisa Grace

Date
1/27, 2014
_____, 20____
_____, 20____
_____, 20____

Signature


**ACTION BY UNANIMOUS WRITTEN CONSENT
OF THE BOARD OF DIRECTORS
OF MATTESON REALTY SERVICES, INC.**

The undersigned, constituting all of the members of the Board of Directors (the "Board") of MATTESON REALTY SERVICES, INC., a California corporation (the "Corporation"), and acting pursuant to the authority contained in Section 307(b) of the California Corporations Code and the Bylaws of the Corporation, do hereby take the following action and adopt the following resolutions by executing this written consent in lieu of holding a special meeting of the Board.

WHEREAS, the Corporation desires to serve as the property manager for projects known as "La Mirada", "Seville Office" and "Seville Retail" in Scottsdale, Arizona (collectively, the "Property");

WHEREAS, in order to serve as a property manager in the State of Arizona, the Corporation must (i) register with the Arizona Department of Real Estate to obtain a Corporation Entity Broker's License ("Entity License"); and (ii) register to do business in the State of Arizona with the Arizona Corporation Commission;

WHEREAS, in order to obtain an Entity License, the Corporation must elect an individual with an Arizona broker's license as an officer of the Corporation to act as the Corporation's designated broker.

NOW, THEREFORE, BE IT RESOLVED, that the Board approves of the Corporation serving as the property manager for the Property.

RESOLVED FURTHER that the Board approves of the Corporation registering to do business in the State of Arizona with the Arizona Corporation Commission as a foreign corporation and submitting Application Form LI-212 to the Arizona Department of Real Estate for an Entity License;

RESOLVED FURTHER, that the following person, an Arizona licensed broker, is hereby elected an on officer of the Corporation to the office indicated after her name, to serve until her successor is duly elected and qualified:

Lisa Bonnet Grace

Assistant Vice President

RESOLVED FURTHER, Lisa Bonnet Grace shall act as the Corporation's designated broker until her successor is duly appointed.

RECEIVED

SEP 13 2006

REAL ESTATE

RESOLVED FURTHER that Duncan L. Matteson, as Chairman of the Corporation, Duncan L. Matteson, Jr., as President of the Corporation, or James A. Blake as Executive Vice President of the Corporation, are authorized and empowered, in the name and on behalf of the Corporation, to execute and deliver such documents, that may be required by the Arizona Department of Real Estate to obtain an entity broker's license for the Corporation and the Arizona Corporation Commission to register the Corporation to do business in the State of Arizona.

RESOLVED FURTHER that the officers listed below, and each of them, either acting jointly or alone, be and hereby are authorized, directed and empowered, on behalf of the Corporation, in its name and as its act, to execute, acknowledge and deliver such documents and instruments as each may deem necessary or advisable to give effect to the above resolution:

Duncan L. Matteson	-	Chairman
Duncan L. Matteson, Jr.	-	President
James A. Blake	-	Executive Vice President and Secretary

RESOLVED FURTHER that the Secretary of the Corporation, James A. Blake, be and he is hereby authorized and directed to certify the foregoing resolutions and to deliver a certified copy thereof to appropriate parties in support of the authority of the officers of the Corporation to carry out the purposes and intent of such resolutions.

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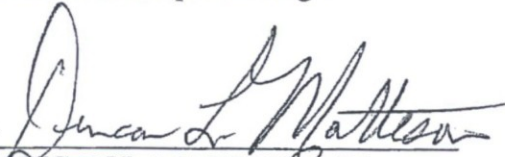
SEP 13 2005

REAL ESTATE

[SIGNATURE PAGE FOLLOWS]

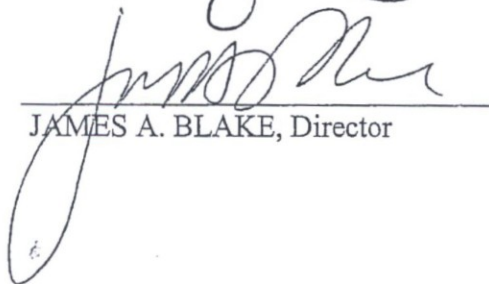
This Action by Unanimous Written Consent may be signed in multiple counterparts, each of which shall be considered an original and taken together shall be one and the same instrument.

This Action by Written Consent is to be effective as of August 18, 2006, and is to be filed in the minute book of the Corporation with the Minutes of Board proceedings.


DUNCAN L. MATTESON, Director


SHIRLEY C. MATTESON, Director


DUNCAN L. MATTESON, JR., Director


JAMES A. BLAKE, Director

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SEP 13 2006

REAL ESTATE

MATTESON REALTY SERVICES, INC.

OFFICERS:

Duncan L. Matteson	Chairman
Shirley C. Matteson	Vice Chairman
Duncan L. Matteson, Jr.	President
James A. Blake	Executive Vice President & Secretary
Russell W. Berry	Senior Vice President
Thomas di Francesco	Senior Vice President & Chief Financial Officer
John A. Baer	Senior Vice President, Development
Cynthia Holder	Vice President, Property Management
Phillip M. Chavez	Vice President & Controller
Lisa Bonnet Grace	Assistant Vice President

DIRECTORS:

Duncan L. Matteson
Shirley C. Matteson
Duncan L. Matteson, Jr.
James A. Blake

10%+ SHAREHOLDERS:

Duncan L. Matteson
Shirley C. Matteson
Duncan L. Matteson, Jr.

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SEP 15 1965

REAL

1914544

ENDORSED - FILED
In the office of the Secretary of State
of the State of California

ARTICLES OF INCORPORATION
OF
MATTESON REALTY SERVICES, INC.

OCT 12 1994

TONY MILLER, Acting Secretary of State

I.

The name of this corporation is MATTESON REALTY SERVICES, INC.

II.

The purpose of this corporation is to engage in any lawful act or activity for which a corporation may be organized under the General Corporation Law of California other than the banking business, the trust company business or the practice of a profession permitted to be incorporated by the California Corporations Code.

III.

The liability of the directors of the corporation for monetary damages shall be eliminated to the fullest extent permissible under California law.

IV.

The corporation is authorized to provide indemnification of agents (as defined in Section 317 of the Corporations Code) for breach of duty to the corporation and its stockholders through bylaw provisions or through agreements with the agents, or both, in excess of the indemnification otherwise permitted by Section 317 of the Corporations Code, subject to the limits on such excess indemnification set forth in Section 204 of the Corporations Code.

V.

The name and address in the State of California of this corporation's initial agent for service of process is: James A. Blake, Menlo Park Office Center, 1000 El Camino Real, Suite 300, Menlo Park, CA 94025-4327.

VI.

This corporation is authorized to issue only one class of shares of stock; and the total number of shares which this corporation is authorized to issue is 100,000.

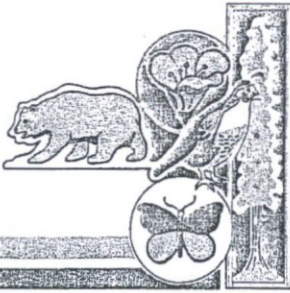
Dated: October 11, 1994


EUGENE H. MILLER, Incorporator

MSON.ART

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OCT 13 1994
EAT

1914544



State
of
California
SECRETARY OF STATE'S OFFICE

CORPORATION DIVISION

I, *TONY MILLER*, Acting Secretary of State of the State of California, hereby certify:

That the annexed transcript has been compared with the corporate record on file in this office, of which it purports to be a copy, and that same is full, true and correct.

IN WITNESS WHEREOF, I execute this certificate and affix the Great Seal of the State of California this

OCT 12 1994



Tony Miller

Acting Secretary of State

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