

207 Waiver

Title

Legal Description

Policy or Appeals

Correspondence Between Legal & Staff

Letter of Authorization

PCD Amended Development Standards

The developer is seeking to utilize the PRC district, amending development standards through the PCD similar to case 19-ZN-2002#3 to allow for the proposed mixed-use development. Following are the requested amendments for the proposed development plan. Additionally, see proposed property development standards and modified land use budget for Crossroads East (Schedule B) following the Conclusion below.

- Minimum parcel size decrease from 25 acres to 12 gross acres
- Establish 25' minimum setback from the property line on east side (73rd Place)
- Establish 20' minimum setback from the property line on north side (Chauncey Lane)
- Establish 10' minimum setback from the property line on south side
- Maximum building height increase from 60' to 77' for 6th floor clubhouse and fitness center (excluding mechanical)
- Land use budget table modification to overall PRC unit count, increase from 1,524 to 1,715 (additional 191 units)*
- Establish density to have a minimum gross land area of one thousand seven hundred and seventy three (1,733) square feet per dwelling unit from the allowed two thousand (2,000) square feet per dwelling unit. This equates to an allowable density of 25 units/acre.

The requested Amended Development Standards are necessary to create an energized, vibrant and successful commercial and residential mixed-use lifestyle center. The project utilizes best planning concepts in terms of creating a friendly, pedestrian scaled, vibrant main street promenade that will host a collection of some of the best restaurants and entertainment venues to be established in North Scottsdale along with a luxury residential community. The key to the success is to have an appealing residential and commercial aesthetic that creates a walkable village like atmosphere where residents are patrons of the commercial businesses and view them as amenities. Likewise, the concentration of residents in close proximity and neighboring hotel and residential to the north of the site, along with mass visual appeal from Scottsdale Road, will make this a successful gathering spot for the North Scottsdale community at large. The Scottsdale Marketplace is different than any development north of Frank Lloyd Wright and could be a model for future mixed-use development going forward.

Features in the Scottsdale Marketplace development feature a collection of restaurant and retail buildings that will be broken up with different heights, separation between buildings that will offer shaded dining areas, large patios for dining, a walkable main street promenade with dining and retail storefronts and an outdoor community gathering area that is twice the required size in the P-C district. Sensitivity has been shown to

reduce a visual sea of parking and create a closer relationship between the different uses. There will be a natural termination to the promenade at the opening to the residential office center, which will be highlighted with a structure, outdoor gathering area and vehicle drop off similar to a resort. The residential building has purposefully dramatic setback shifts in the elevations, stretching setbacks as far back as 105' to provide interesting facades, rather than flat blank walls. Thoughtfulness in terms of additional outdoor living space, courtyard space, dog parks, enlarged ground floor stooped patios and common areas increase the open space, when combined with outdoor patios, to 44%, more than double the required 20%. Increased building heights in specific location add interest to the sky line and afford an upstairs clubhouse and fitness center with uninterrupted views of the McDowell Mountains. The specific requests for standards are as follows:

*Note: The existing Crossroads East Land Use Budget allows 170 acres of PRC with a maximum 1,524 units or 8.96 du/ac (as uniformly allocated on a per acre basis). Therefore, the base density allowed by this Land Use Budget would equate to 110 units on 12.26+/- acres, which is also the number of units the Arizona State Land Department has allocated for the subject site. The request under this application is for 301 units, which is a 191-unit increase from the base maximum dwelling unit number in the PRC district. The request has been approved by ASLD.

The Crossroads East allowable density is calculated using 2,000 square feet per dwelling unit. This would allow for 267 units or 21 units/acre. Under the requested modification, density would be increased by reducing the square footage requirement of 2,000 to 1,773, which would allow for 301 units or 25 units/acre for an increase of 34 units. The request comes from a need to maximize the residential and retail opportunities. The more residential purchasing power on the site, the better chance for a mixed-use commercial success. Additionally, the unit sizes for this community are smaller (850 sf) than what was originally conceived, as the 21 unit/acre is a typical planning scheme that would encourage larger garden style, two-story flats and townhouses (1,200 sf typ). A low rise garden style community does not achieve the high-core density anticipated in the GACAP or the vibrant mixed-use development encouraged under the P-C District. Although the development would increase the density, the smaller units provide a building solution that remains less than the allowable building volume calculation and has nearly doubled the allowable open space from 20% to 36%. The increase in maximum building height up to 77' is for only 7% of the total roof area for the clubhouse and fitness amenities as shown on the roof exhibit submitted with the application. This increase allows for a dramatic viewing deck from the clubhouse, fitness center and outdoor pool and deck. The negative edge pool on top of the garage will be a spectacular amenity, not quite seen in Scottsdale. The setback and stepbacks proposed under this application are far greater than the development standards that were approved for the property to the north (19-ZN-2002#3). Cross section exhibits are provided with the application to better depict the edge condition for Scottsdale Marketplace. There are no specific standards for side yards in the PRC property development standards, and therefore, the dimensions specified above, and included with the property development standards for this application, will provide a more clear development standard condition

for these edges. The front yard requirements along Scottsdale Road will not only be met, but exceeded, in terms of both setbacks and stepbacks.

From a design standpoint, the building “fingers” allow for meaningful courtyard open spaces and view corridors from each unit, as well as create a visually interesting building design with movement vs. a static flat building mass. Each residential courtyard design is unique, creating different views and passive recreational opportunities. There is a large meditation area, ample sun bathing deck area, shade cabanas, and BBQ’s planned for the central residential courtyard, a fenced-in dog park planned along the east side of the building, and numerous seating areas nestled within the lush desert landscaping to be enjoyed by the residents. Further, the ground level units will be designed with a large walk-out stoop and front door access, which will provide activity along the ground level around the building.

The overall project open space provided, including private outdoor patios and balconies, is 178,264 s.f. or 44% of the site, which exceeds the requirement of 20%. Additionally, the internal oriented courtyard requirement of the PRC district is 1% of the net site area, or in this case 4,189 s.f., and the proposed development plan provides an internal courtyard area of 2%, approximately 8,838 s.f., over twice the requirement; connecting the residential and commercial components of the development plan both visually and physically. See plaza plan submitted with the application.

SCHEDULE B
CROSSROADS EAST (19-ZN-2002#4)

LAND USE BUDGET
CHANGES ARE SHOWN IN **BOLD, UPPERCASE AND STRIKETHROUGH**

Category	Zoning	Permitted Zoning Districts Within Planning Units*				Gross Acreage by Zoning	Maximum Dwelling Units per Gross Acre (du/ac)	Maximum Allowable Dwelling Units
		I	II	III	IV			
Employment	I-1	P	P	P	P	477	NP	NP
Employment	C-O	P	P	P	P	91	NP	NP
Mixed Use	PRC	P	NP	NP	P	170	See Schedule C	1524 1715
Commercial	PCoC	P	P	P	P	2	NP	NP
Commercial	PCC	P	P	P	P	12	4	48
Commercial	C-2/C-3 (1,2,3)	P	P	P	P	156	NP	NP
Residential	R-5	P	P	P	P	122	23	2806
TOTAL						1000		4378 4569

* See Schedule D

P – Permitted

NP – Not Permitted

Notes:

1. PCoC and C-2/C-3 development standards are comparable to the C-2 zoning district amended development standards shown in Schedule C.
2. C-2/C-3 zoning includes 123 acres previously zoned C-3.
3. C-3 Comparable districts shall be placed at least 600 feet from any off-site (outside Crossroads East boundary) residential, resort, hotel, timeshare or motel uses.

JLB – Scottsdale and Chauncey

Crossroads East

Sec. 5.2604. - Property development standards.

The following property development standards shall apply to all land and buildings in the PRC District.

A. Floor area ratio.

1. In no case shall the gross floor area of a structure, **EXCLUDING RESIDENTIAL**, exceed the amount equal to eight-tenths (0.80) multiplied by the next lot area of the PRC site in square feet. ~~Gross office floor area shall not exceed forty (40) percent of the total gross floor area of nonresidential buildings. The gross floor area of dwellings shall not exceed fifty (50) percent of the gross floor areas of the nonresidential buildings.~~
2. Residential and hotel uses either vertically or horizontally integrated with the commercial retail or office buildings shall be allowed and shall not be included in computing the total gross floor area for commercial retail or office uses.

B. Volume ratio. In no case shall the volume of any structure exceed the product of the net lot area of the PRC site in square feet multiplied by sixteen (16) feet.

C. Open space requirement.

1. In no case shall the open space requirement be less than fifteen (15) percent of the net lot area of the PRC site within each Planning Unit and shall not be required to exceed twenty (20) percent of the net lot area of the PRC site within any one Planning Unit. Open space shall be in general conformance with an open space plan to be approved as part of the master plan approval process as set forth in **THE STIPULATIONS FOR CROSSROADS EAST**, ~~section 2.00 of the Stipulations attached as Exhibit B.~~
2. Planned regional centers shall have a portion of the development oriented towards a courtyard or mall with buildings enclosing the courtyard, an opening onto the courtyard from at least three (3) sides. The courtyard or mall shall be a minimum of one (1) percent of the net lot area of the PRC site in square feet. The courtyard or malls shall be considered open space.
 - a. If, in the opinion of the Development Review Board, a suitable alternative design solution is presented, the courtyard requirement may be waived.
3. Open space required under this section shall be exclusive of parking lot landscaping required under the provisions of article IX of this ordinance.

D. Building height.

1. No building shall exceed ~~sixty (60)~~ **SEVENTY SEVEN (77)** feet in height as measured from the first finished floor elevation except as otherwise provided in article VII. ~~of this subsection.~~

2. Any building located in a PRC zone which was constructed to a height of sixty (60) feet prior to the effective date of this ordinance, in compliance with the then existing zoning provisions, and which is destroyed or damaged may be rebuilt to the height at which it was originally constructed.
3. Where the City Council determines that a freestanding ornamental monument meets the criteria set forth below to justify a height greater than that normally allowed within the PRC zone, the City Council may approve a height for a freestanding ornamental monument in excess of the height allowed in the PRC zone. A freestanding ornamental monument shall not include signage.
 - a. The Development Review Board and Planning Commission shall review and pass a recommendation on to the City Council based upon the following criteria:
 1. Amended height for such monument shall be based on the context and character of the site and surrounding area including proximity to the adjacent freeway.
 2. Such monument shall take into account Scottsdale's history and location within the Sonoran Desert environment.
 3. Such monument shall be designed so as to provide a focal point, which provides scale and balance to a particular site.
 4. Such monument will be considered a community amenity and add to the city's quality of life.
 5. Such monument shall be accessible by pedestrians and not isolated in site design.

E. Density.

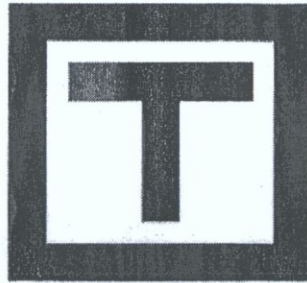
1. Hotels or motels shall provide a minimum gross land area of two thousand (2,000) square feet of land area per guest room.
2. ~~Dwellings shall provide a minimum gross land area of two thousand (2,000) square feet per dwelling unit. Floor area devoted to dwellings shall not be included in calculating maximum floor area as provided in sections 5.2604A.~~ **THE DENSITY SHALL NOT EXCEED 25 DWELLING UNITS TO THE GROSS ACRE.**

F. Yards.

1. Front Yard/ **SCOTTSDALE ROAD.**
 - a. A minimum of twenty-five (25) percent of the total open space requirement shall be provided as frontage open space within the scenic corridor on Scottsdale Road to provide a setting for the buildings, visual continuity within the community, and a variety of spaces in the streetscape, except that the frontage open space shall not be required to exceed fifty (50) square feet per one (1) foot of public street frontage, and shall not be less than thirty (30) square feet per one (1) foot of public street frontage.
 - b. Buildings more than thirty-six (36) feet in height shall be set back a minimum of two (2) feet for each foot of building height from the perimeter of the PRC site.
2. Side and Rear Yards. **THERE SHALL BE A MINIMUM SETBACK OF TWENTY (20) FEET ALONG CHAUNCEY LANE FROM THE NORTH PROPERTY LINE; A**

MINIMUM SETBACK OF TWENTY-FIVE (25) FEET ALONG 73RD FROM THE EAST PROPERTY LINE; AND A MINIMUM SETBACK OF FIFTEEN (15) FEET FROM THE SOUTH PROPERTY LINE. ~~Buildings thirty-six (36) feet or less in height shall be set back not less than fifty (50) feet from any residential zoning district. Buildings more than thirty-six (36) feet in height shall be set back not less than two (2) feet for each foot of building height from any adjacent residential zoning district.~~

3. All operations and storage shall be conducted within a completely enclosed building or within an area contained by a wall or fence as determined by site plan or Development Review Board approval.
- G. Property size. The gross land area on which there is a PRC development shall not be less than ~~twenty-five (25)~~ **TWELVE (12) GROSS** acres.
- H. Remodeling or rezoning of existing shopping centers. None of the above criteria shall be reasons to deny applications to reconstruct, remodel or make additions to an existing shopping center, or to rezone an existing shopping center to PRC. Applications for additions to existing shopping centers shall not require compliance, except that portions of the site upon which an addition is proposed shall comply with all provisions hereof.



THOMAS
Title & Escrow

COMMITMENT FOR TITLE INSURANCE

Issued by
Thomas Title & Escrow
as Issuing Agent for Fidelity National Title Insurance Company

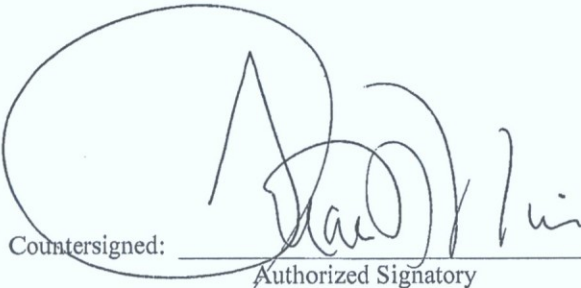
Fidelity National Title Insurance Company, a California corporation ("Company"), for a valuable consideration, commits to issue its policy or policies of title insurance, as identified in Schedule A, in favor of the Proposed Insured named in Schedule A, as owner or mortgagee of the estate or interest 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.

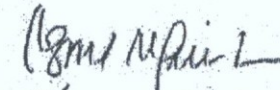

The Company will provide a sample of the policy form upon request.

IN WITNESS WHEREOF, Fidelity National 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: 
Authorized Signatory

FIDELITY NATIONAL TITLE INSURANCE COMPANY



By:  President
Attest:  Secretary

14-MD-2016
10/20/2016

DISCLOSURE NOTICES

Good Funds Law

Arizona Revised Statutes Section 6-843 regulates the disbursement of escrow funds by an escrow agent. The law requires that funds be deposited in the escrow agent's escrow account and available for withdrawal prior to disbursement. Funds deposited with the Company by wire transfer may be disbursed upon receipt. Funds deposited with the Company in the form of cashier's checks, certified checks or teller's checks, or checks which are made by an affiliate of a state or federally regulated depository institution when the check is drawn on that institution, may be disbursed the same day as deposited. If funds are deposited with the Company by other methods, recording and/or disbursement may be delayed.

PURCHASER DWELLING ACTIONS NOTICE

Pursuant to Arizona Revised Statutes Section 12-1363.N, notice is hereby provided to the purchaser of a dwelling of the provisions of Arizona Revised Statutes Sections 12-1361, 1362 and 1363. These statutory sections set forth the requirements to be met by a purchaser prior to bringing an action against the seller of a dwelling arising out of or related to the design, construction, condition or sale of the dwelling. "Dwelling" means a single or multifamily unit designed for residential use and common areas and improvements owned or maintained by an association or its members. "Seller" means any person, firm, partnership, corporation, association or other organization engaged in the business of designing, constructing or selling dwellings. The complete statutory sections can be viewed on the Arizona State Legislature's web site: www.azleg.state.az.us/ars/ars.htm.

NOTICE:

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 (pica) or larger.
- b Margins of at least one-half inch along the left and right sides one-half inch across the bottom and at least two inches on top for recording and return address information.
- c Each instrument shall be no larger than 8 ½ inches in width and 14 inches in length.

Fidelity National Financial, Inc.
Privacy Statement

Fidelity National Financial, Inc. and its subsidiaries ("FNF") respect the privacy and security of your non-public personal information ("Personal Information") and protecting your Personal Information is one of our top priorities. This Privacy Statement explains FNF's privacy practices, including how we use the Personal Information we receive from you and from other specified sources, and to whom it may be disclosed. FNF follows the privacy practices described in this Privacy Statement and, depending on the business performed, FNF companies may share information as described herein.

Personal Information Collected

We may collect Personal Information about you from the following sources:

- Information we receive from you on applications or other forms, such as your name, address, social security number, tax identification number, asset information, and income information;
- Information we receive from you through our Internet websites, such as your name, address, email address, Internet Protocol address, the website links you used to get to our websites, and your activity while using or reviewing our websites;
- Information about your transactions with or services performed by us, our affiliates, or others, such as information concerning your policy, premiums, payment history, information about your home or other real property, information from lenders and other third parties involved in such transaction, account balances, and credit card information; and
- Information we receive from consumer or other reporting agencies and publicly recorded documents.

Disclosure of Personal Information

We may provide your Personal Information (excluding information we receive from consumer or other credit reporting agencies) to various individuals and companies, as permitted by law, without obtaining your prior authorization. Such laws do not allow consumers to restrict these disclosures.

Disclosures may include, without limitation, the following:

- To insurance agents, brokers, representatives, support organizations, or others to provide you with services you have requested, and to enable us to detect or prevent criminal activity, fraud, material misrepresentation, or nondisclosure in connection with an insurance transaction;
- To third-party contractors or service providers for the purpose of determining your eligibility for an insurance benefit or payment and/or providing you with services you have requested;
- To an insurance regulatory authority, or a law enforcement or other governmental authority, in a civil action, in connection with a subpoena or a governmental investigation;
- To companies that perform marketing services on our behalf or to other financial institutions with which we have joint marketing agreements and/or
- To lenders, lien holders, judgment creditors, or other parties claiming an encumbrance or an interest in title whose claim or interest must be determined, settled, paid or released prior to a title or escrow closing.

We may also disclose your Personal Information to others when we believe, in good faith, that such disclosure is reasonably necessary to comply with the law or to protect the safety of our customers, employees, or property and/or to comply with a judicial proceeding, court order or legal process.

Effective Date: 5/1/2008

Disclosure to Affiliated Companies – We are permitted by law to share your name, address and facts about your transaction with other FNF companies, such as insurance companies, agents, and other real estate service providers to provide you with services you have requested, for marketing or product development research, or to market products or services to you. We do not, however, disclose information we collect from consumer or credit reporting agencies with our affiliates or others without your consent, in conformity with applicable law, unless such disclosure is otherwise permitted by law.

Disclosure to Nonaffiliated Third Parties – We do not disclose Personal Information about our customers or former customers to nonaffiliated third parties, except as outlined herein or as otherwise permitted by law.

Confidentiality and Security of Personal Information

We restrict access to Personal Information about you to those employees who need to know that information to provide products or services to you. We maintain physical, electronic, and procedural safeguards that comply with federal regulations to guard Personal Information.

Access to Personal Information/

Requests for Correction, Amendment, or Deletion of Personal Information

As required by applicable law, we will afford you the right to access your Personal Information, under certain circumstances to find out to whom your Personal Information has been disclosed, and request correction or deletion of your Personal Information. However, FNF's current policy is to maintain customers' Personal Information for no less than your state's required record retention requirements for the purpose of handling future coverage claims.

For your protection, all requests made under this section must be in writing and must include your notarized signature to establish your identity. Where permitted by law, we may charge a reasonable fee to cover the costs incurred in responding to such requests. Please send requests to:

Chief Privacy Officer
Fidelity National Financial, Inc.
601 Riverside Avenue
Jacksonville, FL 32204

Changes to this Privacy Statement

This Privacy Statement may be amended from time to time consistent with applicable privacy laws. When we amend this Privacy Statement, we will post a notice of such changes on our website. The effective date of this Privacy Statement, as stated above, indicates the last time this Privacy Statement was revised or materially changed.

CONDITIONS

1. The term mortgage, when used herein, shall include deed of trust, trust deed, or other security instrument.
2. If the proposed insured has or acquired actual knowledge of any defect, lien, encumbrance, adverse claim or other matter affecting the estate or interest or mortgage thereon covered by this Commitment other than those shown in Schedule B hereof, and shall fail to disclose such knowledge to the Company in writing, the Company shall be relieved from liability for any loss or damage resulting from any act of reliance hereon to the extent the Company is prejudiced by failure to so disclose such knowledge. If the proposed insured shall disclose such knowledge to the Company, or if the Company otherwise acquires actual knowledge of any such defect, lien, encumbrance, adverse claim or other matter, the Company at its option may amend Schedule B of this Commitment accordingly, but such amendment shall not relieve the Company from liability previously incurred pursuant to paragraph 3 of these Conditions and Stipulations.
3. Liability of the Company under this Commitment shall be only to the named proposed insured and such parties included under the definition of insured in the form of policy or policies committed for and only for actual loss incurred in reliance hereon in undertaking in good faith, (a) to comply with the requirements hereof, or (b) to eliminate exceptions shown in Schedule B, or (c) to acquire or create the estate or interest or mortgage thereon covered by this Commitment. In no event shall such liability exceed the amount stated in Schedule A for the policy or policies committed for and such liability is subject to the insuring provisions, and Conditions and Stipulations, and the Exclusions from Coverage of the form of policy or policies committed for in favor of the Proposed insured which are hereby incorporated by reference and are made a part of this Commitment except as expressly modified herein.
4. This Commitment is a contract to issue one or more title insurance policies and is not an abstract of title or a report of the condition of title. Any action or actions or rights of action that the proposed insured may have or may bring against the Company arising out of the status of the title to the estate or interest or the status of the mortgage thereon covered by this Commitment must be based on and are subject to the provisions of this Commitment.
5. *The policy to be issued may contain an arbitration clause. When the Amount of Insurance is less than that set forth in the 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. You may review a copy of the arbitration rules at < <http://www.atta.org/>.*

AMERICAN LAND TITLE ASSOCIATION LOAN POLICY (10-17-92) WITH ALTA ENDORSEMENT-FORM 1 COVERAGE and AMERICAN LAND TITLE ASSOCIATION LEASEHOLD LOAN POLICY (10-17-92) WITH ALTA ENDORSEMENT-FORM 1 COVERAGE EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorney's fees or expenses which arise by reason of:

1. (a) Any law, ordinance or governmental regulation (including but not limited to building and zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating to (i) the occupancy, use, or enjoyment of the land; (ii) the character, dimensions or location of any improvement now or hereafter erected on the land; (iii) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part; or (iv) environmental protection, or the effect of any violation of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
- (b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
2. Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at Date of Policy, but not excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without knowledge.
3. Defects, liens, encumbrances, adverse claims or other matters:
 - (a) created, suffered, assumed or agreed to by the insured claimant;
 - (b) not known to the Company, not recorded in the public records at Date of Policy, but known to the insured claimant and not disclosed in writing to the Company by the insured claimant prior to the date the insured claimant became an insured under this policy;
 - (c) resulting in no loss or damage to the insured claimant;
 - (d) attaching or created subsequent to Date of Policy; (except to the extent that this policy insures the priority of the lien of the insured mortgage over any statutory lien for services, labor or material) or
 - (e) resulting in loss or damage which would not have been sustained if the insured claimant had paid value for the estate or interest insured by this policy.
4. Unenforceability of the lien of the insured mortgage because of the inability or failure of the insured at Date of Policy, or the inability or failure of any subsequent owner of the indebtedness, to comply with applicable doing business laws of the state in which the land is situated.
5. Invalidity or unenforceability of the lien of the insured mortgage, or claim thereof, which arises out of the transaction evidenced by the insured mortgage and is based upon usury or any consumer credit protection or truth in lending law.
6. Any statutory lien for services, labor or materials (or the claim of priority of any statutory lien for services, labor or materials over the lien of the insured mortgage) arising from an improvement or work related to the land which is contracted for and commenced subsequent to Date of Policy and is not financed in whole or in part by proceeds of the indebtedness secured by the insured mortgage which at Date of Policy the insured has advanced or is obligated to advance.
7. Any claim which arises out of the transaction creating the interest of the mortgagee insured by this Policy, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that is based on:
 - (a) the transaction creating the interest of the insured mortgagee being deemed a fraudulent conveyance or fraudulent transfer, or
 - (b) the subordination of the interest of the insured mortgagee as a result of the application of the doctrine of equitable subordination; or
 - (c) the transaction creating the interest of the insured mortgagee being deemed a preferential transfer except where the preferential transfer results from the failure:
 - (i) to timely record the instrument of transfer; or
 - (ii) of such recordation to impart notice to a purchaser for value or a judgment or lien creditor.

The above policy forms may be issued to afford either Standard Coverage or Extended Coverage. In addition to the above Exclusions from Coverage, the Exceptions from Coverage in a Standard Coverage policy will also include the following General Exceptions:

EXCEPTIONS FROM COVERAGE

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) which arise by reason of:

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 claim 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 matters excepted under (a), (b) or (c) are shown by the public records.

2006 ALTA LOAN POLICY (06-17-06)

EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy, and the Company will not pay loss or damage, costs, attorneys' fees, or expenses that arise by reason of:

1. (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to:
 - (i) the occupancy, use, or enjoyment of the Land;
 - (ii) the character, dimensions, or location of any improvement erected on the Land;
 - (iii) the subdivision of land; or
 - (iv) environmental protection;or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5.
- (b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 6.
2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
3. Defects, liens, encumbrances, adverse claims, or other matters:
 - (a) created, suffered, assumed, or agreed to by the Insured Claimant;
 - (b) not known to the Company, not recorded in the Public Records at Date of Policy, but known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
 - (c) resulting in no loss or damage to the Insured Claimant;
 - (d) attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risk 11, 13, or 14); or
 - (e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Insured Mortgage.
4. Unenforceability of the lien of the Insured Mortgage because of the inability or failure of an insured to comply with applicable doing-business laws of the state where the Land is situated.

5. Invalidity or unenforceability in whole or in part of the lien of the Insured Mortgage that arises out of the transaction evidenced by the Insured Mortgage and is based upon usury or any consumer credit protection or truth-in-lending law.
6. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction creating the lien of the Insured Mortgage, is
 - (a) a fraudulent conveyance or fraudulent transfer, or
 - (b) a preferential transfer for any reason not stated in Covered Risk 13(b) of this policy.
7. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the Insured Mortgage in the Public Records. This Exclusion does not modify or limit the coverage provided under Covered Risk 11(b).

The above policy form may be issued to afford either Standard Coverage or Extended Coverage. In addition to the above Exclusions from Coverage, the Exceptions from Coverage in a Standard Coverage policy will also include the following Exceptions from Coverage:

EXCEPTIONS FROM COVERAGE

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) that arise by reason of:

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 that 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.

AMERICAN LAND TITLE ASSOCIATION OWNER'S POLICY (10-17-92) And AMERICAN LAND TITLE ASSOCIATION LEASEHOLD OWNER'S POLICY (10-17-92) EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorneys' fees or expenses which arise by reason of:

1. (a) Any law, ordinance or governmental regulation (including but not limited to building and zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating to (i) the occupancy, use, or enjoyment of the land; (ii) the character, dimensions or location of any improvement now or hereafter erected on the land; (iii) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part; or (iv) environmental protection, or the effect of any violation of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
- (b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
2. Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at Date of Policy, but not excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without knowledge.
3. Defects, liens, encumbrances, adverse claims or other matters:
 - (a) created, suffered, assumed or agreed to by the Insured claimant;
 - (b) not known to the Company, not recorded in the public records at Date of Policy, but known to the insured claimant and not disclosed in writing to the Company by the insured claimant prior to the date the Insured claimant became an insured under this policy;
 - (c) resulting in no loss or damage to the Insured claimant;
 - (d) attaching or created subsequent to Date of Policy; or
 - (e) resulting in loss or damage which would not have been sustained if the insured claimant had paid value for the estate or interest insured by this policy.
4. Any claim, which arises out of the transaction vesting in the insured the estate or interest insured by the policy, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that is based on:
 - (a) the transaction creating the estate or interest insured by this policy being deemed a fraudulent conveyance or fraudulent transfer; or
 - (b) the transaction creating the estate or interest insured by the policy being deemed a preferential transfer except where the preferential transfer results from the failure:
 - (i) to timely record the instrument of transfer; or
 - (ii) of such recordation to impart notice to a purchaser for value or a judgment or lien creditor.

The above policy forms may be issued to afford either Standard Coverage or Extended Coverage. In addition to the above Exclusions from Coverage, the Exceptions from Coverage in a Standard Coverage Policy will also include the following General Exceptions:

EXCEPTIONS FROM COVERAGE

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) which arise by reason of:

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 claim 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 matters excepted under (a), (b) or (c) are shown by the public records.

2006 ALTA OWNER'S POLICY (06-17-06)

EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy, and the Company will not pay loss or damage, costs, attorneys' fees, or expenses that arise by reason of:

1. (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
 - (i) the occupancy, use, or enjoyment of the Land;
 - (ii) the character, dimensions, or location of any improvement erected on the Land;
 - (iii) the subdivision of land; or
 - (iv) environmental protection;
 or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5.
 - (b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 6.
2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
3. Defects, liens, encumbrances, adverse claims, or other matters
 - (a) created, suffered, assumed, or agreed to by the Insured Claimant;
 - (b) not known to the Company, not recorded in the Public Records at Date of Policy, but known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
 - (c) resulting in no loss or damage to the Insured Claimant;
 - (d) attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risk 9 and 10); or
 - (e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Title.
4. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction vesting the Title as shown in Schedule A, is
 - (a) a fraudulent conveyance or fraudulent transfer; or
 - (b) a preferential transfer for any reason not stated in Covered Risk 9 of this policy.
5. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the deed or other instrument of transfer in the Public Records that vests Title as shown in Schedule A.

The above policy form may be issued to afford either Standard Coverage or Extended Coverage. In addition to the above Exclusions from Coverage, the Exceptions from Coverage in a Standard Coverage policy will also include the following Exceptions from Coverage:

EXCEPTIONS FROM COVERAGE

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) that arise by reason of:

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 in the Public Records but that 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 that 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 matters excepted under (a), (b), or (c) are shown by the Public Records.

ALTA EXPANDED COVERAGE RESIDENTIAL LOAN POLICY (10/13/01)

EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorneys fees or expenses which arise by reason of:

1. (a) Any law, ordinance or governmental regulation (including but not limited to building and zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating to (i) the occupancy, use, or enjoyment of the Land; (ii) the character, dimensions or location of any improvement now or hereafter erected on the Land; (iii) a separation in ownership or a change in the dimensions or areas of the Land or any parcel of which the Land is or was a part; or (iv) environmental protection, or the effect of any violation of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the Land has been recorded in the Public Records at Date of Policy. This exclusion does not limit the coverage provided under Covered Risks 12, 13, 14, and 16 of this policy.
(b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the Land has been recorded in the Public Records at Date of Policy. This exclusion does not limit the coverage provided under Covered Risks 12, 13, 14, and 16 of this policy.
2. Rights of eminent domain unless notice of the exercise thereof has been recorded in the Public Records at Date of Policy, but not excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without Knowledge.
3. Defects, liens, encumbrances, adverse claims or other matters:
(a) created, suffered, assumed or agreed to by the Insured Claimant;
(b) not Known to the Company, not recorded in the Public Records at Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
(c) resulting in no loss or damage to the Insured Claimant;
(d) attaching or created subsequent to Date of Policy (this paragraph does not limit the coverage provided under Covered Risks 8, 16, 18, 19, 20, 21, 22, 23, 24, 25 and 26); or
(e) resulting in loss or damage which would not have been sustained if the Insured Claimant had paid value for the Insured Mortgage.
4. Unenforceability of the lien of the Insured Mortgage because of the inability or failure of the Insured at Date of Policy, or the inability or failure of any subsequent owner of the indebtedness, to comply with applicable doing business laws of the state in which the Land is situated.
5. Invalidity or unenforceability of the lien of the Insured Mortgage, or claim thereof, which arises out of the transaction evidenced by the Insured Mortgage and is based upon usury, except as provided in Covered Risk 27, or any consumer credit protection or truth in lending law.
6. Real property taxes or assessments of any governmental authority which become a lien on the Land subsequent to Date of Policy. This exclusion does not limit the coverage provided under Covered Risks 7, 8(e) and 26.
7. Any claim of invalidity, unenforceability or lack of priority of the lien of the Insured Mortgage as to advances or modifications made after the Insured has Knowledge that the vestee shown in Schedule A is no longer the owner of the estate or interest covered by this policy. This exclusion does not limit the coverage provided in Covered Risk 8.
8. Lack of priority of the lien of the Insured Mortgage as to each and every advance made after Date of Policy, and all interest charged thereon, over liens, encumbrances and other matters affecting the title, the existence of which are Known to the Insured at:
(a) The time of the advance; or
(b) The time a modification is made to the terms of the Insured Mortgage which changes the rate of interest charged, if the rate of interest is greater as a result of the modification than it would have been before the modification. This exclusion does not limit the coverage provided in Covered Risk 8.
9. The failure of the residential structure, or any portion thereof to have been constructed before, on or after Date of Policy in accordance with applicable building codes. This exclusion does not apply to violations of building codes if notice of the violation appears in the Public Records at Date of Policy.

AMERICAN LAND TITLE ASSOCIATION HOMEOWNER'S POLICY OF TITLE INSURANCE (10/17/98) EXCLUSIONS

In addition to the Exceptions in Schedule B, You are not insured against loss, costs, attorneys' fees, and expenses resulting from:

1. Governmental police power, and the existence or violation of any law or government regulation. This includes ordinances, laws and regulations concerning:
 - a. building
 - b. zoning
 - c. land use
 - d. improvements on the Land
 - e. land division
 - f. environmental protection

This Exclusion does not apply to violations or the enforcement of these matters if notice of the violation or enforcement appears in the Public Records at the Policy Date. This Exclusion does not limit the coverage described in Covered Risk 14, 15, 16, 17 or 24.

2. The failure of Your existing structures, or any part of them, to be constructed in accordance with applicable building codes. This Exclusion does not apply to violations of building codes if notice of the violation appears in the Public Records at the Policy Date.
3. The right to take the Land by condemning it, unless:
 - a. a notice of exercising the right appears in the Public Records at the Policy Date; or
 - b. the taking happened before the Policy date and is binding on You if You bought the Land without knowing of the taking.
4. Risks:
 - a. that are created, allowed, or agreed to by You, whether or not they appear in the Public Records;
 - b. that are known to You at the Policy Date, but not to Us, unless they appear in the Public Records at the Policy Date;
 - c. that result in no loss to You; or
 - d. that first occur after the Policy Date – this does not limit the coverage described in Covered Risk 7, 8d, 22, 23, 24 or 25.
5. Failure to pay value for Your Title.
6. Lack of a right:
 - a. to any land outside the area specifically described and referred to in paragraph 3 of Schedule A; and
 - b. in streets, alleys, or waterways that touch the land.This Exclusion does not limit the coverage described in Covered Risk 11 or 18.

LIMITATIONS ON COVERED RISKS

Your insurance for the following Covered Risks is limited on the Owner's Coverage Statement as follows:

• For Covered Risk 14, 16, 18 and 18, Your Deductible Amount and Our Maximum Dollar Limit of Liability shown in Schedule A.

The deductible amounts and maximum dollar limits shown on Schedule A are as follows:

	<u>Your Deductible Amount</u>	<u>Our Maximum Dollar Limit of Liability</u>
Covered Risk 14:	1% of Policy Amount or \$2,500.00 (whichever is less)	\$ 10,000.00
Covered Risk 16:	1% of Policy Amount or \$5,000.00 (whichever is less)	\$ 25,000.00
Covered Risk 18:	1% of Policy Amount or \$5,000.00 (whichever is less)	\$ 25,000.00
Covered Risk 18:	1% of Policy Amount or \$2,500.00 (whichever is less)	\$ 5,000.00

**AMERICAN LAND TITLE ASSOCIATION
RESIDENTIAL TITLE INSURANCE POLICY (6-1-87)
EXCLUSIONS**

In addition to the Exceptions in Schedule B, you are not insured against loss, costs, attorneys' fees, and expenses resulting from:

1. Governmental police power, and the existence or violation of any law or government regulation. This includes building and zoning ordinances and also laws and regulations concerning:

- Land use
- Improvements on the land
- Land division
- Environmental protection

This exclusion does not apply to violations or the enforcement of these matters which appear in the public records at Policy Date.

This exclusion does not limit the zoning coverage described in Items 12 and 13 of Covered Title Risks.

2. The right to take the land by condemning it, unless:

- A notice of exercising the right appears in the public records on the Policy Date
- The taking happened prior to the Policy Date and is binding on you if you bought the land without knowing of the taking

3. Title Risks:

- That are created, allowed, or agreed to by you
- That are known to you, but not to us, on the Policy Date – unless they appeared in the Public Records
- That result in no loss to you
- That first affect your title after the Policy Date – this does not limit the labor and material lien coverage in Item 8 of Covered Title Risks

4. Failure to pay value for your title.

5. Lack of a right:

- To any land outside the area specifically described and referred to in Item 3 of Schedule A
OR
- In streets, alleys, or waterways that touch your land

This exclusion does not limit the access coverage in Item 5 of Covered Title Risks

Fidelity National Title Insurance Company

COMMITMENT FOR TITLE INSURANCE

SCHEDULE A FOURTH AMENDMENT

Effective Date: **September 13, 2016 at 5:00 pm**

- | | |
|--|------------------------|
| 1. Policy (or Policies) to be issued: | Policy Amount: |
| ALTA 2006 STANDARD OWNER'S POLICY | \$16,600,000.00 |

Proposed Insured: **City of Scottsdale, a municipal corporation**

2. The estate or interest in the land described or referred to in this commitment and covered herein is **Fee Simple** and title thereto is at the effective date vested in:

JLB SCOTTSDALE MARKETPLACE LLC

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

City of Scottsdale, a municipal corporation

4. The land referred to in the Commitment is described as follows:

SEE ATTACHED EXHIBIT "A"

5. The address of the land referred to in the Commitment is described as follows:

N/A

Countersigned
Thomas Title & Escrow, LLC

BY: 
Authorized Signature

EXHIBIT "A"

A portion of Tracts 3A as shown on State Plat No. 16 Core South, according to Book 324 of maps, Page 50 as recorded in the Maricopa County Recorder's Office, Maricopa County, Arizona, situated in the Northwest Quarter of Section 35, Township 4 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 West quarter corner of said Section 35, from which the Northwest corner of said Section 35 bears North 00 degrees, 09 minutes 29 seconds East, a distance of 2640.37 feet;

Thence North 00 degrees 09 minutes 29 seconds East, along the West line of said Section 35, a distance of 680.12 feet to the Point of Beginning of the parcel herein described;

Thence North 00 degrees 09 minutes 29 seconds East, continuing along the West line of said Section 35, a distance of 545.14 feet to a point on the South line of the minor subdivision plat for the Scottsdale Road & Union Hills Drive, according to Book 1131 of Maps, Page 32, records of Maricopa County, Arizona;

Thence South 89 degrees 50 minutes 31 seconds East, leaving said Section line, along said South Subdivision line, a distance of 75.00 feet to a point on the East right of way line of Scottsdale Road;

Thence North 45 degrees 04 minutes 44 seconds East, leaving said East right of way line, continuing along said South Subdivision line, a distance of 59.48 feet;

Thence North 90 degrees 00 minutes 00 seconds East, a distance of 441.07 feet;

Thence North 84 degrees 27 minutes 19 seconds East, a distance of 98.99 feet;

Thence South 82 degrees 46 minutes 39 seconds East, a distance of 160.65 feet to the point of curve of a non tangent curve to the left, of which the radius point lies North 47 degrees 23 minutes 41 seconds East, a radial distance of 94.00 feet;

Thence Easterly along the arc of said curve, through a central angle of 84 degrees 56 minutes 31 seconds, a distance of 139.36 feet;

Thence South 07 degrees 09 minutes 14 seconds West, leaving said South Subdivision line, a distance of 225.71 feet;

Thence South 00 degrees 09 minutes 29 seconds West, a distance of 343.98 feet;

Thence North 89 degrees 50 minutes 31 seconds West, a distance of 915.01 feet to the Point of beginning of the parcel herein described.

EXCEPT all oil, gas, other hydrocarbon substances, helium or other substances of a gaseous nature, geothermal resources, coal, metals, minerals, fossils, fertilizers of every name and description, together with all uranium, thorium or any other material which is or may be determined by the laws of the United States, or of this state, or decisions of court, to be peculiarly essential to the production of fissionable materials, whether or not of commercial value, as set forth in Patent recorded June 15, 2016 as 2016-417174, of Official Records.

Fidelity National Title Insurance Company

COMMITMENT FOR TITLE INSURANCE

SCHEDULE B - SECTION I REQUIREMENTS FOURTH AMENDMENT

Effective Date: **September 13, 2016, 5:00pm**

The following are the requirements to be complied with prior to the issuance of the policy or policies. Unless otherwise noted, all documents must be recorded in the office of the Recorder of the County in which the property is located.

1. **Intentionally Omitted**
2. **Intentionally Omitted**
3. **Intentionally Omitted**
4. **Intentionally Omitted**
5. **Intentionally Omitted**
6. **Intentionally Omitted**
7. **Intentionally Omitted**
8. **Pay first half of 2016 taxes.**

**NOTE: County Treasurer must be contacted for updated tax information.
(Assessor's Tax Parcel No. 215-07-004D)**

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 JLB Scottsdale Marketplace LLC, a Delaware limited liability company.**

NOTE: Final determination as to which parties must execute all documents on behalf of the company shall be made upon compliance with above.

10. **Record Full Reconveyance of a Deed of Trust securing an original indebtedness in the amount of \$8,300,000.00, dated June 16, 2016, recorded June 16, 2016 as 2016-420917, of Official Records, by JLB SCOTTSDALE MARKETPLACE LLC, a Delaware limited liability company, Trustor, SPENRUST-TEXAS, INC., a Texas corporation, Trustee, and UMB BANK, N.A., a national banking association, Beneficiary.**
11. **Record Full Release of a financing statement recorded June 17, 2016 as 2016-422284, of Official Records, JLB Scottsdale Marketplace LLC, as Debtor, and UMB Bank, n.a., Secured Party.**

12. Record _____ Deed from JLB SCOTTSDALE MARKETPLACE LLC, a Delaware limited liability company, to City of Scottsdale, a municipal corporation.

END OF SCHEDULE B - REQUIREMENTS

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.

Fidelity National Title Insurance Company

COMMITMENT FOR TITLE INSURANCE

SCHEDULE B - SECTION II EXCEPTIONS FOURTH AMENDMENT

Effective Date: September 13, 2016, 5:00pm

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

A. Defects, liens, encumbrances, adverse claims or other matters, if any, created, first appearing in the public records or attaching subsequent to the effective date shown on this title commitment, but prior to the date the proposed Insured acquires for value of record the estate or interest or mortgage covered by this commitment.

1. **Second installment of 2016 taxes, a lien, payable on or before March 1, 2017 and delinquent May 1, 2017.**
2. **Intentionally Omitted**
3. **Intentionally Omitted**
4. **An easement for right of way for Scottsdale Road and incidental purposes recorded as Book 71 of Miscellaneous, Page 503; Book 6 of Road Maps, Page 4 and Docket 3494, Page 100 and In Book 13 of Road Maps, Page 94, of Official Records.**
5. **All matters as set forth in State Plat No. 16 Core South, recorded as Book 324 of Maps, Page 50, of Official Records.**
6. **The terms, conditions and provisions contained in the document entitled Development Agreement recorded as 2002-1240137 and First Amendment recorded as 2011-923510, of Official Records.**
7. **An easement for R/W No. 16-109215 for Public Roadway, Underground Utilities and Drainage and incidental purposes recorded as 2005-182711, of Official Records.**
8. **Right of the State of Arizona, its lessees or permittees to enter upon those lands for the purpose of exploration, development and removal of the minerals described in exception to said land, provided by the rules of the State Land Department and the laws of Arizona recorded as 2015-0660434, of Official Records.**

9. **The following matters are disclosed by a search of the Arizona State Land Department:**

Right of Way No. 18-94347 for electric lines expiring November 29, 2015 to Arizona Public Service.

Right of Way No. 18-105262 for electric lines expiring December 9, 2019 to Arizona Public Service.

Right of Way No. 18-105976 for Communication lines expiring September 19, 201 to Cox Communications, Phoenix Inc.

Right of Way No. 16-116171 for Flood Control Channel assigned to the City of Scottsdale.

10. **Intentionally Omitted**

11. **Intentionally Omitted**

12. **Intentionally Omitted**

13. **Any additional taxes which may become a lien by reason of the county assessor reassessing the within described premises for the year(s) 2016.**

14. **The right to enter upon the land and prospect for and remove all coal, oil, gas, minerals or other substances, as reserved in the Patent to said land, recorded 6/15/2016 as 2016-417174, of Official Records.**

END OF SCHEDULE B - EXCEPTIONS



Affidavit of Authority to Act as the Property Owner

1. This affidavit concerns the following parcel of land:

- a. Street Address: SEC Scottsdale Road & Chauncey Lane
- b. County Tax Assessor's Parcel Number: 215-07-0046
- c. General Location: SEC Scottsdale Road & Chauncey Lane
- d. Parcel Size: 12.26 acres
- e. Legal Description: 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 Director of the Scottsdale Planning & Development Services Department a written statement revoking my authority.
- 5. I will immediately deliver to the Director of the City of Scottsdale Planning & 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 and 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)	Date	Signature
<u>KEVIN RANSIL</u>	<u>7-16</u> , 20 <u>16</u>	<u>[Signature]</u>
_____	_____, 20____	_____
_____	_____, 20____	_____
_____	_____, 20____	_____

Planning and Development Services

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

14-MD-2016

10/20/2016

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:

SEC Scottsdale Road and Chauncey Lane

(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.

KASIPRAI
Signature of Property Owner

7.21.16
Date

14-MD-2016
10/20/2016

LEGAL DESCRIPTION

SEC SCOTTSDALE ROAD AND CHAUNCEY LANE

JOB #14-146



A PORTION OF TRACT 3A AS SHOWN ON STATE PLAT NO. 15 CORE SOUTH ACCORDING TO BOOK 324 OF MAPS, PAGE 50 AS RECORDED IN THE MARICOPA COUNTY RECORDERS OFFICE, MARICOPA COUNTY, ARIZONA, SITUATED IN THE NORTHWEST QUARTER OF SECTION 35, TOWNSHIP 4 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 WEST QUARTER CORNER OF SAID SECTION 35, FROM WHICH THE NORTHWEST CORNER OF SAID SECTION 35 BEARS NORTH 00 DEGREES 09 MINUTES 29 SECONDS EAST, A DISTANCE OF 2640.37 FEET;

THENCE NORTH 00 DEGREES 09 MINUTES 29 SECONDS EAST, ALONG THE WEST LINE OF SAID SECTION 35, A DISTANCE OF 680.12 FEET TO THE **POINT OF BEGINNING** OF THE PARCEL HEREIN DESCRIBED;

THENCE NORTH 00 DEGREES 09 MINUTES 29 SECONDS EAST, CONTINUING ALONG THE WEST LINE OF SAID SECTION 35, A DISTANCE OF 545.14 FEET TO A POINT ON THE SOUTH LINE OF THE MINOR SUBDIVISION PLAT FOR THE SEC SCOTTSDALE ROAD & UNION HILLS DRIVE, ACCORDING TO BOOK 1131 OF MAPS, PAGE 32, RECORDS OF MARICOPA COUNTY, ARIZONA;

THENCE SOUTH 89 DEGREES 50 MINUTES 31 SECONDS EAST, LEAVING SAID SECTION LINE, ALONG SAID SOUTH SUBDIVISION LINE, A DISTANCE OF 75.00 FEET TO A POINT ON THE EAST RIGHT OF WAY LINE OF SCOTTSDALE ROAD;

THENCE NORTH 45 DEGREES 04 MINUTES 44 SECONDS EAST, LEAVING SAID EAST RIGHT OF WAY LINE, CONTINUING ALONG SAID SOUTH SUBDIVISION LINE, A DISTANCE OF 59.48 FEET;

THENCE NORTH 90 DEGREES 00 MINUTES 00 SECONDS EAST, A DISTANCE OF 441.07 FEET;

THENCE NORTH 84 DEGREES 27 MINUTES 19 SECONDS EAST, A DISTANCE OF 98.99 FEET;

THENCE SOUTH 82 DEGREES 46 MINUTES 39 SECONDS EAST, A DISTANCE OF 160.65 FEET TO THE POINT OF CURVE OF A NON TANGENT CURVE TO THE LEFT, OF WHICH THE RADIUS POINT LIES NORTH 47 DEGREES 23 MINUTES 41 SECONDS EAST, A RADIAL DISTANCE OF 94.00 FEET;

THENCE EASTERLY ALONG THE ARC OF SAID CURVE, THROUGH A CENTRAL ANGLE OF 84 DEGREES 56 MINUTES 31 SECONDS, A DISTANCE OF 139.36 FEET;

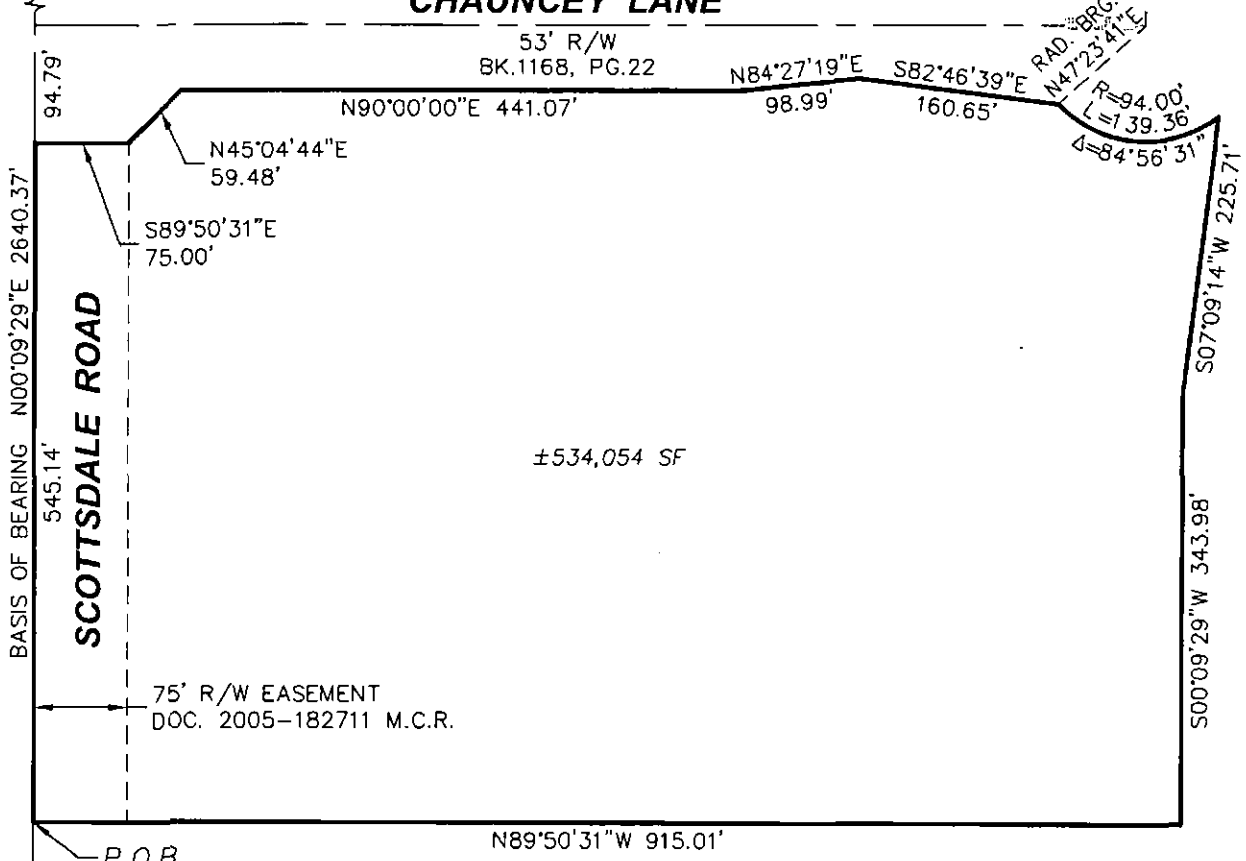
THENCE SOUTH 07 DEGREES 09 MINUTES 14 SECONDS WEST, LEAVING SAID SOUTH SUBDIVISION LINE, A DISTANCE OF 225.71 FEET;

THENCE SOUTH 00 DEGREES 09 MINUTES 29 SECONDS WEST, A DISTANCE OF 343.98 FEET;

THENCE NORTH 89 DEGREES 50 MINUTES 31 SECONDS WEST, A DISTANCE OF 915.01 FEET TO THE **POINT OF BEGINNING** OF THE PARCEL HEREIN DESCRIBED.

SAID PARCEL CONTAINS 534,054 SQUARE FEET OR 12.260 ACRES.

CHAUNCEY LANE



SIG
SURVEY INNOVATION
GROUP, INC
Land Surveying Services
 Ph (480) 922 0780

EXHIBIT
SCOTTSDALE MARKETPLACE
SCOTTSDALE, ARIZONA

JOB# 2014-146	DWG: 14-146LEGAL	DATE: 7/1/16
SCALE: N.T.S.	DRAWN: ELS	CHECK: JAS
		SHEET: 1 OF 1



LEGAL DESCRIPTION
EAST
S.E.C. SCOTTSDALE & CHAUNCEY

August 10, 2016
Job No. 2014-146
Page 1 of 1

A PORTION OF TRACT 3A AS SHOWN ON STATE PLAT NO. 15 CORE SOUTH, ACCORDING TO BOOK 324 OF MAPS, PAGE 50 AS RECORDED IN THE MARICOPA COUNTY RECORDERS OFFICE, MARICOPA COUNTY, ARIZONA, SITUATED IN THE NORTHWEST QUARTER OF SECTION 35, TOWNSHIP 4 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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THENCE NORTH 00 DEGREES 09 MINUTES 29 SECONDS EAST, ALONG THE WEST LINE OF SAID SECTION 35, A DISTANCE OF 680.12 FEET;

THENCE SOUTH 89 DEGREES 50 MINUTES 31 SECONDS EAST, DEPARTING SAID WEST LINE, A DISTANCE OF 469.30 FEET TO THE **POINT OF BEGINNING** OF THE PARCEL HEREIN DESCRIBED;

THENCE NORTH 00 DEGREES 00 MINUTES 00 SECONDS EAST, A DISTANCE OF 588.22 FEET TO A POINT ON THE SOUTH LINE OF THE MINOR SUBDIVISION PLAT FOR THE SEC SCOTTSDALE ROAD & UNION HILLS DRIVE, ACCORDING TO BOOK 1131 OF MAPS, PAGE 32, RECORDS OF MARICOPA COUNTY, ARIZONA;

THENCE NORTH 90 DEGREES 00 MINUTES 00 SECONDS EAST, ALONG SAID SOUTH LINE, A DISTANCE OF 90.39 FEET;

THENCE NORTH 84 DEGREES 27 MINUTES 19 SECONDS EAST, A DISTANCE OF 98.99 FEET;

THENCE SOUTH 82 DEGREES 46 MINUTES 39 SECONDS EAST, A DISTANCE OF 160.65 FEET TO THE POINT OF A NON-TANGENT CURVE TO THE LEFT, OF WHICH THE RADIUS POINT LIES NORTH 47 DEGREES 23 MINUTES 41 SECONDS EAST, A RADIAL DISTANCE OF 94.00 FEET;

THENCE EASTERLY ALONG THE ARC OF SAID CURVE, THROUGH A CENTRAL ANGLE OF 84 DEGREES 56 MINUTES 31 SECONDS, A DISTANCE OF 139.36 FEET;

THENCE SOUTH 07 DEGREES 09 MINUTES 14 SECONDS WEST, DEPARTING SAID SOUTH LINE, A DISTANCE OF 225.71 FEET;

THENCE SOUTH 00 DEGREES 09 MINUTES 29 SECONDS WEST, A DISTANCE OF 343.98 FEET;

THENCE NORTH 89 DEGREES 50 MINUTES 31 SECONDS WEST, A DISTANCE OF 445.71 FEET TO THE **POINT OF BEGINNING** OF THE PARCEL HEREIN DESCRIBED.

SAID PARCEL CONTAINS 262,804 SQUARE FEET OR 6.033 ACRES, MORE OR LESS.

14-MD-2016
10/20/2016

CHAUNCEY LANE

53' R/W
BK.1168, PG.22

N90°00'00"E 90.39'
N84°27'19"E 98.99'
S82°46'39"E 160.65'

RB=N47°23'41"E

R=94.00'
L=139.36'
Δ=84°56'31"

±262,804 S.F.
6.033 AC,

S07°09'14"W 225.71'

S00°09'29"W 343.98'

N00°00'00"W 588.22'

P.O.B.

N89°50'31"W 469.30'

N89°50'31"W 445.71'

BASIS OF BEARING S00°09'29"W 2640.37'

SCOTTSDALE ROAD

75' R/W EASEMENT
DOC. 2005-182711 M.C.R.

P.O.C.
W.1/4, S.35
T4N, R4E

680.13'



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GROUP, INC
Land Surveying Services
Ph (480) 922 0780

EXHIBIT
SCOTTSDALE, ARIZONA

JOB# 2014-146	DWG: CHAUNCEYLEGAL	DATE: 8/10/16
SCALE: N.T.S.	DRAWN: ELS	CHECK: JAS
		SHEET: 1 OF 1

**LEGAL DESCRIPTION
SCOTTSDALE MARKETPLACE
S.E.C. SCOTTSDALE & CHAUNCEY**

June 8, 2016
Job No. 2014-146
Page 1 of 1

A PORTION OF TRACT 3A AS SHOWN ON STATE PLAT NO. 15 CORE SOUTH, ACCORDING TO BOOK 324 OF MAPS, PAGE 50 AS RECORDED IN THE MARICOPA COUNTY RECORDERS OFFICE, MARICOPA COUNTY, ARIZONA, SITUATED IN THE NORTHWEST QUARTER OF SECTION 35, TOWNSHIP 4 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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THENCE NORTH 45 DEGREES 04 MINUTES 44 SECONDS EAST, LEAVING SAID EAST RIGHT OF WAY LINE, CONTINUING ALONG SAID SOUTH SUBDIVISION LINE, A DISTANCE OF 59.48 FEET;

THENCE NORTH 90 DEGREES 00 MINUTES 00 SECONDS EAST, A DISTANCE OF 350.68 FEET;

THENCE SOUTH 00 DEGREES 00 MINUTES 00 SECONDS EAST, DEPARTING SAID SOUTH SUBDIVISION LINE, A DISTANCE OF 588.22 FEET;

THENCE NORTH 89 DEGREES 50 MINUTES 31 SECONDS WEST, A DISTANCE OF 469.30 FEET TO THE **POINT OF BEGINNING** OF THE PARCEL HEREIN DESCRIBED.

SAID PARCEL CONTAINS 271,250 SQUARE FEET OR 6.227 ACRES, MORE OR LESS.



14-MD-2016
10/20/2016

CHAUNCEY LANE

53' R/W
BK.1168, PG.22

N90°00'00"E

350.68'

N45°04'44"E
59.48'

S89°50'31"E
75.00'

BASIS OF BEARING · S00°09'29"W 2640.37'

545.14'

SCOTTSDALE ROAD

S00°00'00"E

588.22'

75' R/W EASEMENT
DOC. 2005-182711 M.C.R.

N89°50'31"W 469.30'

P.O.B.

680.13'

P.O.C.
W.1/4, S.35
T4N, R4E



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Land Surveying Services

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EXHIBIT
SCOTTSDALE MARKETPLACE
SCOTTSDALE, ARIZONA

JOB# 2014-146	DWG: SCOTTSDALEMARKET	DATE: 6/8/16
SCALE: N.T.S.	DRAWN: ELS	CHECK: JAS
		SHEET: 1 OF 1