



207 Waiver

Title

Legal Description / Ads

Policy or Appeals

Correspondence Between Legal & Staff

Letter of Authorization

# Appeals of Dedication, Exactions or Zoning Regulations



## Rights of Property Owner

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

- 1) Any dedication or exaction which is required of you by an administrative agency or official of the city as a condition of granting approval of your request to use, improve or develop your real property. This appeal right does not apply to a dedication or exaction required as part of a city legislative act (for example a zoning ordinance) when an administrative agency or official has no discretion to determine the dedication or exaction.
- 2) The adoption or amendment of a zoning regulation that creates a taking of property in 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 or exaction requirement in the zoning regulation is roughly proportional to the impact of the proposed use, improvement, or development, and that the zoning regulation does not create a taking of property in violation of Arizona and federal court cases.
- The hearing officer must render his decision within five working days after the appeal is heard.
- The hearing officer can modify or delete a dedication or exaction or, in the case of an appeal from a zoning regulation, transmit a recommendation to the City Council.
- If you are dissatisfied with the decision of the hearing officer, you may file a complaint for a 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 and Development Services

7447 E. Indian School Road, Suite 105, Scottsdale, AZ 85251 ♦ [www.ScottsdaleAZ.gov](http://www.ScottsdaleAZ.gov)

**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:

20001 N Scottsdale Road

(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

30 JULY 19

Date

1557431702594-26-1-1--  
Hoyp

When Recorded, Return To:

Gordon E. Hunt, Esq.  
Biskind, Hunt & Semro, PLC  
8501 North Scottsdale Rd., Suite 155  
Scottsdale, Arizona 85253

### ENTITLEMENTS ALLOCATION AGREEMENT

This Entitlements Allocation Agreement (this "**Agreement**") made as of the 9 day of May, 2019, between RKCCLL Investments LLC, an Arizona limited liability company, BDCCLL Investments LLC, an Arizona limited liability company, CCFCLL Investments LLC, an Arizona limited liability company, and SMCCLL Investments LLC, an Arizona limited liability company (collectively, jointly and severally, "**CLL**"), and One Scottsdale Investors LLC, a Delaware limited liability company ("**OSI**").

### RECITALS

A. CLL is the owner of the real property legally described in Exhibit A attached hereto (the "**CLL Parcel**").

B. OSI is the owner of the real property legally described in Exhibit B attached hereto (the "**OSI Parcel**").

C. The CLL Parcel and the OSI Parcel are each part of the real property commonly known as "One Scottsdale" ("**One Scottsdale**") and depicted on Exhibit C attached hereto.

D. The CLL Parcel and the OSI Parcel are subject to the Development Agreement with the City of Scottsdale, Arizona (the "**City**") recorded as Document No. 2002-1240138, official records of Maricopa County, Arizona (the "**Original Development Agreement**"), which was amended by the First Amendment to Development Agreement recorded as Document No. 2016-0447478, official records of Maricopa County, Arizona (the "**DA First Amendment**"). The Original Development Agreement, as amended by the DA First Amendment, is referred to in this Agreement as the "**Development Agreement**."

E. Pursuant to Sections 2 and 3 of the DA First Amendment, the CLL Parcel and the OSI Parcel are subject to the One Scottsdale Amended Development Plan approved by the Scottsdale City Council on June 7, 2016 and modified by the Scottsdale City Council on June 21, 2016 (the "**Amended Development Plan**"), which includes an amended Land Use Budget for One Scottsdale (the "**Amended Land Use Budget**").

F. Pursuant to Section 11.9 of the Original Development Agreement, CLL and OSI may be required to make a financial contribution not to exceed \$500,000 to the City toward the cost of extending Miller Road near One Scottsdale and constructing an underpass beneath the 101 freeway at the Miller Road alignment (the "**Miller Road Obligation**").

G. The CLL Parcel and portions of the OSI Parcel are subject to City of Scottsdale Ordinance No. 4256, approved by the Scottsdale City Council on June 7, 2016 and modified by the Scottsdale City Council on June 21, 2016 (“**Ordinance 4256**”). The real property that is subject to Ordinance 4256 is referred to in this Agreement as the “**4256 Property**.” Any portion of the OSI Property that is not part of the 4256 Property shall nevertheless be subject to and governed by the terms, conditions, benefits and burdens of this Agreement.

H. Pursuant to Section 15 of the Stipulations attached to and incorporated into Ordinance 4256, no certificate of occupancy shall be granted to any Owner (as defined below) of any portion of the 4256 Property once 937 residential units have been permitted in Planning Unit II (as defined in the Development Agreement and which includes the portion of One Scottsdale located south of Legacy Drive), or once 1,793,358 square feet of commercial/retail/office space have been permitted in the 4256 Property (the “**Scottsdale Road Restriction**”), unless certain permanent or interim improvements have been made to Scottsdale Road.

I. Pursuant to Section 2.8(a)(5) of the Stipulations for Case 20-ZN-2002 attached to the Original Development Agreement as Exhibit B, the scenic corridor along Scottsdale Road within One Scottsdale shall be a minimum of sixty (60) feet and an average of one hundred (100) feet, as measured from the back of curb (the “**Scenic Corridor Requirement**”).

J. The CLL Parcel and the OSI Parcel are subject to City of Scottsdale Ordinance No. 10409, approved by the Scottsdale City Council on June 21, 2016, which includes, as Schedule I thereto, Amended Development Standards applicable to the Property and certain other property in One Scottsdale (the “**Amended Development Standards**”). Section 5.2604.C of the Amended Development Standards imposes standards for open space requirements for One Scottsdale, requiring that not less than twenty (20) percent of One Scottsdale be utilized for open space (the “**Open Space Requirement**”).

K. The OSI Parcel is part of a larger parcel of real property that is sometimes referred to as “Planning Unit II” or “PU II” in the Development Agreement and the Amended Development Plan. The balance of the real property that is sometimes referred to as “Planning Unit II” or “PU II” in such documents (the “**Corporate Parcel**”) is legally described in the Special Warranty Deed recorded as Document No. 2006-1482860, official records of Maricopa County, Arizona.

L. The CLL Parcel is part of a larger parcel of real property that is sometimes referred to as “Planning Unit III” or “PU III” in the Development Agreement and the Amended Development Plan. The balance of the real property that is sometimes referred to as “Planning Unit III” or “PU III” in such documents, other than certain Common Area Tracts (the “**Apartment Parcels**”), is legally described in the Special Warranty Deeds recorded as Document Nos. 2012 0575513 and 2013 1080755, official records of Maricopa County, Arizona.



M. The Amended Land Use Budget allows:

- i. a maximum of 2,000 residential units to be developed within One Scottsdale, of which 750 residential units previously have been allocated to the Apartment Parcels, and the remaining 1,250 residential units have not been allocated to any specific real property;
- ii. a maximum of 2,866,145 square feet of commercial, retail and office floor area to be developed within One Scottsdale, of which 475,000 square feet previously have been allocated to the Corporate Parcel, and the remaining 2,391,145 square feet have not been allocated to any specific real property; and
- iii. a maximum of 400 hotel rooms to be developed within One Scottsdale, none of which have been allocated to any specific real property.

N. CLL and OSI desire to allocate between the CLL Parcel and the OSI Parcel, certain entitlements, rights and obligations established pursuant to the Development Agreement, the Amended Land Use Budget, the Amended Development Plan, the Amended Development Standards, and Ordinance 4256, to the extent not previously allocated to the Corporate Parcel and the Apartments Parcel, on the terms and conditions set forth in this Agreement.

O. For the avoidance of doubt, the Apartment Parcels and the Corporate Parcel are not benefitted, burdened or otherwise encumbered by this Agreement.

## AGREEMENT

NOW, THEREFORE, in consideration of the foregoing, of the mutual covenants and promises set forth below, and other good and valuable consideration, the receipt of which are hereby acknowledged, CLL and OSI agree as follows:

### 1. Definitions.

- a. **“Common Area Tract”** means a unit of real property designated on a subdivision plat on which no residential unit, no hotel building and no retail, commercial or office building may be constructed.
- b. **“Equivalent Units”** means a number assigned to each Parcel, based on the Permitted Land Uses allocated to such Parcel pursuant to Section 2 below, as follows:
  - i. For each residential unit that has been allocated to such Parcel pursuant to Section 2, one (1) Equivalent Unit shall be assigned to such Parcel;
  - ii. For each hotel room that has been allocated to such Parcel pursuant to Section 2, one (1) Equivalent Unit shall be assigned to such Parcel; and

iii. For each 1,000 square feet of commercial, retail or office space that has been allocated to such Parcel pursuant to Section 2, rounded up, one (1) Equivalent Unit shall be assigned to such Parcel.

c. **"Improved Parcel"** means a Parcel on which residential units or a hotel or a commercial/office/retail building have been constructed (or are in the course of construction) or have been permitted for construction by the City of Scottsdale.

d. **"Owner"** means the holder of fee simple title to a Parcel, whether by sale, gift, inheritance, operation of law, trustee's sale, foreclosure, or otherwise; provided, however, the term "Owner" does not include the holder of any lien or encumbrance on a Parcel, or any tenant or occupant occupying space in a building who is not also vested with fee simple title. Notwithstanding the foregoing, in the case of a Residential Condominium Parcel (as defined in Section 1(e) below), if at least one condominium unit within the Residential Condominium Parcel has been sold to a retail purchaser, the condominium association established for the Residential Condominium Parcel shall be deemed to be the "Owner" of the entire Residential Condominium Parcel for the purposes of this Agreement (including without limitation for purposes of Section 7 below) and, in such event, the owners of the relevant condominium units shall not be Owners for the purposes of this Agreement; provided, however, that a residential condominium association may not be the Miller Road Owner (as defined in Section 3 below) or the Restricted Owner (as defined in Section 4 below).

e. **"Parcel"** means each of the CLL Parcel, the OSI Parcel, any real property designated by OSI or CLL as a Parcel in a supplement to this Agreement made pursuant to Section 2(b) below, and any lot or parcel (excluding any Common Area Tract) resulting from any subdivision or re-subdivision of any Parcel. Any such supplement may attach a legal description of the entirety of One Scottsdale, provided, however that (i) the attachment of such a legal description is and shall be solely for purposes of giving notice of the supplement to all Owners and (ii) such supplement shall not thereby be deemed to be binding upon or impair title to any Parcel other than the Parcel expressly bound by the terms of such supplement. Notwithstanding the foregoing, (i) if a Parcel has been subdivided pursuant to a residential condominium plat, the entire real property and/or airspace contained within the resulting condominium shall be deemed to be a single Parcel (referred to in this Agreement as a **"Residential Condominium Parcel"**), (ii) if a Parcel has been subdivided pursuant to a condominium plat in which all units are intended to be developed for non-residential uses, each unit within such condominium shall be deemed to be a Parcel, and (iii) if a Parcel has been subdivided pursuant to a condominium plat in which some units are intended to be developed for residential uses and some units are intended to be developed for non-residential uses, then the units that are intended to be developed for residential uses collectively shall be deemed to be a single Residential Condominium Parcel and the units that are intended to be developed for non-residential uses each shall be deemed to be a Parcel.

f. **"Permitted Land Uses"** means the quantity and type of land uses that are permitted under the Approved Land Use Budget, as allocated to each Parcel pursuant to this Agreement, initially as set forth in Section 2(a) below and thereafter as may be adjusted pursuant to Sections 2(b), 2(c) and/or 2(d) below.

g. **“Proportionate Share”** means, with respect to each Owner, the number of Equivalent Units assigned to all Parcel(s) owned by such Owner, divided by the total number of Equivalent Units assigned to all Parcels.

2. Allocation of Permitted Land Uses.

a. CLL and OSI hereby allocate the Permitted Land Uses under the Amended Land Use Budget as follows:

- i. All of the 1,250 remaining residential units permitted under the Amended Land Use Budget are hereby allocated to the OSI Parcel.
- ii. Of the 2,391,145 square feet of commercial, retail and office space not previously allocated to any specific real property, 750,000 square feet is hereby allocated to the CLL Parcel, and 1,641,145 square feet is hereby allocated to the OSI Parcel.
- iii. Of the 400 hotel rooms not previously allocated to any specific real property, 130 hotel rooms are hereby allocated to the CLL Parcel, and 270 hotel rooms are hereby allocated to the OSI Parcel.

Accordingly, subject to the following provisions of this Section 2, the CLL Parcel initially is assigned eight hundred eighty (880) Equivalent Units (750 for commercial, retail and office square footage allocated to such Parcel, and 130 for hotel rooms allocated to such Parcel) and the OSI Parcel initially is assigned three thousand one hundred sixty-two (3,162) Equivalent Units (1,642 for commercial, retail and office square footage allocated to such Parcel, 1,250 for residential units allocated to such Parcel, and 270 for hotel rooms allocated to such Parcel).

b. In the event of any subdivision or re-subdivision of any Parcel, the Owner(s) of the resulting Parcels (the **“Affected Owners”**) may further allocate the foregoing Permitted Land Uses (and the associated Equivalent Units) among the resulting Parcels in any manner they deem desirable, effective in each case when and only when the Affected Owner(s) have recorded a supplement to this Agreement, executed by all Affected Owner(s) and stating the Permitted Land Uses and Equivalent Units allocated to each resulting Parcel. Notwithstanding the foregoing, (i) no Improved Parcel may be allocated Permitted Land Uses less than the Permitted Land Uses actually permitted for construction on such Parcel, and (ii) no such further allocation may cause the resulting Parcels to be allocated, in the aggregate, Permitted Land Uses greater than or different from the Permitted Land Uses allocated to the un-subdivided Parcel before the further allocation. Promptly after such further allocation, the Affected Owner(s) shall give notice of such further allocation, including a copy of such recorded supplement, to all other Owners (i.e., the Owners other than the Affected Owners). Any purported further allocation of Permitted Land Uses that is inconsistent with the provisions of this Section 2(b) shall be null and void.



c. Any Owner(s) of two or more Parcels (the “**Reallocating Owners**”) may agree between or among themselves to re-allocate any Permitted Land Uses (and the associated Equivalent Units) from one Parcel to another, on such terms as they may deem desirable, effective in each case when and only when the Reallocating Owner(s) have recorded a supplement to this Agreement, executed by all such Reallocating Owner(s) and stating the re-allocated Permitted Land Uses and associated Equivalent Units. Notwithstanding the foregoing, (i) no Improved Parcel may be thereby allocated Permitted Land Uses less than the Permitted Land Uses actually permitted for construction on such Parcel, and (ii) no such re-allocation may cause the relevant Parcels to be allocated, in the aggregate, Permitted Land Uses greater than or different from those allocated to the relevant Parcels before the re-allocation. Promptly after any such re-allocation, the Reallocating Owner(s) shall give notice of such re-allocation, including a copy of such recorded supplement, to the other Owners (i.e., the Owners other than the Reallocating Owners). Any purported re-allocation of Permitted Land Uses that is inconsistent with the provisions of this Section 2(c) shall be null and void.

d. Any Owner of any Parcel (a “**Relinquishing Owner**”) may relinquish all or any portion of the Permitted Land Uses allocated to such Parcel pursuant to this Agreement, effective in each case when and only when the Relinquishing Owner has recorded a supplement to this Agreement, executed by such Relinquishing Owner and stating the portion of the allocated Permitted Land Uses that has been relinquished; provided that no Improved Parcel may be thereby allocated Permitted Land Uses less than the actual land uses constructed (or under construction) on such Parcel. Promptly after any such relinquishment, the Relinquishing Owner shall give notice of such relinquishment, including a copy of such recorded supplement, to the other Owners (i.e., the Owners other than the Relinquishing Owner). In the event of a relinquishment of Permitted Land Uses pursuant to this subsection by the Owner of a Parcel within what is currently the OSI Parcel, OSI shall have the right (but not the obligation) to allocate the relinquished Permitted Land Uses and associated Equivalent Units to any Parcel(s) owned by OSI; in the event of a relinquishment of Permitted Land Uses pursuant to this subsection by the Owner of a Parcel within what is currently the CLL Parcel, CLL shall have the right (but not the obligation) to allocate the relinquished Permitted Land Uses and associated Equivalent Units to any Parcel(s) owned by CLL; in either case OSI or CLL shall record a supplement to this Agreement, stating the resulting allocation of Permitted Land Uses and associated Equivalent Units. Any purported relinquishment of Permitted Land Uses that is inconsistent with the provisions of this Section 2(d) shall be null and void.

e. Each of CLL and OSI, and each future Owner, by taking title to any Parcel, or any portion thereof, hereby agrees (1) not to apply for any building permit, site plan approval or other permit, approval or authorization from the City or from any other governmental body, if such permit, approval or other authorization would entitle the Owner to develop the applicable Parcel(s) in any manner inconsistent with or to any extent greater than the Permitted Land Uses allocated to such Parcel(s) pursuant to this Section 2, (2) not to construct any improvements on any Parcel that would be in any manner inconsistent with or to any extent greater than the Permitted Land Uses allocated to such Parcel(s) pursuant to this Section 2, and (3) not to enter into any agreement with or make any statement to any third party that is in any manner inconsistent with the Permitted Land Uses allocated to such Parcel(s) pursuant to this Section 2.

f. Nothing in this Section 2 is intended to substitute for or obviate the need for any approvals required by the City of Scottsdale or any governmental agency or entity having jurisdiction over One Scottsdale, nor does any allocation or re-allocation of Permitted Land Uses under this Agreement ensure that any such approvals will be obtained.

3. Allocation of Development Obligations; Miller Road Improvements. As and when an Owner (the “**Miller Notice Owner**”) receives any written demand from the City for the payment of the entire Miller Road Obligation, or if the City imposes a requirement as a condition to any development approval that the Owner pay the entire Miller Road Obligation, then the Miller Notice Owner shall give notice to all other Owners of the demand or requirement and the amount demanded or required, including a copy of the written demand or requirement and of any and all other correspondence or other documentation from the City concerning the demand or requirement. If the Miller Notice Owner pays the entire Miller Road Obligation and gives notice to all other Owners that it has done so, including a copy of a paid receipt from the City (the “**Miller Payment Notice**”), then, within thirty (30) days after the Miller Payment Notice is given, each other Owner shall pay its Proportionate Share of the Miller Road Obligation to the Miller Notice Owner. If an Owner receives a written demand from the City that such Owner pay only that portion of the Miller Road Obligation that the City has determined to be the Owner’s equitable share of the Miller Road Obligation, or if the City imposes a requirement for such payment as a condition to any development approval, then (i) such Owner shall not be deemed the Miller Notice Owner, and (ii) such Owner shall not thereby be excused from paying its Proportionate Share of the Miller Road Obligation to the Miller Notice Owner, provided that, if the City agrees in writing to deduct the amount of such Owner’s payment to the City from the total Miller Road Obligation payable by the Miller Notice Owner (and if such Owner provides notice of such written agreement by the City to the other Owners, which notice shall include a copy of the written agreement of the City) then such Owner may also deduct such amount from the Proportionate Share it is otherwise obligated to pay to the Miller Notice Owner.

4. Allocation of Development Obligations; Scottsdale Road Improvements.

a. As and when an Owner (the “**Restricted Owner**”) receives a written statement from the City that a Parcel owned by the Restricted Owner will not be eligible for a certificate of occupancy due to the Scottsdale Road Restriction, the Restricted Owner shall give notice to all other Owners of the City’s written statement, including a copy of the statement and any and all other correspondence or other documentation from the City concerning the statement and concerning the improvements that must be constructed to release the Scottsdale Road Restriction (the “**Restriction Notice**”).

b. Within thirty (30) days after giving the Restriction Notice, the Restricted Owner shall give a second notice to all other Owners (the “**Scottsdale Road Notice**”) stating whether it intends to either (i) enter into an agreement with the City to construct such improvements as may be necessary to release the Scottsdale Road Restriction in its entirety, which agreement (the “**Scottsdale Road Construction Agreement**”) may provide that the Restricted Owner is designing and constructing the relevant improvements or that the City is designing and constructing the relevant improvements and the Restricted Owner is obligated to

reimburse the City for the City's design and construction costs, or (ii) enter into an agreement to pay to the City an in lieu payment in such amount as the City may accept to release the Scottsdale Road Restriction in its entirety (the "**Scottsdale Road Payment Agreement**"). Any Scottsdale Road Payment Agreement, in order to bind all Owners to the obligations under Subsection 4(c) below, must have the prior written approval of the Owners of Parcels representing at least seventy-five percent (75%) of all Equivalent Units (the "**75% Approval**"); CLL and OSI acknowledge that the City is not obligated to agree to a Scottsdale Road Payment Agreement and may require a Scottsdale Road Construction Agreement. The Restricted Owner, by entering into the Scottsdale Road Construction Agreement or by entering into the Scottsdale Road Payment Agreement (with the 75% Approval), hereby agrees, for the benefit of all other Owners, to comply with and perform all obligations, and to make any and all payments required under the Scottsdale Road Construction Agreement or the Scottsdale Road Payment Agreement, as applicable.

c. If the Restricted Owner indicates in the Scottsdale Road Notice that it intends to enter into the Scottsdale Road Payment Agreement, if it obtains the 75% Approval, and if it enters into the Scottsdale Road Payment Agreement and pays the required in lieu payment, then the Restricted Owner shall give all other Owners notice that it has done so, including a copy of the executed Scottsdale Road Payment Agreement and a paid receipt from the City for the in lieu payment (the "**Scottsdale In Lieu Payment Notice**"). Within thirty (30) days after the Scottsdale In Lieu Payment Notice is given, each other Owner shall pay its Proportionate Share of the total in lieu payment amount set forth in the Scottsdale Road In Lieu Payment Notice to the Restricted Owner.

d. If the Restricted Owner indicates in the Scottsdale Road Notice that it intends to enter into a Scottsdale Road Construction Agreement, then the Restricted Owner shall give all other Owners notice when it has done so, including a copy of the executed Scottsdale Road Construction Agreement. Thereafter, the Restricted Owner shall give notice (each, a "**Scottsdale Construction Payment Notice**") to all other Owners each time it makes a progress payment or final payment under the Scottsdale Road Construction Agreement (each, a "**Scottsdale Construction Payment**"). Each Scottsdale Construction Payment Notice will include a reasonably detailed statement of the amount paid and reasonable supporting documentation received by the Restricted Owner. Within thirty (30) days after each Scottsdale Construction Payment Notice is given, each other Owner shall pay its Proportionate Share of the applicable Scottsdale Construction Payment to the Restricted Owner.

e. If more than one Owner receives a written statement from the City that a Parcel owned by the Owner will not be eligible for a certificate of occupancy due to the Scottsdale Road Restriction, then such Owners may agree between themselves which Owner will act as the "Restricted Owner" for purposes of this Section 4. If they do not agree between themselves as to which Owner will act as the "Restricted Owner," then the first Owner who enters into a Scottsdale Road Payment Agreement (with the 75% Approval) or a Scottsdale Road Construction Agreement with the City shall be deemed to be the "Restricted Owner" for purposes of this Section 4.



f. If the City agrees with an Owner to accept an in-lieu payment that releases the Scottsdale Road Restriction only as to the Parcel(s) owned by such Owner, and does not release the Scottsdale Road Restriction in its entirety, then (i) such Owner shall not be deemed to be the "Restricted Owner" and (ii) such Owner shall not thereby be excused from paying the Proportionate Share it is otherwise obligated to pay to the Restricted Owner under this Section 4, provided that, if the City deducts the amount of such Owner's in-lieu payment to the City from the total amounts payable by the Restricted Owner to release the Scottsdale Road Restriction in its entirety, then such Owner may also deduct such amount from the Proportionate Share it is otherwise obligated to pay to the Restricted Owner under this Section 4.

5. Scenic Corridor Easements. Each of CLL and OSI, and each future Owner, by taking title to any Parcel, or any portion thereof, hereby agrees that the Scenic Corridor Requirement shall be satisfied independently by each of the CLL Parcel and the OSI Parcel, and that prior to any subdivision of either such Parcel, the applicable Owner shall grant an easement to the City, utilizing the City's form of easement instrument, establishing a scenic corridor within the Owner's Parcel with a minimum depth of sixty (60) feet and an average depth (within such Parcel) of one hundred (100) feet, as measured from the back of curb.

6. Open Space Requirements.

a. Each of CLL and OSI, and each future Owner, by taking title to any Parcel, or any portion thereof, hereby agrees that the Open Space Requirements shall be satisfied independently with respect to each of the CLL Parcel and the OSI Parcel; i.e., not less than twenty percent (20%) of the land area of each such Parcel shall be utilized for open space. Notwithstanding the foregoing, upon subdivision or re-subdivision of either the CLL Parcel or the OSI Parcel, the resulting Parcels need not satisfy the Open Space Requirements independently; provided that (a) the resulting Parcels satisfy the Open Space Requirements collectively, and (b) the Open Space Requirements are allocated among the resulting Parcels in one or more recorded instruments demonstrating that they satisfy the Open Space Requirements collectively.

b. Each of CLL and OSI, and each future Owner, by taking title to any Parcel, or any portion thereof, hereby agrees (1) not to apply for any building permit, site plan approval or other permit, approval or authorization from the City or from any other governmental body, if such permit, approval or other authorization would be inconsistent with the Open Space Requirements, as allocated to such Owner's Parcel, (2) not to construct any improvements on any Parcel that would be in any manner inconsistent with the Open Space Requirements, as allocated to such Owner's Parcel, and (3) not to enter into any agreement with or make any statement to any third party that is in any manner inconsistent with the Open Space Requirements, as allocated to such Owner's Parcel.

7. Remedies; Lien Rights.

a. If an Owner breaches or threatens to breach any provision of this Agreement, and if such breach or threatened breach continues for more than ten (10) days after notice of such breach is given to the Owner that has breached or threatens to breach such



provisions, each other Owner shall be entitled to any and all remedies available at law or in equity including, without limitation, the right to collect damages, the right to enjoin such breach or threatened breach in any court of competent jurisdiction, and the right of specific performance.

b. In addition, if any Owner (a **"Payment Defaulting Owner"**) fails to timely pay any amount payable to the Miller Notice Owner under Section 3 above, or fails to timely pay any amount payable to the Restricted Owner under Section 4 above, and if such failure continues for ten (10) days after notice of such failure is given to the Payment Defaulting Owner by any other Owner, then the amount payable shall bear interest at an annual rate equal to the greater of (i) fifteen percent (15%) or (ii) the Prime Rate plus ten percent (10%) from the date of such notice of failure, until paid in full. For purposes of the preceding sentence, the term **"Prime Rate"** means the most recent rate (as of the date of such invoice) designated as the "Prime Rate" in the Money Rates table published in the Central Edition of The Wall Street Journal. If for any reason The Wall Street Journal ceases to publish the "Prime Rate," the Miller Notice Owner or the Restricted Owner, as applicable, shall select a reasonably comparable alternate index and shall give notice of such alternate index to the Payment Defaulting Owner. In addition, in such event, the Miller Notice Owner or the Restricted Owner (as applicable) shall be entitled, without limiting any of its other rights and remedies, to place a lien against the Parcel(s) owned by the Payment Defaulting Owner by recording a notice of lien against such Parcel(s) for the unpaid amount of such obligation, including interest as set forth above, costs of collection and reasonable attorneys' fees (a **"Notice of Lien"**).

c. If the Miller Notice Owner or the Restricted Owner, as applicable, fails to pay to the City any amount that is required under Section 3 or Section 4 above, and if such failure continues for ten (10) days after notice of such failure is given to the Miller Notice Owner or the Restricted Owner, as applicable, by any other Owner, then the Owner giving such notice (the **"Curing Owner"**) shall be entitled (but not obligated) to pay such amount on behalf of the Miller Notice Owner or the Restricted Owner, as applicable, and recover from the Miller Notice Owner or the Restricted Owner, as applicable, the amount so paid, which amount shall bear interest at the annual rate specified in Section 7(b) above. If for any reason The Wall Street Journal ceases to publish the "Prime Rate," the Curing Owner shall select a reasonably comparable alternate index and shall give notice of such alternate index to the Miller Notice Owner or the Restricted Owner, as applicable. In addition, in such event the Curing Owner shall be entitled, without limiting any of its other rights or remedies, to place a lien against all Parcels owned by the Miller Notice Owner or the Restricted Owner, as applicable, by recording a Notice of Lien against such Parcels for the amount paid to the City, including interest as set forth above, costs of collection and reasonable attorneys' fees.

d. Any Notice of Lien must be signed and acknowledged by the Owner recording the Notice of Lien, and must contain (i) a statement of the unpaid amount of the obligation, (ii) the legal description of the encumbered Parcel(s), and (iii) the name of the Owner of the encumbered Parcel(s). Upon the curing of the Event of Default for which a Notice of Lien was recorded, the Owner who recorded the Notice of Lien shall record an appropriate release of such Notice of Lien.

e. Any Notice of Lien is and shall be subject and subordinate to (i) liens for taxes and other public charges which by applicable law are expressly made superior, (ii) all liens recorded in the official records of Maricopa County, Arizona, prior to the date of recordation of the Notice of Lien, (iii) all bona fide leases with third parties entered into (whether or not recorded) prior to the date of recordation of said Notice of Lien, and (iv) easements, encumbrances and other agreements of record as of the date of recordation of said Notice of Lien. The sale or transfer of any Parcel (or any portion thereof) does not affect the lien provided in this Section 7, except that the sale or transfer of any real property pursuant to foreclosure of a mortgage or deed of trust superior in priority to recordation of a Notice of Lien below (including the exercise of the power of sale by a trustee under a deed of trust) extinguishes said lien, but such sale or transfer does not extinguish the personal liability of the applicable Owner.

8. Running of Benefits and Burdens. All of the provisions of this Agreement, including the benefits and burdens, shall run with the land and be binding upon, and run to and for the benefit of the parties hereto and their respective successors and successors-in-title. Any such successors and successors-in-title that become Owners of one or more Parcels shall have all rights and remedies of an Owner under this Agreement as if such Owner were an original party to this Agreement. Upon the transfer of fee title to a Parcel to an unaffiliated Owner the transferor shall be relieved of all monetary liabilities and obligations under this Agreement with respect to the Parcel transferred to the extent such monetary liabilities and obligations are incurred after the transfer.

9. Notices. Any and all notices required or permitted hereunder shall be given in writing and sent by personal delivery, nationally recognized overnight courier, or registered or certified mail, return receipt requested, postage prepaid, addressed as follows:

To OSI: One Scottsdale Investors LLC  
c/o The Macerich Company  
11411 N. Tatum Blvd.  
Phoenix, AZ 85028-6200  
Attn: Scott Nelson  
Email: scott.nelson@macerich.com

With copy to: The Macerich Company  
401 Wilshire Boulevard, Suite 700  
Santa Monica CA 90401  
Attn: Vice President, Senior Real Estate Counsel —  
Anchors and Development  
Email: Steve.Kraus@macerich.com

And copy to: Quarles & Brady LLP  
One Renaissance Square  
Two North Central Avenue  
Phoenix, AZ 85004-2391  
Attn: Derek Sorenson  
Email: derek.sorenson@quarles.com

To CLL: RKCCLL Investments LLC, BDCCLL Investments LLC,  
CCFCLL Investments LLC, SMCCLL Investments LLC  
P.O. Box 10392  
Phoenix, Arizona 85064  
Attn: Nancy Ball  
Email: nball@marleykemf.org

With copy to: Stephen A. Good  
Fennemore Craig, P.C.  
2394 East Camelback Road, Suite 600  
Phoenix, Arizona 85012  
Email: sgood@fclaw.com

And copy to: North Parcel Investment LLC  
c/o DMB Associates, Inc.  
7600 E. Doubletree Ranch Rd., Suite 300  
Scottsdale, Arizona 85258  
Attn: Michael Burke  
Email: mburke@dmbinc.com

With copy to: Gordon E. Hunt  
Biskind, Hunt & Semro, PLC  
8501 North Scottsdale Road, Suite 155  
Scottsdale, Arizona 85253  
Email: gordonh@biskindlaw.com

To other Owners: As designated in a notice given to all other Owners in  
accordance with this Section 9, or, if no such notice is  
given by an Owner, at the mailing address for such Owner  
as set forth in the records the County Assessor of Maricopa  
County

or at any other address designated by an Owner in a written notice sent pursuant to this Section 9, and any such notice shall be deemed to have been given as of the date of delivery, if hand delivered, or as of one (1) business day after the date deposited with a nationally recognized overnight courier if timely deposited for next-day delivery, or as of three (3) business days after the date of mailing, if sent by registered or certified mail. Upon any transfer of fee title to any Parcel, the transferee shall provide notice to all other Owners of the notice address of such transferee, in accordance with the foregoing provisions.

10. Headings. The headings in this Agreement are for reference only and shall not limit or define the meaning of any provision of this Agreement.

11. Time of Essence. Time is of the essence of this Agreement. The foregoing to the contrary notwithstanding, if this Agreement requires any act to be done or action to be taken on a

date that falls on a Saturday, Sunday or legal holiday, such act or action shall be deemed to have been validly done or taken if done or taken on the next succeeding day that is not a Saturday, Sunday or legal holiday.

12. Waiver. The waiver by any Owner of any right granted under this Agreement shall not be deemed a waiver of any other right granted hereunder, nor shall the same be deemed to be a waiver of a subsequent right obtained by reason of the continuation of any matter previously waived.

13. Entire Agreement. This Agreement contains the entire understanding of the parties with respect to the subject matter hereof.

14. Amendment. This Agreement may not be altered or amended except pursuant to an instrument in writing signed by all Owners.

15. Third Party Beneficiaries. No term or provision of this Agreement is intended to be, nor shall any such term or provision be construed to be, for the benefit of any person or other entity that is not an Owner. No other such person or entity shall have any right or cause of action hereunder.

16. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Arizona, without regard to the conflict of laws rules.

17. Attorneys' Fees. In the event of any action to enforce the provisions of this Agreement, or in the event of any other dispute concerning this Agreement, the prevailing party shall be entitled to receive reimbursement from the other party for reasonable costs and attorneys' fees in an amount determined by a court and not a jury.

**IN WITNESS WHEREOF,** CLL and OSI have entered into this Agreement as of the day and year first above written.

[signature pages and acknowledgements appear on the following pages]

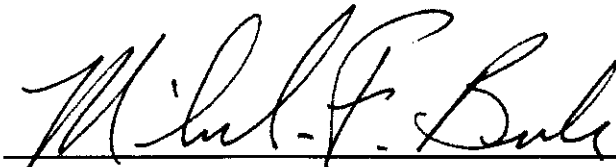


OSI: ONE SCOTTSDALE INVESTORS LLC, an Arizona limited liability company

By: One Scottsdale Core LLC, an Arizona limited liability company, Member

By: One Scottsdale Holdings, LLC, an Arizona limited liability company, Manager

By: DMB Associates, Inc., an Arizona corporation, Manager

By:   
 Name: MICHAEL F. BURKE  
 Title: SENIOR VICE PRESIDENT

By: Westcor One Scottsdale LLC, an Arizona limited liability company

By: Macerich One Scottsdale LLC, a Delaware limited liability company, Sole Member

By: The Westcor Company II Limited Partnership, an Arizona limited partnership, Managing Member

By: Macerich TWC II Corp., a Delaware corporation, General Partner

By: \_\_\_\_\_

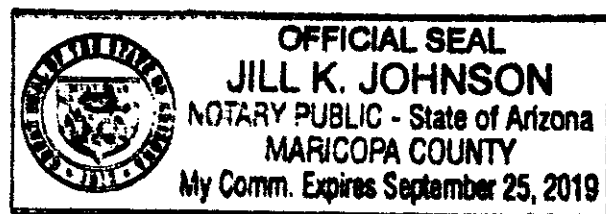
Name: \_\_\_\_\_

Title: \_\_\_\_\_

STATE OF ARIZONA            )  
   ) ss.  
 County of Maricopa            )

The foregoing Entitlements Allocation Agreement was acknowledged before me this 02 day of May, 2019, by Mahesh B. Dube, Sr. V.P. of DMB Associates, Inc., an Arizona corporation, in its capacity as Manager of One Scottsdale Holdings, LLC, an Arizona limited liability company, in its capacity as Manager of One Scottsdale Core LLC, an Arizona limited liability company, in its capacity as Member of One Scottsdale Investors LLC, an Arizona limited liability company.

[SEAL]



Notary Public

My commission expires: Sept. 25, 2019

STATE OF ARIZONA            )  
   ) ss.  
 County of Maricopa            )

The foregoing Entitlements Allocation Agreement was acknowledged before me this \_\_\_\_\_ day of May, 2019, by \_\_\_\_\_, the \_\_\_\_\_ of Macerich TWC II Corp., a Delaware corporation, in its capacity as General Partner of The Westcor Company II Limited Partnership, an Arizona limited partnership, in its capacity as Managing Member of Macerich One Scottsdale LLC, a Delaware limited liability company, in its capacity as Sole Member of Westcor One Scottsdale LLC, an Arizona limited liability company, in its capacity as Member of One Scottsdale Investors LLC, an Arizona limited liability company.

[SEAL]

Notary Public

My commission expires: \_\_\_\_\_

OSI: ONE SCOTTSDALE INVESTORS LLC, an Arizona limited liability company

By: One Scottsdale Core LLC, an Arizona limited liability company, Member

By: One Scottsdale Holdings, LLC, an Arizona limited liability company, Manager

By: DMB Associates, Inc., an Arizona corporation, Manager

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

By: Westcor One Scottsdale LLC, an Arizona limited liability company

By: Macerich One Scottsdale LLC, a Delaware limited liability company, Sole Member

By: The Westcor Company II Limited Partnership, an Arizona limited partnership, Managing Member

By: Macerich TWC II Corp., a Delaware corporation, General Partner

By:  \_\_\_\_\_

Name: **Ann C. Menard**

Title: **Executive Vice President  
CLO and Secretary**

STATE OF ARIZONA       )  
   ) ss.  
 County of Maricopa       )

The foregoing Entitlements Allocation Agreement was acknowledged before me this \_\_\_\_\_ day of May, 2019, by \_\_\_\_\_, the \_\_\_\_\_ of DMB Associates, Inc., an Arizona corporation, in its capacity as Manager of One Scottsdale Holdings, LLC, an Arizona limited liability company, in its capacity as Manager of One Scottsdale Core LLC, an Arizona limited liability company, in its capacity as Member of One Scottsdale Investors LLC, an Arizona limited liability company.

[SEAL]

\_\_\_\_\_  
 Notary Public

My commission expires: \_\_\_\_\_

STATE OF ARIZONA       )  
   ) ss.  
 County of Maricopa       )

The foregoing Entitlements Allocation Agreement was acknowledged before me this \_\_\_\_\_ day of May, 2019, by \_\_\_\_\_, the \_\_\_\_\_ of Macerich TWC II Corp., a Delaware corporation, in its capacity as General Partner of The Westcor Company II Limited Partnership, an Arizona limited partnership, in its capacity as Managing Member of Macerich One Scottsdale LLC, a Delaware limited liability company, in its capacity as Sole Member of Westcor One Scottsdale LLC, an Arizona limited liability company, in its capacity as Member of One Scottsdale Investors LLC, an Arizona limited liability company.

[SEAL]

\_\_\_\_\_  
 Notary Public

My commission expires: \_\_\_\_\_



**CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT****CIVIL CODE § 1189**

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California

County of LOS ANGELESOn MAY 7, 2019 before me, RUTH L. PEEPLES, NOTARY PUBLIC,  
Date Here Insert Name and Title of the Officer

personally appeared

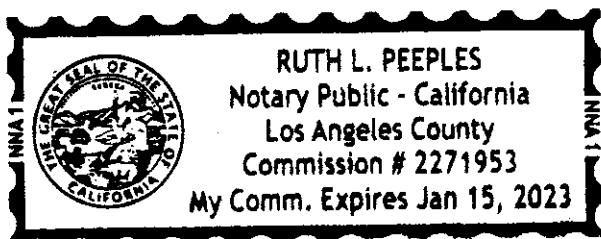
ANN C. MENARD

Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Signature

Ruth L. Peeples  
Signature of Notary Public

Place Notary Seal Above

**OPTIONAL**

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

**Description of Attached Document**

Title or Type of Document: \_\_\_\_\_ Document Date: \_\_\_\_\_

Number of Pages: \_\_\_\_\_ Signer(s) Other Than Named Above: \_\_\_\_\_

**Capacity(ies) Claimed by Signer(s)**

Signer's Name: \_\_\_\_\_

☐ Corporate Officer — Title(s): \_\_\_\_\_☐ Partner — ☐ Limited ☐ General☐ Individual ☐ Attorney in Fact☐ Trustee ☐ Guardian or Conservator☐ Other: \_\_\_\_\_

Signer Is Representing: \_\_\_\_\_

Signer's Name: \_\_\_\_\_

☐ Corporate Officer — Title(s): \_\_\_\_\_☐ Partner — ☐ Limited ☐ General☐ Individual ☐ Attorney in Fact☐ Trustee ☐ Guardian or Conservator☐ Other: \_\_\_\_\_

Signer Is Representing: \_\_\_\_\_

**CONSENT OF OPTION HOLDER**

The undersigned, being the holder of an option to acquire the CLL Parcel, hereby consents to the foregoing Entitlements Allocation Agreement and agrees that, if it exercises its option as to all or any portion of the CLL Parcel, its purchase of the CLL Parcel, or applicable portion thereof, will be subject to the foregoing Entitlements Allocation Agreement.

NORTH PARCEL INVESTMENT LLC, an Arizona limited liability company

By: NP Management LLC, an Arizona limited liability company, Manager

By: One Scottsdale Holdings, LLC, an Arizona limited liability company, Manager

By: DMB Associates, Inc., an Arizona corporation, Manager

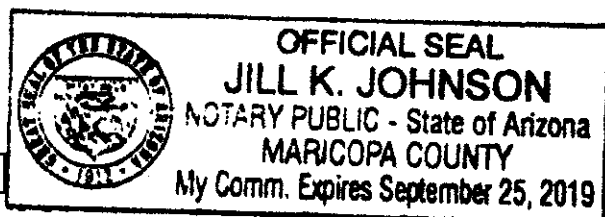
By: *Michael F. Burke*

Its: SENIOR VICE PRESIDENT

STATE OF ARIZONA            )  
  ) ss.  
County of Maricopa         )

The foregoing Entitlements Allocation Agreement was acknowledged before me this 22 day of May, 2019, by *Michael F. Burke* the SE. V. P. of DMB Associates, Inc., an Arizona corporation, in its capacity as Manager of One Scottsdale Holdings, LLC, an Arizona limited liability company, in its capacity as Manager of NP Management LLC, an Arizona limited liability company, in its capacity as Manager of NORTH PARCEL INVESTMENT LLC, an Arizona limited liability company.

[SEAL]



*Jill K. Johnson*  
Notary Public  
My commission expires Sept. 25, 2019

CLL: RKCCLL INVESTMENTS LLC, an Arizona limited liability company

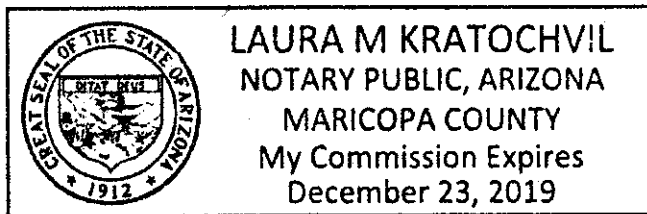
By: Nancy Ball  
Nancy Ball, Manager

STATE OF ARIZONA       )  
                                      ) ss.  
County of Maricopa       )

64 The foregoing Entitlements Allocation Agreement was acknowledged before me this day of May, 2019, by Nancy Ball, a Manager of RKCCLL INVESTMENTS LLC, an Arizona limited liability company.

[SEAL]

Laura M Kratochvil  
Notary Public  
My commission expires: December 23, 2019



BDCCLL INVESTMENTS LLC, an Arizona limited liability company

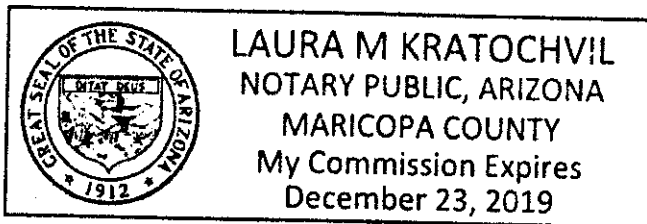
By: Nancy Ball  
Nancy Ball, Manager

STATE OF ARIZONA       )  
                                      ) ss.  
County of Maricopa       )

6 The foregoing Entitlements Allocation Agreement was acknowledged before me this day of May, 2019, by Nancy Ball, a Manager of BDCCLL INVESTMENTS LLC, an Arizona limited liability company.

[SEAL]

Laura M Kratochvil  
Notary Public  
My commission expires: December 23, 2019





CCFCLL INVESTMENTS LLC, an Arizona limited liability company

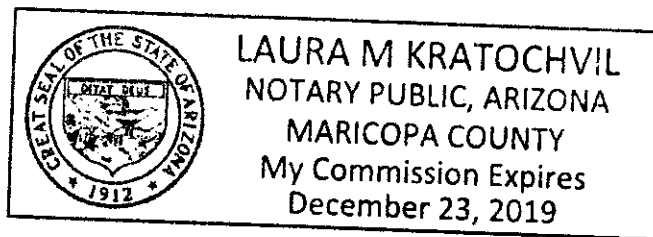
By: Nancy Ball  
Nancy Ball, Manager

STATE OF ARIZONA       )  
                                      ) ss.  
County of Maricopa       )

6th The foregoing Entitlements Allocation Agreement was acknowledged before me this day of May, 2019, by Nancy Ball, a Manager of CCFCLL INVESTMENTS LLC, an Arizona limited liability company.

[SEAL]

Laura M Kratochvil  
Notary Public  
My commission expires: December 23, 2019



SMCCLL INVESTMENTS LLC, an Arizona limited liability company

By: Nancy Ball  
Nancy Ball, Manager

STATE OF ARIZONA       )  
                                      ) ss.  
County of Maricopa       )

6<sup>th</sup> The foregoing Entitlements Allocation Agreement was acknowledged before me this day of May, 2019, by Nancy Ball, a Manager of SMCCLL INVESTMENTS LLC, an Arizona limited liability company.

[SEAL]

Laura M Kratochvil  
Notary Public  
My commission expires: December 23, 2019

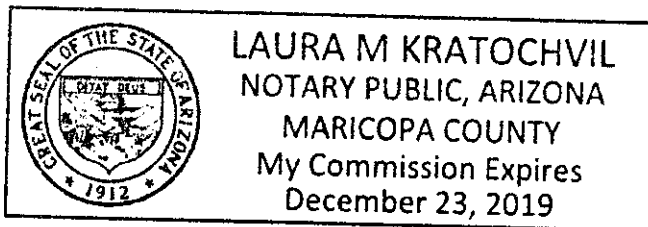


Exhibit A  
to  
Entitlements Allocation Agreement

Legal Description of CLL Parcel

Lot 3, Replat of Parcel 1 of One Scottsdale, recorded in Book 1115 of Maps, Page 41, official records of Maricopa County, Arizona.

Exhibit B  
to  
Entitlements Allocation Agreement

Legal Description of OSI Parcel

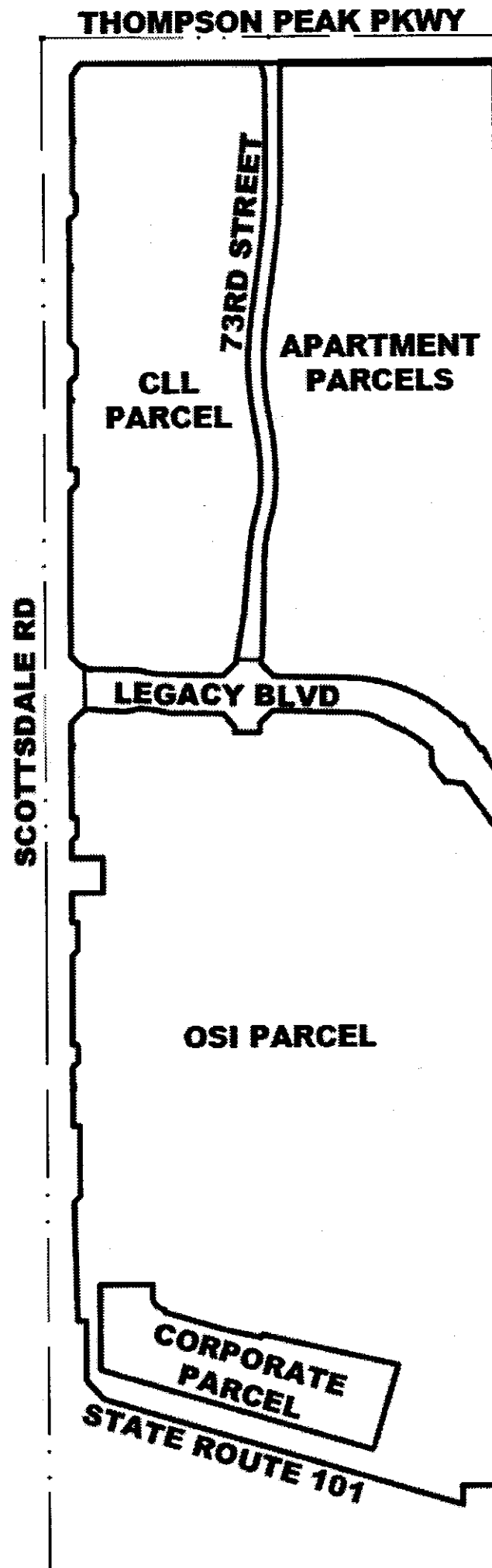
Parcels 2 and 4, Final Plat for One Scottsdale recorded in Book 971 of Maps, Page 6, official records of Maricopa County, Arizona,

EXCEPT any portion of said land lying within the right-of-way dedicated to the City of Scottsdale pursuant to the Map of Dedication for Legacy Boulevard recorded in Book 1034 of Maps, Page 5, official records of Maricopa County, Arizona.



Exhibit C  
to  
Entitlements Allocation Agreement

Depiction of One Scottsdale





**First American**

# Schedule A

## ALTA Commitment for Title Insurance

ISSUED BY

**First American Title Insurance Company**

File No: NCS-954424-PHX1

### Transaction Identification Data for reference only:

Issuing Agent: First American Title Insurance Company National Commercial Services

Commitment No.: NCS-954424-PHX1

Property Address: ALL of Lot 3, Scottsdale, AZ

Revision No.:

*First Amended*

Issuing Office: 2425 E. Camelback Road, Suite 300, Phoenix, AZ 85016

Issuing Office File No.: NCS-954424-PHX1

Escrow Officer: Name: Alix Graham

Email:

Phone: (602)567-8100

Title Officer: Name: Ron B. Robertson

Email:

Phone: (602)567-8100

### SCHEDULE A

1. Commitment Date: *7/24* March 29, 2019, at 8:00 AM

2. Policy to be issued:

(a) ☒ ALTA® 2006 Extended Owner's Policy  
Proposed Insured: To Be Determined  
Proposed Policy Amount: \$0.00

(b) ☐ ALTA® Policy  
Proposed Insured:  
Proposed Policy Amount: \$0.00

(c) ☐ ALTA® Policy  
Proposed Insured:  
Proposed Policy Amount: \$

3. The estate or interest in the Land described or referred to in this Commitment is

#### Fee Simple

4. Title to the Fee Simple estate or interest in the Land is at the Commitment Date vested in:

**RKCCLL Investments LLC, Arizona limited liability company, as to an undivided 25% interest, BDCCLL Investments LLC, Arizona limited liability company, as to an undivided 25% interest, CCFCLL Investments LLC, Arizona limited liability company, as to an undivided 25% interest, and SMCCLL Investments LLC, Arizona limited liability company, as to an undivided 25% interest**

5. The Land is described as follows:

**See Exhibit "A" attached hereto and made a part hereof**

*This page is only a part of a 2016 ALTA® Commitment for Title Insurance issued by First American Title Insurance Company. This Commitment is not valid without the Notice; the Commitment to Issue Policy; the Commitment Conditions; Schedule A; Schedule B, Part I-Requirements; Schedule B, Part II-Exceptions.*

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*First American*

## Schedule BI & BII

### ALTA Commitment for Title Insurance

ISSUED BY

**First American Title Insurance Company**

File No: NCS-954424-PHX1

Commitment No.: NCS-954424-PHX1

#### SCHEDULE B, PART I

##### Requirements

All of the following Requirements must be met:

1. The Proposed Insured must notify the Company in writing of the name of any party not referred to in this Commitment who will obtain an interest in the Land or who will make a loan on the Land. The Company may then make additional Requirements or Exceptions.
2. Pay the agreed amount for the estate or interest to be insured.
3. Pay the premiums, fees, and charges for the Policy to the Company.
4. Documents satisfactory to the Company that convey the Title or create the Mortgage to be insured, or both, must be properly authorized, executed, delivered, and recorded in the Public Records.
5. 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

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.

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

6. ~~Pay second half of 2018 taxes.~~

*TR-2H 2018*

NOTE: Taxes are assessed in the total amount of \$247,637.46 for the year 2018 under Assessor's Parcel No. 215-05-010 7.

7. We find no outstanding voluntary liens of record affecting subject property. Disclosure should be made concerning the existence of any unrecorded lien or other indebtedness which could give rise to any possible security interest in the subject property.

*This page is only a part of a 2016 ALTA® Commitment for Title Insurance issued by First American Title Insurance Company. This Commitment is not valid without the Notice; the Commitment to Issue Policy; the Commitment Conditions; Schedule A; Schedule B, Part I-Requirements; Schedule B, Part II-Exceptions.*

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1. Taxes for the full year of 2019.  
(The first half is due October 1, 2019 and is delinquent November 1, 2019. The second half is due March 1, 2020 and is delinquent May 1, 2020 .)
2. Reservations or Exceptions in Patents, or in Acts authorizing the issuance thereof.
3. Restrictions, dedications, conditions, reservations, easements and other matters shown on the plat of Replat Parcel 1 of One Scottsdale, as recorded in Plat Book 1115 of Maps, Page(s) 41, 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).
4. Restrictions, dedications, conditions, reservations, easements and other matters shown on the Final Plat for One Scottsdale, as recorded in Plat Book 971 of Maps, Page(s) 6, 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).
5. Restrictions, dedications, conditions, reservations, easements and other matters shown on the plat of Map of Dedication for Legacy Boulevard, as recorded in Plat Book 1034 of Maps, Page(s) 5, 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. Deed Restrictions - Building Height and any other terms, covenants and conditions, recorded on January 17, 2007 as 2007-0062255 of Official Records.
7. The terms and provisions contained in the document entitled "Development Agreement" recorded November 22, 2002 as 2002-1240138 of Official Records. Thereafter Confirmation of Extension of Term in Development Agreement No. 200-142-COS recorded March 7, 2008 as 2008-0207479 of Official Records and rerecorded March 17, 2008 as 2008-0232321 of Official Records. Thereafter, First Amendment to Development Agreement recorded June 27, 2016 as 2016-0447478 of Official Records *and Easements Allocation Agreement recorded 5/9/19 as 2019-0337314 (021)*
8. An easement for utilities and incidental purposes in the document recorded as 2007-1097046 of Official Records.
9. An easement for drainage and incidental purposes in the document recorded as 2008-602817 of Official Records.
10. An easement for utility and incidental purposes in the document recorded as 2011-0438483 of Official Records.
11. All matters as set forth in Map of Dedication for Right of Way and Easements for West 80 Acres of Section 26, recorded in Book 431 of Maps, Page 12.

Thereafter Sewer Line Easement was released by instrument recorded August 13, 2007 as 2007-0907756 of Official Records.

*This page is only a part of a 2016 ALTA® Commitment for Title Insurance issued by First American Title Insurance Company. This Commitment is not valid without the Notice; the Commitment to Issue Policy; the Commitment Conditions; Schedule A; Schedule B, Part I-Requirements; Schedule B, Part II-Exceptions.*

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*First American*

# Commitment

## ALTA Commitment for Title Insurance

ISSUED BY

**First American Title Insurance Company**

File No: NCS-954424-PHX1

### COMMITMENT FOR TITLE INSURANCE

Issued By

***FIRST AMERICAN TITLE INSURANCE COMPANY***

### NOTICE

**IMPORTANT-READ CAREFULLY:** THIS COMMITMENT IS AN OFFER TO ISSUE ONE OR MORE TITLE INSURANCE POLICIES. ALL CLAIMS OR REMEDIES SOUGHT AGAINST THE COMPANY INVOLVING THE CONTENT OF THIS COMMITMENT OR THE POLICY MUST BE BASED SOLELY IN CONTRACT.

THIS COMMITMENT IS NOT AN ABSTRACT OF TITLE, REPORT OF THE CONDITION OF TITLE, LEGAL OPINION, OPINION OF TITLE, OR OTHER REPRESENTATION OF THE STATUS OF TITLE. THE PROCEDURES USED BY THE COMPANY TO DETERMINE INSURABILITY OF THE TITLE, INCLUDING ANY SEARCH AND EXAMINATION, ARE PROPRIETARY TO THE COMPANY, WERE PERFORMED SOLELY FOR THE BENEFIT OF THE COMPANY, AND CREATE NO EXTRACONTRACTUAL LIABILITY TO ANY PERSON, INCLUDING A PROPOSED INSURED.

THE COMPANY'S OBLIGATION UNDER THIS COMMITMENT IS TO ISSUE A POLICY TO A PROPOSED INSURED IDENTIFIED IN SCHEDULE A IN ACCORDANCE WITH THE TERMS AND PROVISIONS OF THIS COMMITMENT. THE COMPANY HAS NO LIABILITY OR OBLIGATION INVOLVING THE CONTENT OF THIS COMMITMENT TO ANY OTHER PERSON.

### COMMITMENT TO ISSUE POLICY

Subject to the Notice; Schedule B, Part I-Requirements; Schedule B, Part II-Exceptions; and the Commitment Conditions, ***First American Title Insurance Company***, a Nebraska Corporation (the "Company"), commits to issue the Policy according to the terms and provisions of this Commitment. This Commitment is effective as of the Commitment Date shown in Schedule A for each Policy described in Schedule A, only when the Company has entered in Schedule A both the specified dollar amount as the Proposed Policy Amount and the name of the Proposed Insured.

If all of the Schedule B, Part I-Requirements have not been met within six months after the Commitment Date, this Commitment terminates and the Company's liability and obligation end.

***First American Title Insurance Company***

Dennis J. Gilmore  
President

Jeffrey S. Robinson  
Secretary

**If this jacket was created electronically, it constitutes an original document.**

*This page is only a part of a 2016 ALTA® Commitment for Title Insurance issued by First American Title Insurance Company. This Commitment is not valid without the Notice; the Commitment to Issue Policy; the Commitment Conditions; Schedule A; Schedule B, Part I-Requirements; Schedule B, Part II-Exceptions.*

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## COMMITMENT CONDITIONS

### 1. DEFINITIONS

- (a) "Knowledge" or "Known": Actual or imputed knowledge, but not constructive notice imparted by the Public Records.
- (b) "Land": The land described in Schedule A and affixed improvements that by law constitute real property. The term "Land" does not include any property beyond the lines of the area described in Schedule A, nor any right, title, interest, estate, or easement in abutting streets, roads, avenues, alleys, lanes, ways, or waterways, but this does not modify or limit the extent that a right of access to and from the Land is to be insured by the Policy.
- (c) "Mortgage": A mortgage, deed of trust, or other security instrument, including one evidenced by electronic means authorized by law.
- (d) "Policy": Each contract of title insurance, in a form adopted by the American Land Title Association, issued or to be issued by the Company pursuant to this Commitment.
- (e) "Proposed Insured": Each person identified in Schedule A as the Proposed Insured of each Policy to be issued pursuant to this Commitment.
- (f) "Proposed Policy Amount": Each dollar amount specified in Schedule A as the Proposed Policy Amount of each Policy to be issued pursuant to this Commitment.
- (g) "Public Records": Records established under state statutes at the Commitment Date for the purpose of imparting constructive notice of matters relating to real property to purchasers for value and without Knowledge.
- (h) "Title": The estate or interest described in Schedule A.

2. If all of the Schedule B, Part I—Requirements have not been met within the time period specified in the Commitment to Issue Policy, this Commitment terminates and the Company's liability and obligation end.

3. The Company's liability and obligation is limited by and this Commitment is not valid without:

- (a) the Notice;
- (b) the Commitment to Issue Policy;
- (c) the Commitment Conditions;
- (d) Schedule A;
- (e) Schedule B, Part I—Requirements; and
- (f) Schedule B, Part II—Exceptions.

### 4. COMPANY'S RIGHT TO AMEND

The Company may amend this Commitment at any time. If the Company amends this Commitment to add a defect, lien, encumbrance, adverse claim, or other matter recorded in the Public Records prior to the Commitment Date, any liability of the Company is limited by Commitment Condition 5. The Company shall not be liable for any other amendment to this Commitment.

### 5. LIMITATIONS OF LIABILITY

- (a) The Company's liability under Commitment Condition 4 is limited to the Proposed Insured's actual expense incurred in the interval between the Company's delivery to the Proposed Insured of the Commitment and the delivery of the amended Commitment, resulting from the Proposed Insured's good faith reliance to:
  - (i) comply with the Schedule B, Part I—Requirements;
  - (ii) eliminate, with the Company's written consent, any Schedule B, Part II—Exceptions; or
  - (iii) acquire the Title or create the Mortgage covered by this Commitment.
- (b) The Company shall not be liable under Commitment Condition 5(a) if the Proposed Insured requested the amendment or had Knowledge of the matter and did not notify the Company about it in writing.
- (c) The Company will only have liability under Commitment Condition 4 if the Proposed Insured would not have incurred the expense had the Commitment included the added matter when the Commitment was first delivered to the Proposed Insured.
- (d) The Company's liability shall not exceed the lesser of the Proposed Insured's actual expense incurred in good faith and described in Commitment Conditions 5(a)(i) through 5(a)(iii) or the Proposed Policy Amount.
- (e) The Company shall not be liable for the content of the Transaction Identification Data, if any.
- (f) In no event shall the Company be obligated to issue the Policy referred to in this Commitment unless all of the Schedule B, Part I—Requirements have been met to the satisfaction of the Company.
- (g) In any event, the Company's liability is limited by the terms and provisions of the Policy.

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**6. LIABILITY OF THE COMPANY MUST BE BASED ON THIS COMMITMENT**

- (a) Only a Proposed Insured identified in Schedule A, and no other person, may make a claim under this Commitment.
- (b) Any claim must be based in contract and must be restricted solely to the terms and provisions of this Commitment.
- (c) Until the Policy is issued, this Commitment, as last revised, is the exclusive and entire agreement between the parties with respect to the subject matter of this Commitment and supersedes all prior commitment negotiations, representations, and proposals of any kind, whether written or oral, express or implied, relating to the subject matter of this Commitment.
- (d) The deletion or modification of any Schedule B, Part II—Exception does not constitute an agreement or obligation to provide coverage beyond the terms and provisions of this Commitment or the Policy.
- (e) Any amendment or endorsement to this Commitment must be in writing and authenticated by a person authorized by the Company.
- (f) When the Policy is issued, all liability and obligation under this Commitment will end and the Company's only liability will be under the Policy.

**7. IF THIS COMMITMENT HAS BEEN ISSUED BY AN ISSUING AGENT**

The issuing agent is the Company's agent only for the limited purpose of issuing title insurance commitments and policies. The issuing agent is not the Company's agent for the purpose of providing closing or settlement services.

**8. PRO-FORMA POLICY**

The Company may provide, at the request of a Proposed Insured, a pro-forma policy illustrating the coverage that the Company may provide. A pro-forma policy neither reflects the status of Title at the time that the pro-forma policy is delivered to a Proposed Insured, nor is it a commitment to insure.

**9. ARBITRATION**

The Policy contains an arbitration clause. All arbitrable matters when the Proposed Policy Amount is \$2,000,000 or less shall be arbitrated at the option of either the Company or the Proposed Insured as the exclusive remedy of the parties. A Proposed Insured may review a copy of the arbitration rules at <http://www.alta.org/arbitration>.

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*First American*

# Schedule A

## ALTA Commitment for Title Insurance

ISSUED BY

**First American Title Insurance Company**

File No: NCS-954424-PHX1

### **Transaction Identification Data for reference only:**

Issuing Agent: First American Title Insurance Company National Commercial Services

Commitment No.: NCS-954424-PHX1

Property Address: ALL of Lot 3, Scottsdale, AZ

Revision No.: First Amended

Issuing Office: 2425 E. Camelback Road, Suite 300, Phoenix, AZ 85016

Issuing Office File No.: NCS-954424-PHX1

Escrow Officer: Name: Alix Graham

Email:

Phone: (602)567-8100

Title Officer: Name: Ron B. Robertson

Email:

Phone: (602)567-8100

### **SCHEDULE A**

1. Commitment Date: July 24, 2019, at 8:00 AM

2. Policy to be issued:

(a) ☒ ALTA® 2006 Extended Owner's Policy  
Proposed Insured: To Be Determined  
Proposed Policy Amount: \$0.00

(b) ☐ ALTA® Policy  
Proposed Insured:  
Proposed Policy Amount: \$0.00

(c) ☐ ALTA® Policy  
Proposed Insured:  
Proposed Policy Amount: \$

3. The estate or interest in the Land described or referred to in this Commitment is

#### **Fee Simple**

4. Title to the Fee Simple estate or interest in the Land is at the Commitment Date vested in:

**RKCCLL Investments LLC, Arizona limited liability company, as to an undivided 25% interest, BDCCLL Investments LLC, Arizona limited liability company, as to an undivided 25% interest, CCFCLL Investments LLC, Arizona limited liability company, as to an undivided 25% interest, and SMCCLL Investments LLC, Arizona limited liability company, as to an undivided 25% interest**

5. The Land is described as follows:

**See Exhibit "A" attached hereto and made a part hereof**

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*First American*

# Schedule BI & BII

## ALTA Commitment for Title Insurance

ISSUED BY

**First American Title Insurance Company**

File No: NCS-954424-PHX1

Commitment No.: NCS-954424-PHX1

### SCHEDULE B, PART I

#### Requirements

All of the following Requirements must be met:

1. The Proposed Insured must notify the Company in writing of the name of any party not referred to in this Commitment who will obtain an interest in the Land or who will make a loan on the Land. The Company may then make additional Requirements or Exceptions.
2. Pay the agreed amount for the estate or interest to be insured.
3. Pay the premiums, fees, and charges for the Policy to the Company.
4. Documents satisfactory to the Company that convey the Title or create the Mortgage to be insured, or both, must be properly authorized, executed, delivered, and recorded in the Public Records.
5. 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

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.

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

6. All of 2018 taxes are paid in full.

NOTE: Taxes are assessed in the total amount of \$247,637.46 for the year 2018 under Assessor's Parcel No. 215-05-010 7.

7. We find no outstanding voluntary liens of record affecting subject property. Disclosure should be made concerning the existence of any unrecorded lien or other indebtedness which could give rise to any possible security interest in the subject property.

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8. Furnish Plat of Survey of the subject property by a Registered Land Surveyor in accordance with the "Minimum Standard Detail Requirements for ALTA/NSPS Land Title Surveys" which became effective February 23, 2016. Said Plat of survey shall include the required certification and, at a minimum, also have shown thereon Items 1, 8, 11, 16, 17, and 19 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.

9. 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.
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 RKCCLL Investments 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 BDCCLL Investments 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 CCFCLL Investments 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 SMCCLL Investments 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 RKCCLL Investments LLC, Arizona limited liability company, as to an undivided 25% interest, BDCCLL Investments LLC, Arizona limited liability company, as to an undivided 25% interest, CCFCLL Investments LLC, Arizona limited liability company, as to an undivided 25% interest, and SMCCLL Investments LLC, Arizona limited liability company, as to an undivided 25% interest 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.

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## Schedule BI & BII (Cont.)

### ALTA Commitment for Title Insurance

ISSUED BY

**First American Title Insurance Company**

File No: NCS-954424-PHX1

Commitment No.: NCS-954424-PHX1

#### SCHEDULE B, PART II

##### Exceptions

THIS COMMITMENT DOES NOT REPUBLISH ANY COVENANT, CONDITION, RESTRICTION, OR LIMITATION CONTAINED IN ANY DOCUMENT REFERRED TO IN THIS COMMITMENT TO THE EXTENT THAT THE SPECIFIC COVENANT, CONDITION, RESTRICTION, OR LIMITATION VIOLATES STATE OR FEDERAL LAW BASED ON RACE, COLOR, RELIGION, SEX, SEXUAL ORIENTATION, GENDER IDENTITY, HANDICAP, FAMILIAL STATUS, OR NATIONAL ORIGIN.

The Policy will not insure against loss or damage resulting from the terms and provisions of any lease or easement identified in Schedule A, and will include the following Exceptions unless cleared to the satisfaction of the Company:

1. Any defect, lien, encumbrance, adverse claim, or other matter that appears for the first time in the Public Records or is created, attaches, or is disclosed between the Commitment Date and the date on which all of the Schedule B, Part I-Requirements are met.
2. (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.
3. 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 thereof.
4. Easements, liens or encumbrances, or claims thereof, not shown by the Public Records.
5. 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.
6. (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.
7. Any lien or right to a lien for services, labor or material not shown by the Public Records.

**Exceptions above will be eliminated from any A.L.T.A. Extended Coverage Policy, A.L.T.A. Homeowner's Policy, A.L.T.A. Expanded Coverage Residential Loan Policy and any short form versions thereof. 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.**

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1. Taxes for the full year of 2019.  
(The first half is due October 1, 2019 and is delinquent November 1, 2019. The second half is due March 1, 2020 and is delinquent May 1, 2020 .)
2. Reservations or Exceptions in Patents, or in Acts authorizing the issuance thereof.
3. Restrictions, dedications, conditions, reservations, easements and other matters shown on the plat of Replat Parcel 1 of One Scottsdale, as recorded in Plat Book 1115 of Maps, Page(s) 41, 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).
4. Restrictions, dedications, conditions, reservations, easements and other matters shown on the Final Plat for One Scottsdale, as recorded in Plat Book 971 of Maps, Page(s) 6, 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).
5. Restrictions, dedications, conditions, reservations, easements and other matters shown on the plat of Map of Dedication for Legacy Boulevard, as recorded in Plat Book 1034 of Maps, Page(s) 5, 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. Deed Restrictions - Building Height and any other terms, covenants and conditions, recorded on January 17, 2007 as 2007-0062255 of Official Records.
7. The terms and provisions contained in the document entitled "Development Agreement" recorded November 22, 2002 as 2002-1240138 of Official Records. Thereafter Confirmation of Extension of Term in Development Agreement No. 200-142-COS recorded March 7, 2008 as 2008-0207479 of Official Records and rerecorded March 17, 2008 as 2008-0232321 of Official Records. Thereafter, First Amendment to Development Agreement recorded June 27, 2016 as 2016-0447478 of Official Records and Entitlements Allocation Agreement recorded May 9, 2019 as 2019-0337314 of Official Records.
8. An easement for utilities and incidental purposes in the document recorded as 2007-1097046 of Official Records.
9. An easement for drainage and incidental purposes in the document recorded as 2008-602817 of Official Records.
10. An easement for utility and incidental purposes in the document recorded as 2011-0438483 of Official Records.
11. All matters as set forth in Map of Dedication for Right of Way and Easements for West 80 Acres of Section 26, recorded in Book 431 of Maps, Page 12.

Thereafter Sewer Line Easement was released by instrument recorded August 13, 2007 as 2007-0907756 of Official Records.

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12. The terms and provisions contained in the document entitled "Agreement for the Waiver of Claims for Diminution in Value of Property" recorded June 24, 2016 as 2016-0443001 of Official Records.
13. Any facts, rights, interests or claims that may exist or arise by reason of the following matters disclosed by an ALTA/NSPS survey made by \_\_\_\_\_ on \_\_\_\_\_, designated Job Number \_\_\_\_\_:  
\_\_\_\_\_
14. 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.

15. Water rights, claims or title to water, whether or not shown by the public records.

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*First American*

Exhibit A

ISSUED BY

**First American Title Insurance Company**

File No: NCS-954424-PHX1

File No.: NCS-954424-PHX1

The Land referred to herein below is situated in the County of Maricopa, State of Arizona, and is described as follows:

LOT 3, OF REPLAT PARCEL 1 OF ONE SCOTTSDALE, ACCORDING TO THE PLAT OF RECORD IN THE OFFICE OF THE COUNTY RECORDER OF MARICOPA COUNTY, ARIZONA, RECORDED IN BOOK 1115 OF MAPS, PAGE 41.

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