



207 Waiver

Title

Legal Description / Ads

Policy or Appeals

Correspondence Between Legal & Staff

Letter of Authorization

**WHEN RECORDED RETURN TO:**  
CITY OF SCOTTSDALE  
ONE STOP SHOP/RECORDS  
(Lorraine Castro)  
7447 East Indian School Road, Suite 100  
Scottsdale, AZ 85251

City of Scottsdale Case No. 5-ZN-2020

**AGREEMENT FOR THE WAIVER OF CLAIMS  
FOR DIMINUTION IN VALUE OF PROPERTY**

THIS AGREEMENT FOR THE WAIVER OF CLAIMS FOR DIMINUTION IN VALUE OF PROPERTY (the "Agreement") is made in favor of the City of Scottsdale ("City") by Cercidium Holdings, a Limited Liability Company ("Owner").

**RECITALS**

- A. Owner is the fee title owner of property, Parcel No. 129-33-001-S located at 7000 E. McDowell Road (the "Property").
- B. Owner acknowledges that he/she has made a request to the City for application of its land use laws for the development of the Property and is under no compulsion, economic or otherwise, to enter into this Agreement.
- C. Arizona statute ARS § 12-1134.A provides that a city must pay just compensation to a land owner, in some cases, if the city approves a land use law that reduces the fair market value of the owner's property. This law is sometimes referred to as "Proposition 207" or the "Private Property Rights Protection Act". (ARS 12-1131, et.seq.)
- D. The Private Property Rights Protection Act (e.g., A.R.S. § 12-1134.I) authorizes private property owners to enter into agreements with political subdivisions to waive any claim for diminution in value of their property in connection with any action requested by the property owner.
- E. City and Owner seek to resolve whether the application of the City's land use laws to the Property constitute a "diminution in value" of the Property or other harm entitling Owner, now or in the future, to seek compensation from the City under the Private Property Rights Protection Act.

**IT IS AGREED AS FOLLOWS:**

Owner hereby makes the following acknowledgements and representations:

1. Owner acknowledges that:

a. The recitals set forth above are true and correct and are incorporated herein by this reference.

b. Owner is aware of the Private Property Rights Protection Act. (ARS 12-1131, et. seq.)

c. Owner has independently determined and believes that the application of the City's land use laws to the Property will not reduce the fair market value of the Property.

d. Owner is aware that, as a condition of receiving approvals under the City's land use laws, the City may impose various requirements upon the Property, such as requirements for right-of-way dedications, time limitations for development, and other zoning ordinance stipulations and conditions.

2. The undersigned Owner agrees as follows:

a. The Owner agrees that the stipulations and conditions set forth in Case No. 5-ZN-2020 shall be included as part of the ordinance that will be considered by the Scottsdale City Council. Owner agrees that compliance with the stipulations and conditions set forth in Case No. 5-ZN-2020 will govern development of the property. Owner further understands and agrees that stipulations and conditions may be added or modified during the public hearing process and that those stipulations and conditions will be incorporated into this Agreement.

b. Owner hereby waives and fully releases any and all financial loss, injury, claims and causes of action that Owner may have, now or in the future, for any "diminution in value" and for any "just compensation" under the Private Property Rights Protection Act based on the Owner's request in Case No. 5-ZN-2020. This waiver constitutes a complete release of any and all claims and causes of action under the Private Property Rights Protection Act that may arise out of the Owner's request in Case No. 5-ZN-2020.

c. Owner hereby agrees to indemnify, hold harmless and defend City, its officers, employees and agents, from any and all claims, causes of actions, demands, losses and expenses, including reasonable attorney's fees and litigation costs asserted by or resulting from any of the present owners of any interest in the Property seeking any potential compensation, damages, attorney's fees or costs under the Private Property Rights Protection Act that they may have based on the Owner's request in Case No. 5-ZN-2020.

d. This Waiver Agreement shall run with the land and shall be binding upon all present and future owners of any interest in the Property. Owner consents to the recording of this Agreement with the County Recorder in which the Property is located.

e. The Owner agrees that, as of the effective date of this Agreement, he/she has received equal protection of the laws and due process of all claims and requests, and has not suffered any compensable regulatory taking (as those terms and their related claims are defined by Arizona state and federal constitutional jurisprudence).

3. Owner warrants and represents that Owner is the owner of the fee title to the Property.

4. The person who signs this Agreement on behalf of Owner personally warrants and guarantees to City that he has legal power to bind Owner to this Agreement.

Owner: *[Signature]* *KO-COCONO HOLDINGS LLC* Its: *Managing Member*

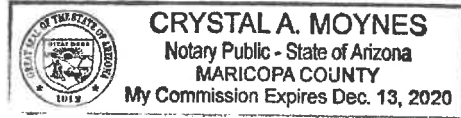
STATE OF ARIZONA           )  
  ) ss.  
County of Maricopa        )

Subscribed, sworn to and acknowledged before me  
by *William D. Jacoby III* on this *12* day of *October*, 20*20*

My commission expires:

*12.13.2020*

*Crystal A. Moynes*  
Notary Public



## **EXHIBIT B**

### **Legal Description of Subject Property**

Property situated in the County of Maricopa, State of Arizona and is described as follows:

That portion of the Southeast quarter of the Southeast quarter of Section 34, Township 2 North, Range 4 East of the Gila and Salt River Base and Meridian, Maricopa County, Arizona, more particularly described as follows:

Beginning at a point on the North line of the South half of said Southeast quarter of the Southeast quarter, a distance of 380.00 feet East of the West line of said Southeast quarter of the Southeast quarter;

Thence West along said North line to a point on the East line of a North-South alley as shown on the plat of WONDERLAND, according to Book 100 of Maps, Page 19, records of Maricopa County, Arizona;

Thence South along the East line of aforesaid alley to an angle point thereon;

Thence West along the South line of an East-West alley as shown on aforesaid plat of WONDERLAND, to a point on the East line of 70<sup>th</sup> Street as shown on aforesaid plat;

Thence South along said East line, a distance of 253.88 feet to the beginning of a curve to the left having a central angle of 91 degrees 14 minutes 49 seconds and a tangent of 20.00 feet;

Thence Southeasterly along said curve to the left, an arc distance of 31.17 feet;

Thence South parallel with the West line of the Southeast quarter of the Southeast Quarter of said Section 34, a distance of 65.00 feet to a point on the South line of the Southeast quarter of the Southeast quarter of said Section 34, from which the Southwest corner thereof bears West, a distance of 52.42 feet;

Thence East along the South line of the Southeast quarter of the Southeast quarter of said Section 34, to a point 380.00 feet East of the Southwest corner of said Southeast quarter of the Southeast quarter;

Thence North along a line parallel to and 380.00 feet East of the West line of said Southeast quarter of the Southeast quarter to the POINT OF BEGINNING;

Except the South 65.00 feet thereof.

Date: 2-4-20

**Via Hand-Delivery with Application, to:**

City of Scottsdale  
Planning & Development Services Department  
7447 East Indian School Road, Suite 105  
Scottsdale, Arizona 85251

***Re: Letter of Authorization – 7000 E. McDowell***

To Whom It May Concern:

This letter authorizes the firms and companies of Hawkins Companies, Berry Riddell, Nelsen Partners, Lokahi, 3 Engineering, and Technical Solutions to represent and act on behalf of **Cercidium Holdings, LLC** in connection with the Zoning and Development Review Board applications, as well as any related City entitlement matters/applications for the property located 7000 E. McDowell Road (NEC of 70<sup>th</sup> Street & McDowell , APN#129-33-001S) in the City of Scottsdale, Maricopa County, Arizona.

**Cercidium Holdings, LLC**



Title: Managing Member; Cercidium  
Holdings  
LLC

## **APPEALS OF DEDICATIONS, EXACTIONS, OR ZONING REGULATIONS**

### **POLICY OF THE CITY OF SCOTTSDALE ON APPEALS OF DEDICATIONS, EXACTIONS, OR ZONING REGULATIONS**

#### **RIGHTS OF PROPERTY OWNER**

In addition to 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) where an administrative agency or official has no discretion to determine the dedication or exaction.
- 2) The adoption or amendment of a zoning regulation that creates a taking of property in violation of Arizona and federal court decisions.

#### **APPEAL PROCEDURE**

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

Hearing Officer, C/O City Clerk  
3939 Drinkwater Blvd.  
Scottsdale, AZ 85251

- ❖ 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 de novo with the Superior Court within 30 days of the hearing officer's decision.

**If you have questions about this appeal process, you may contact:**

City Attorney's Office  
3939 Drinkwater Blvd.  
Scottsdale, AZ 85251  
(480) 312-2405

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.

**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:

7000 E. McDowell Rd, #100 Scottsdale, AZ  
(address where development approval, building permits, or city required improvements and dedications are being required) 85257

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

3-4-20  
Date

Pre-application No.: 225-PA-2020  
Project Name: Southdale

**AFFIDAVIT OF AUTHORITY TO ACT FOR PROPERTY OWNER**

1. This affidavit concerns the following parcel of land:

- a. Street Address: 7000 E McDowell Road
  - b. County Tax Assessor's Parcel Number 129-33-0015
  - c. General Location N26 of McDowell & 70th
  - d. Parcel Size: 3.93 Acres (Net) 4.69 Acres Gross
  - e. Legal Description: See Attached
- (If the land is a platted lot, then write the lot number, subdivision, name, and the plat's recording number and date. Otherwise, write "see attached legal description" and attach a legal description.)

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

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

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

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

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

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

Name (printed)  
Brittnee Elliott  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Date  
March 26, 2020  
\_\_\_\_\_, 20\_\_\_\_  
\_\_\_\_\_, 20\_\_\_\_  
\_\_\_\_\_, 20\_\_\_\_

Signature  
Brittnee Elliott  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_



*First American*

# Commitment

## ALTA Commitment for Title Insurance

ISSUED BY

**First American Title Insurance Company**

File No: NCS-992923-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-992923-PHX1

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

Issuing Agent: First American Title Insurance Company National  
Commercial Services

Commitment No.: NCS-992923-PHX1

Property Address: 7000 East McDowell Road, Scottsdale, AZ

Revision No.: 2

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

Issuing Office File No.: NCS-992923-PHX1

Escrow Officer: Name:

Email:

Phone: (602)567-8100

Title Officer: Name: Ron B. Robertson

Email:

Phone: (602)567-8100

### **SCHEDULE A**

1. Commitment Date: March 23, 2020, at 8:00 AM
2. Policy to be issued:
  - (a) ☒ ALTA® 2006 Extended Owner's Policy  
Proposed Insured: Hawkins Companies LLC, an Idaho limited liability company  
Proposed Policy Amount: \$7,400,000.00
  - (b) ☒ ALTA® 2006 Extended Lender's Policy  
Proposed Insured: To Be Determined  
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:

#### **Cercidium Holdings LLC, an Arizona limited liability company**

5. The Proposed Insured Mortgage and assignment thereof, If any, described as follows:

**SEE EXHIBIT "1" ATTACHED HEREIN**

6. The Land is described as follows:

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

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**EXHIBIT "1"**

- (a) A Deed of Trust given to secure an indebtedness in the original principal amount of \$0.00, dated \_\_\_\_\_, recorded \_\_\_\_\_ as \_\_\_\_\_ of Official Records.

Trustor: Hawkins Companies LLC, an Idaho limited liability company

Trustee: \_\_\_\_\_

Beneficiary: To Be Determined

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*First American*

# Schedule BI & BII

## ALTA Commitment for Title Insurance

ISSUED BY

**First American Title Insurance Company**

File No: NCS-992923-PHX1

Commitment No.: NCS-992923-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 2019 taxes are paid in full.

NOTE: Taxes are assessed in the total amount of \$38,488.22 for the year 2019 under Assessor's Parcel No. 129-33-001S 1.

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7. Record full release and reconveyance of a Deed of Trust securing an original indebtedness in the amount of \$1,125,000.00, recorded July 19, 2010 as 2010-0614097 of Official Records.

Dated: July 14, 2010

Trustor: Cercidium Holdings LLC, an Arizona limited liability company

Trustee: National Bank of Arizona, a national banking association

Beneficiary: National Bank of Arizona, a national banking association

A document recorded December 17, 2015 as 2015-0890336 of Official Records provides that the Deed of Trust or the obligation secured thereby has been modified.

Note: Assignment of Rents recorded July 19, 2010 as 2010-0614098 of Official Records and recorded December 17, 2015 as 2015-0890337 of Official Records.

A document entitled "Subordination, Non-Disturbance and Attornment Agreement and Estoppel Certificate" recorded July 19, 2010 as 2010-0614099 of Official Records and recorded December 17, 2015 as 2015-0890338 of Official Records.

8. Record release of Third Party Lender Agreement recorded December 03, 2010 as 2010-1057268 of Official Records.

9. Record full release and reconveyance of a Deed of Trust securing an original indebtedness in the amount of \$100,000.00, recorded March 02, 2012 as 2012-0177043 of Official Records.

Dated: February 23, 2012

Trustor: Cercidium Holdings LLC, an Arizona limited liability company

Trustee: National Bank of Arizona, a national banking association, organized or registered in the United States of America under the laws of the State of Arizona

Beneficiary: National Bank of Arizona, a national banking association, organized or registered in the United States of America

Note: Assignment of Rents recorded March 02, 2012 as 2012-0177044 of Official Records.

10. 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.

11. 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.

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 Cercidium Holdings LLC, a limited liability company.

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13. Furnish a copy of the Articles of Organization or other pertinent formation documents duly processed by the regulatory body of Idaho, a fully executed copy of the Operating Agreement, and any amendments thereto; and a list of the current members of Hawkins Companies LLC, a limited liability company.
14. Record Warranty Deed from Cercidium Holdings LLC, an Arizona limited liability company to Buyer(s).
15. Record Deed of Trust shown as Item 5, Schedule A.

NOTE: If FIRST AMERICAN TITLE is named as Trustee in the Deed of Trust, the correct name and address is:

FIRST AMERICAN TITLE INSURANCE COMPANY, a Nebraska corporation  
P.O. Box 2922  
Phoenix, AZ 85062

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

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*First American*

## Schedule BI & BII (Cont.)

### ALTA Commitment for Title Insurance

ISSUED BY

**First American Title Insurance Company**

File No: NCS-992923-PHX1

Commitment No.: NCS-992923-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, material or equipment, unless such lien is shown by the Public Records at Date of Policy and not otherwise excepted from coverage herein.

**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 2020.  
(The first half is due October 1, 2020 and is delinquent November 1, 2020. The second half is due March 1, 2021 and is delinquent May 1, 2021.)
2. The liabilities and obligations imposed upon said land by reason of: (a) inclusion thereof within the boundaries of the Salt River Project Agricultural Improvement and Power District; (b) membership of the owner thereof in the Salt River Valley Water Users' Association, an Arizona corporation and (c) the terms of any Water Right Application made under the reclamation laws of the United States for the purpose of obtaining water rights for said land. (All assessments due and payable are paid.)
3. Reservations or Exceptions in Patents, or in Acts authorizing the issuance thereof.
4. All matters as set forth in Resolution No. 8356, recorded June 29, 2010 as 2010-0549775 of Official Records.
5. An easement for overhead and underground power and incidental purposes in the document recorded as 2000-0291367 of Official Records.
6. An easement for construction and installation of landscaping and accompanying facilities and incidental purposes in the document recorded as 2005-1284839 of Official Records.
7. This item has been intentionally deleted.
8. Water rights, claims or title to water, whether or not shown by the public records.
9. 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 \_\_\_\_\_:  
\_\_\_\_\_

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**First American**

**Exhibit A**

ISSUED BY

**First American Title Insurance Company**

File No: NCS-992923-PHX1

File No.: NCS-992923-PHX1

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

THAT PORTION OF THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 34, TOWNSHIP 2 NORTH, RANGE 4 EAST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE NORTH LINE OF THE SOUTH HALF OF SAID SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER, A DISTANCE OF 380.00 FEET EAST OF THE WEST LINE OF SAID SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER;

THENCE WEST ALONG SAID NORTH LINE TO A POINT ON THE EAST LINE OF A NORTH-SOUTH ALLEY AS SHOWN ON THE PLAT OF WONDERLAND, ACCORDING TO BOOK 100 OF MAPS, PAGE 19, RECORDS OF MARICOPA COUNTY, ARIZONA;

THENCE SOUTH ALONG THE EAST LINE OF AFORESAID ALLEY TO AN ANGLE POINT THEREON;

THENCE WEST ALONG THE SOUTH LINE OF AN EAST-WEST ALLEY AS SHOWN ON AFORESAID PLAT OF WONDERLAND, TO A POINT ON THE EAST LINE OF 70TH STREET AS SHOWN ON AFORESAID PLAT;

THENCE SOUTH ALONG SAID EAST LINE, A DISTANCE OF 253.88 FEET TO THE BEGINNING OF A CURVE TO THE LEFT HAVING A CENTRAL ANGLE OF 91 DEGREES 14 MINUTES 49 SECONDS AND A TANGENT OF 20.00 FEET;

THENCE SOUTHEASTERLY ALONG SAID CURVE TO THE LEFT, AN ARC DISTANCE OF 31.17 FEET;

THENCE SOUTH PARALLEL WITH THE WEST LINE OF THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SAID SECTION 34, A DISTANCE OF 65.00 FEET TO A POINT ON THE SOUTH LINE OF THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SAID SECTION 34, FROM WHICH THE SOUTHWEST CORNER THEREOF BEARS WEST, A DISTANCE OF 52.42 FEET;

THENCE EAST ALONG THE SOUTH LINE OF THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SAID SECTION 34, TO A POINT 380.00 FEET EAST OF THE SOUTHWEST CORNER OF SAID SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER;

THENCE NORTH ALONG A LINE PARALLEL TO AND 380.00 FEET EAST OF THE WEST LINE OF SAID SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER TO THE POINT OF BEGINNING;

EXCEPT THE SOUTH 65.00 FEET THEREOF.

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