



**DHI TITLE AGENCY**

**a D-R-HOUSTON company**

*America's Builder*

20410 N. 19th Ave., Suite 120  
Phoenix, AZ 85027  
(602)395-3700 - Fax (866)205-4963

The ARE Group-Erin Gunderson

Date: June 6, 2019

Re: Request No. 295-180400034  
1st Amendment

Enclosed you will find the following items in connection with the above referenced transaction.

**Condition of Title Report  
Tax Information Sheet**

Please feel free to contact us if we may be of further assistance to you in this or any other matter.

Sincerely,

Brent Ingersoll  
Title Officer/Examiner  
BIngersoll@dhititle.com  
Direct: 602-395-3700 Ext: 3706  
E-Fax: 602-955-2391



# DHI TITLE AGENCY

## CONDITION OF TITLE REPORT SCHEDULE A

Examined By: Brent Ingersoll  
Date Prepared: June 6, 2019

**FILE NO.:** 295-180400034

1. Effective Date: June 4, 2019 at 07:59AM
2. Condition of Title Report
3. Title to the Fee Simple or interest in the land described or referred to in this Condition of Title is at the effective date hereto vested in:

CAS Stagecoach Pass Windmill, LLC, an Arizona limited liability company

4. The land referred to in this Condition of Title is described as follows:

The East half of the East half of the Southwest quarter of the Northwest quarter of Section 1, Township 5 North, Range 4 East of the Gila and Salt River Base and Meridian, Maricopa County, Arizona;

Except the North 20 feet thereof; and

Except the South 40 feet thereof; and

Except all coal and other minerals as reserved in patent from the United States of America.

This Condition of Title Report is a limited-liability informational report and the fee charged for same is a work charge only. This report is not an abstract of title, title opinion, commitment to insure title, guarantee of title, or a policy of title insurance. In consideration of the economy of the fee charged, this report is made available upon the express condition that liability of every kind shall be limited to the amount of the fee paid. In accepting this report, the recipient accepts and agrees that DHI Title Agency would not have issued this report, but for the limitation of liability described herein. This report is issued exclusively for the benefit of the party who requested the report and may not be used by any other party.

End of Schedule A



## **SCHEDULE B EXCEPTIONS**

1. Water rights, claims, or title to water, whether or not shown by the public records.
2. Reservations, exceptions, and provisions contained in the Patent issued on said land.
3. Taxes for the year 2019, a lien not yet due and payable.
4. Deed of Trust given to secure the original amount shown below and any other indebtedness under the terms thereof:

Trustor: CAS Stagecoach Pass Windmill, LLC, an Arizona limited liability company

Trustee: Timothy D. Ronan, Esq.

Beneficiary: Centennial AS, a Norwegian stock-based company

Amount: \$5,179,843.44

Dated: February 28, 2013

Recorded: December 20, 2013 at Document No. 2013-1077792

(Covers additional property)

5. Terms and conditions set forth in a document entitled "Developer Water Line Payback Agreement" recorded April 25, 2019 at Document No. 2019-291709, and thereafter a document entitled "Assignment of Developer Water Line Payback Agreement" recorded May 15, 2019 at Document No. 2019-353447.



Date: June 6, 2019  
Escrow No.: 295-180400034  
Seller(s):  
Purchaser(s):  
Property Address: Vacant Land, AZ  
Maricopa County

**PRIVACY POLICY NOTICE**  
**DHI Title Agency**

Federal law generally prohibits any financial institution, including title insurance companies and agents, directly or through its affiliates, from sharing non-public personal information about you with a nonaffiliated third party unless the financial institution first provides you with a notice of its privacy policies and practices and gives you a reasonable opportunity to direct the financial institution not to share the information with nonaffiliated third parties other than as permitted by law. In compliance with applicable law, we are providing you with this notice, which informs you of the privacy policies and practices of DHI Title Agency.

We may collect non-public personal information about you from the following sources:

- Information we receive from you, such as on applications or other forms;
- Information about your transactions we secure from our files, or from our affiliates or others;
- Information we receive from a consumer reporting agency;
- Information that we receive from others involved in your transaction, such as the real estate agent or your mortgage lender.

Unless it is specifically stated otherwise in an amended privacy policy notice, no additional non-public personal information will be collected about you.

We may disclose any of the above information that we collect about our customers or former customers to our affiliates or to non-affiliated third parties as permitted by law.

We also may disclose this information about our customers or former customers to the following types of nonaffiliated companies that perform marketing services on our behalf or with whom we have joint marketing agreements:

- Financial service providers such as companies engaged in banking, mortgage and consumer finance, securities and insurance;
- Non-financial companies such as envelope stuffers and other fulfillment service providers.

We DO NOT disclose any non-public personal information about you to anyone for any purpose that is not specifically permitted by law.

We restrict access to non-public personal information about you to those employees who need to know that information in order to provide products or services to you. We maintain physical, electronic, and procedural safeguards that comply with federal regulations to guard your non-public personal information.

If you have any questions about our Privacy Policy, please write us or call us as follows:

**DHI Title Agency**  
**ATTN: COMPLIANCE OFFICER**  
**10700 Pecan Park Blvd., Suite 450, Austin, TX 78750**  
**Phone: (512) 502-0545**

Dated: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_



06/06/2019 09:13AM MQWD

**ORDER SEARCH RESULTS**

PAGE 1 OF 1

ORDER: 180400034

TOF:

COMMENT:

**SEARCH PARAMETERS**

PARCEL: 216-34-009K

(PERMIT DATEDOWNS)

✓ PARCEL: 216-34-009K 2

OWNER: CAS STAGECOACH PASS WINDMILL LLC  
MAIL: PO BOX 2053  
CAREFREE, AZ 85377  
SECTION: 1 TWP 5N RNG 4E  
LEGAL: N2 NE4 SE4 NW4 EX E 40F RD

INSTRUMENT 2013 301458  
REC DATE 04/03/2013

**CURRENT TAXES INFORMATION THROUGH 05/31/2019**

	LAND	IMPR	EXEMPT	RATE	AREA	SPECIAL DISTRICTS
PRIMARY	31,217	0	0	5.2319	931400	
SECONDARY	51,930	0	0	1.9521		
2018 TOTAL TAX BILLED				2,242.66		

2018	TAX AMT	TAX DUE	INTEREST	DATE PAID	TOTAL DUE
FIRST HALF	1,121.33	0.00	0.00	10/26/2018	0.00
SECOND HALF	1,121.33	0.00	0.00	03/02/2019	0.00
TOTAL CURRENT TAXES DUE 06/19			0.00		
			07/19	0.00	

**BACK TAXES INFORMATION THROUGH 05/31/2019**

NO BACK TAXES

**ASSESSMENTS**

NO ASSESSMENTS

**ADDITIONAL PROPERTY INFORMATION**

STANDARD LAND USE: RESIDENTIAL LOT

**CONDITIONS, DISCLAIMERS AND EXCLUSIONS**

This Tax Certificate/Tax Order Report does not constitute a report on or certification of: (1) mineral (productive and/or non-productive) taxes or leases; (2) personal property taxes; or (3) other non ad valorem taxes (such as paving liens, stand-by charges or maintenance assessments).

Data Trace Information Services LLC ("Data Trace") may have warranted the accuracy of this Tax Certificate/Tax Order Report to its customer (the "Data Trace Customer") pursuant to the terms and conditions of a written tax service agreement between Data Trace and said Data Trace Customer (the "Tax Service Agreement"). Any such warranty (hereinafter, "Data Trace Customer Warranty") does not: (a) extend to a third party bearer of this Tax Certificate/Tax Order Report; (b) cover any changes made to the records of the taxing authority after the "payments as of," "paid," or "payment" dates delineated above; and (c) cover any invalid tax information shown on the records of the taxing authority or resulting from an error by the Data Trace Customer (including, without limitation, submission of incorrect property information by said Data Trace Customer). DATA TRACE MAKES NO WARRANTIES (EXPRESS OR IMPLIED) WITH RESPECT TO THIS TAX CERTIFICATE/TAX ORDER REPORT OTHER THAN (WHERE APPLICABLE) THE DATA TRACE CUSTOMER WARRANTY. Any and all claims under a Data Trace Customer Warranty must be submitted to Data Trace by the corresponding Data Trace Customer and are subject to the terms and conditions set forth in the pertinent Tax Service Agreement (including, without limitation, the filing deadlines applicable to such claims). In some jurisdictions Data Trace's validation of a Tax Certificate/Tax Order Report is required to activate a Data Trace Customer Warranty.

**END SEARCH**

OFFICIAL RECORDS OF  
MARICOPA COUNTY RECORDER  
ADRIAN FONTES  
20190291709 04/25/2019 08:07  
ELECTRONIC RECORDING

33272-6-1-1--  
henrya

**WHEN RECORDED RETURN TO :**

WATER RESOURCES DEPARTMENT  
CITY OF SCOTTSDALE  
9379 E. San Salvador Drive  
Scottsdale, AZ 85258

Agreement No. 11-DP-2017-18

**DEVELOPER WATER LINE PAYBACK AGREEMENT**

This Agreement is entered into this 23<sup>rd</sup> day of April, 2019, between the CITY OF SCOTTSDALE, a municipal corporation ("the City") and Mr. Jeff Labriola ("the Developer"), (known collectively as "the Parties"), in accordance with the powers set forth in Chapter 49 of the City Code and the City Charter.

Note: This Agreement is recorded for notice purposes only. It does not constitute a lien on any parcel of real estate.

**RECITALS**

- A. The Developer installed a water line which benefit(s) certain property(ies) ("the Benefited Property"), installed 1,300 length-feet (LF) of 8-inch water line in E Hawknest Road and N Mule Train Rd, and described in more detail in Appendix A.
- B. The Developer wishes to recoup, from the properties with frontage on the line, pro rata shares of the cost from those benefiting by connection to the line ("the Owners"), and the City is authorized to collect those costs by its Charter and Scottsdale Revised Code Section 49-215.

IN CONSIDERATION of the mutual promises and obligations contained in this Agreement, and for other good and valuable consideration, the receipt of which is acknowledged, the Parties agree as follows.

**AGREEMENT**

1. Submittals. The Developer will provide the following to the Water Resources Division within 60 calendar days after the date of the letter of acceptance from the City for the line.
  - a. A copy of the letter of acceptance, which will state that the improvements conform to the approved plans and specifications' and

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- b. A half sized copy (11" x 17" or 12" x 18") of the approved as-built construction drawings indicating the actual facilities installed; and
    - c. Receipts identifying actual design and construction costs, and proof that payment was made by the Developer or Owner; and
    - d. A diagram that shows the Benefited Property(ies), its frontage lengths, its tax parcel numbers, and a legal description for each parcel.
  2. Eligible Costs.
    - a. The Developer will pay the City an administrative charge of five (5) percent of the cost of line construction. The Administrative charge will not exceed \$10,000.00 and will be split equally among the Benefited Property(ies) based on the cost per linear foot of frontage. The administrative fee must be paid to the City before this Agreement is executed. The amount of the Administrative charge is stated in Appendix B.
    - b. Costs eligible for recovery under this Agreement include the actual cost of design and construction of the line, construction staking, utility relocation, as-built plans and City line-related permits and fees/charges plus interest.
    - c. Appendix B states the base pro rata share of the cost each Owner must pay. Simple interest at the rate of 0.4496% per month from the date this Agreement is recorded will be calculated and paid at time of payment unless the Owner makes payment within the grace period prescribed in the code
  3. Ownership. The City will acquire ownership of the line and its appurtenances upon completion and acceptance of the work by City.
  4. Notification to Affected Owners. Developer will provide such notices as are required by the City Code.
  5. Benefit Required. The City will pursue reimbursement only from property owners that benefit from the line, i.e., property owners who tie into the line.
  6. No Guarantee. The City will make reasonable efforts to collect the reimbursements should an obligation of payment by an Owner arise. The reimbursement obligation may be imposed when the City issues a water meter, building permit, encroachment permit, land division or assemblage for a Benefited Property, or there is a failure or modification of the existing septic tank system and/or Maricopa County denies a septic tank permit, or as a condition of water service provided by the City. The Developer acknowledges, however, that due to timing, Owners may occasionally avoid the payback as they progress through the development review process if they do so while the line is still under construction or before the execution and recording of this Agreement.
  7. Collection. The Water Resources Division will establish an account for the collection of the payments, and will disburse any sums received to the Developer within 90 days following receipt by the City of a payment from an Owner. In the event that the City is prevented by any applicable law, regulation, or court order from collecting all or a portion of the reimbursement from an Owner, City's obligation to collect from such Owner shall be automatically reduced to collecting such amount as may be legally allowable for the City to collect.

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8. Recordation. The City will record this Agreement and a Notice of Payback Requirement for Water Extensions against the Benefited Properties, in the office of the Maricopa County Recorder. The City may also execute and record partial releases, subordinations, or such other documents as may be necessary to protect the legal rights of the City or affected Owners.
9. Term. The City will enforce this Agreement for all lines installed for a maximum period of 20 years from the date of the Recording with the Maricopa County Recorder's Office, after which, all rights and obligations under this Agreement will automatically terminate. The Letter of Acceptance is dated March 28, 2019 by the City of Scottsdale Inspection Services Manager.
10. Assignment.
  - a. The benefits and burdens of this Agreement will inure to and be binding upon the successors and assignees of the Developer and Owners of the Benefited Properties.
  - b. The benefits and burdens of this Agreement may be assigned, but any assignment will not relieve the assigning party of the duties and obligations under this Agreement. Assignment requires that the Developer first obtain the written approval of the General Manager of the Water Resources Division.
11. No Partnership. Nothing in this Agreement will be construed as creating any partnership, joint venture or other arrangement between the Parties, or the City and Owners of the Benefited Properties.
12. No Third Party Beneficiaries. No term or provision of this Agreement will benefit any person, firm, organization, or corporation not a Party to this Agreement, and no entity as described above will have any rights or causes of action.
13. Amendment. Any amendments to this Agreement must be in writing and signed by the Parties.
14. Controlling Law. This Agreement will be construed, interpreted, and governed by the laws of the State of Arizona and the Scottsdale Revised Code.
15. Entire Agreement. This Agreement constitutes the entire Agreement between Parties with respect to the matters covered by this Agreement and no representations or understandings, oral or written, made before this Agreement was entered into will vary its terms.
16. Notice. Any notice to be given will be properly made when received by the City Water Resources Division or by the Developer, by certified mail, to:  
  
As to the City:           Executive Director  
                                  City of Scottsdale Water Resources Division  
                                  9379 E. San Salvador Drive  
                                  Scottsdale, Arizona 85251  
  
As to the Developer: Jeff Labriola  
                                  10632 N Scottsdale Rd. Suite B#168  
                                  Scottsdale, AZ 8254
17. Attorney's Fees. In the event that either Party brings any action for any relief, declaratory or otherwise, arising out of this Agreement, or on account of any breach or default, the prevailing



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Party shall be entitled to an award of reasonable attorney's fees, costs and expenses from the other.

18. Authority. Each Party warrants and represents that it has full power and authority to enter into and perform this Agreement, and that the person signing on behalf of each has been properly authorized and empowered to enter this Agreement. Each Party further acknowledges that it has read this Agreement, understands it, and agrees to be bound by it.

THE DEVELOPERS

By: [Signature]  
Jeff Labriola

CITY OF SCOTTSDALE, an  
Arizona Municipal Corporation

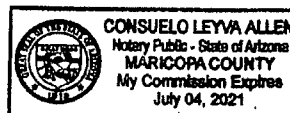
By: [Signature]  
Scott Mars  
Planning & Engineering Director  
Water Resources Division

STATE OF ARIZONA )  
County of Maricopa ) ss.

The foregoing instrument was acknowledged before me this 23<sup>rd</sup> day of April, 2019 by  
Jeff Labriola.

My commission expires: July 4, 2021

[Signature]  
Notary Public

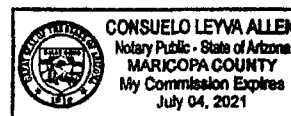


STATE OF ARIZONA )  
County of Maricopa ) ss.

The foregoing instrument was acknowledged before me this 23<sup>rd</sup> day of April, 2019 by the City of  
Scottsdale, an Arizona municipal corporation by Scott Mars.

My commission expires: July 4, 2021

[Signature]  
Notary Public



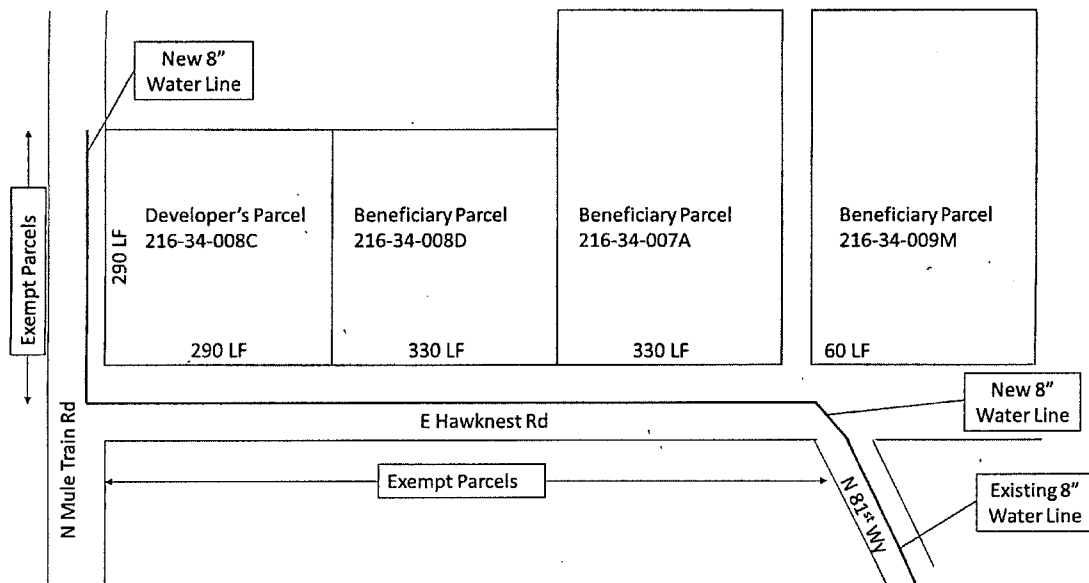
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## Appendix A

## Property Descriptions

Property APN	Property Description	Property Address
216-34-008D	E2 S2 SW4 SW4 NW4 EX S 40F RD Section 1, Township 5N, Range 4E	8080 E Hawknest Rd Scottsdale, AZ 85266
216-34-007A	POR W2 E2 SW4 NW4 SEC 1 DAF COM SW COR OF PARCEL TH N 40F TO POB TH N 639.68F TH E 329.80F TH S 639.71F TH W 329.97F TO POB Section 1, Township 5N, Range 4E	8110 E Hawknest Rd Scottsdale, AZ 85266
216-34-009M	E2 E2 SW4 NW4 EX N 20F & EX S 40F RD Section 1, Township 5N, Range 4E	No Assigned Address by the County

Installed 1,300 L.F. of 8-inch DIP water line along E. Hawknest Rd and N Mule Train Rd from existing water line in line at N 81<sup>st</sup> Wy, west.



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**Appendix B****Pro Rata Share and Eligible Cost Calculations**

City of Scottsdale Water Resources Department  
April 03, 2019

Reimbursement Calculation Worksheet for 35415 N Hayden Rd

Install 1,300 LF of 8-inch DIP water line along E Hawknest Rd and N Mule Train Rd from the existing water line at N 81<sup>st</sup> Wy, to the west.

Engineering, permits, survey, project management, etc.	\$8,912.90
Construction (includes service lateral and sales tax)	\$130,679.08
Service line, expediated Maricopa County Fee, etc. <sup>1</sup>	<del>(\$946.50)</del>
<b>Total Project Cost</b>	<b>\$138,645.48</b>

<b>Total Footage</b>	<b>1,300 LF</b>
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Each Parcel Pays one-half of the water main for the entire frontage of the parcel per SRC Sec 49-219.

Cost per LF of Property Frontage (Total Cost/2 Sides of Pipe)	\$53.33
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<b>Total City Administrative Fee<sup>2</sup></b>	<b>\$3,466.14</b>
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Parcel APN	Parcel Type	Parcel Footage	Eligible Project Cost	City Admin Fee	Payback Portion to be Assigned
216-34-008C	Developer	580	\$30,928.61	\$1,546.42	<b>Not Applicable</b>
216-34-008D	Beneficiary	330	\$17,597.31	\$879.87	\$18,477.18
216-34-007A	Beneficiary	330	\$17,597.31	\$879.87	\$18,477.18
216-34-009M	Beneficiary	60	\$3,199.52	\$159.98	\$3,359.50
City <sup>3</sup>	Exempt Parcel	1,300	\$69,322.73	<b>Not Applicable<sup>2</sup></b>	\$69,322.73
<b>Total:</b>			<b>\$138,645.48</b>	<b>\$3,466.14</b>	<b>\$109,636.58</b>
Participation Program Reimbursement (amount to be reimbursed to applicant/developer)					<b>\$109,636.58</b>

**Notes:**

Note 1: Service line costs and any expediated fees through Maricopa County are not reimbursable.

Note 2: City does not pay administrative fee. Therefore, administrative fee shall be divided among the beneficiary parcels including the owner. Administrative fee shall be divided based on each parcel's the frontage length.

Note 3: As there are no beneficiary parcels on the south and west sides of the new 8" water line along E Hawknest Rd and N Mule Train Rd, respectively, the City pays one-half of the water main for the entire length.

OFFICIAL RECORDS OF  
MARICOPA COUNTY RECORDER  
ADRIAN FONTES  
20190353447 05/15/2019 11:02  
ELECTRONIC RECORDING

33345-3-1-1--  
Yorkm

**WHEN RECORDED RETURN TO:**

WATER RESOURCES DEPARTMENT  
CITY OF SCOTTSDALE  
9379 E. San Salvador Drive  
Scottsdale, AZ 85258

Agreement No. 11-CP-2017-18

**ASSIGNMENT OF  
DEVELOPER WATER LINE REIMBURSEMENT AGREEMENT**

THIS ASSIGNMENT is entered into this 13<sup>th</sup> day of May, 2019, between the CITY OF SCOTTSDALE, an Arizona municipal corporation, ("the City") and Mr. Jeff Labriola ("the Developer"), (known collectively as "the Parties"), in accordance with the provisions of Scottsdale Revised Code, Section 49-227.

**RECITALS**

The Developer has installed improvements which benefit certain properties located within the City's service area; and

The Developer and the City have entered into a Developer Water Line Payback Agreement ("the Line Payback Agreement"), on the 23<sup>rd</sup> day of April, 2019, and subsequently recorded in the Office of the Maricopa County Recorder on the 25<sup>th</sup> day of May, 2019, in Document No. 2019-0291709.

SRC Section 49-227 authorizes the Developer to assign all its right, title and interest in the Line Payback Agreement to the City in exchange for funding of a designated amount of the Line Payback Agreement by the City; and

The Developer has requested that the City reimburse it from the Extension Participation Fund, and the City has determined that it has sufficient funds to pay to the Developer a designated amount as stated in this Assignment.

**AGREEMENT**

IN CONSIDERATION of the mutual promises and conditions contained in this Assignment, and other good and valuable consideration, receipt of which is acknowledged, the Parties agree as follows:

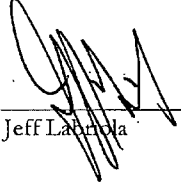
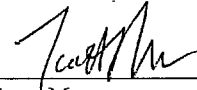
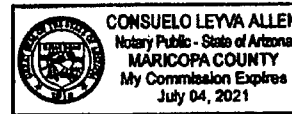
1. The Recitals are made a part of this Assignment as if they are fully stated in the Assignment.

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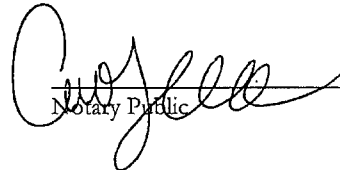
2. The Developer by this Assignment as dated above, does assign, sell, transfer and set over to the City, all of the Developer's right, title and interest in and to that certain Developer Line Payment Agreement as described above.
3. The Developer does warrant that it has the right to sell, transfer, assign and set over, to the City, all its interest in the above described Line Payback Agreement. The Developer further warrants that it has not previously assigned this Line Payback Agreement in any manner to any other person or entity claiming by or through the Developer and that there is now no litigation pending against the Developer's interest in and to that Line Payback Agreement.
4. Each Party to this Assignment warrants and represents that it has full power and lawful authority to enter into and perform this Assignment, and that the person signing on behalf of each has been properly authorized to enter into this Assignment. Each Party further acknowledges that it has read this Assignment, understands it, and agrees to be bound by its terms.
5. In consideration for this Assignment, the City does simultaneously with this Assignment, pay to the Developer, as a part of the Extension Participation Fund, the sum of \$109,636.58.
6. This Assignment is binding on the heirs, personal representatives, successors and assignments of the Parties to this Assignment.
7. From and after the effective date of this Assignment, the City assumes any and all rights and obligations of the Developer in the Line Payback Agreement, subject only to any and all of the Developer's warranty or other obligations that may extend to the City as a result of the Developer's design and construction of the water lines that are the subject of the Line Payback Agreement.
8. In the event that either Party brings any action for any relief, declaratory or otherwise, arising out of this Assignment, or on account of any breach or default, the prevailing Party will be entitled to reasonable attorney's fees, costs and expenses from the other.
9. No term or provision of this Assignment will benefit any other person, firm, organization or corporation not a Party to this Assignment and the Line Payback Agreement, and no entity described in this paragraph will have any rights or causes of action.
10. The City will record this Assignment in the Office of the Maricopa County Recorder. It will record releases as the Owners under the Line Payback Agreement pay their pro rata share of the costs as stated in the Line Payback Agreement.

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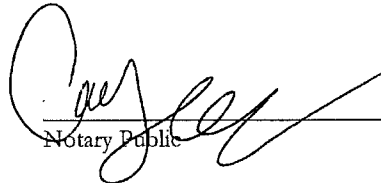
THE DEVELOPER

By:   
Jeff LabriolaCITY OF SCOTTSDALE, an  
Arizona Municipal CorporationBy:   
Scott Mars  
Planning and Engineering Director  
Water Resources DivisionSTATE OF ARIZONA )  
 ) ss.  
County of Maricopa )The foregoing instrument was acknowledged before me this 13<sup>th</sup> day of May, 2019, by Jeff Labriola.

My commission expires:

July 4, 2021STATE OF ARIZONA )  
 ) ss.  
County of Maricopa )  
Notary PublicThe foregoing instrument was acknowledged before me this 13<sup>th</sup> day of May, 2019 by the City of  
Scottsdale, an Arizona municipal corporation by Scott Mars.

My commission expires:

July 4, 2021  
Notary Public