

**ARIZONA STATE LAND DEPARTMENT
1110 WEST WASHINGTON STREET
PHOENIX, ARIZONA 85007**

PUBLIC AUCTION SALE NO. 53-122379

Pursuant to A.R.S. Title 37, notice is hereby given that the State of Arizona through its Arizona State Land Department (“ASLD”), will sell at Public Auction to the highest and best bidder at 11:00 a.m. on March 8, 2023 at the Arizona State Land Department, 1110 West Washington Street, 3175 Conference Room, Phoenix, Arizona 85007, or another location to be announced no less than seven (7) days prior to the auction, trust lands situated in Maricopa County to wit:

TOWNSHIP 4 NORTH, RANGE 4 EAST, G&SRM, MARICOPA COUNTY, ARIZONA

PARCEL: M&B THRU SWSWNE SENW N2NESW NWNWSE, SECTION 26,
CONTAINING 20.558 ACRES, MORE OR LESS.

LOCATION: NWC OF LEGACY BOULEVARD AND MILLER ROAD, SCOTTSDALE,
ARIZONA

BENEFICIARY: PERMANENT COMMON SCHOOLS

PROPERTY INFORMATION:

(A) The complete legal description of Land Sale No. 53-122379 (the “Subject Property”) is available in the file.

(B) The Subject Property has been appraised at \$28,070,000.00 (“Appraised Value”).

(C) There are no reimbursable improvements on the Subject Property.

(D) The Subject Property is subject to the Third Amended and Restated Development Agreement (the “Development Agreement”) between the City of Scottsdale (“City”) and the Arizona State Land Department (“ASLD”), which was filed in the Office of the Maricopa County Recorder at document 20180456551 on June 15, 2018.

(E) The complete file associated with the above-described Subject Property is open to public inspection at the ASLD, 1110 West Washington Street, Phoenix, Arizona 85007, from 8:00 a.m. to 4:30 p.m., exclusive of holidays and weekends. Please direct any questions regarding this Public Auction to the Real Estate Division of ASLD at (602) 542-3000. This auction notice is available on the ASLD's website at www.azland.gov.

BIDDING INFORMATION:

(A) Prior to the date of auction, a prospective bidder shall perform their own due diligence including without limitation, researching the records of local jurisdictions, all ASLD files pertinent to the auction Subject Property, including without limitation ASLD File No. 53-122379 and files of all other public agencies regarding the Subject Property.

(B) On the date of auction, a prospective bidder, or a representative of a prospective bidder, shall attend and bid on behalf of a prospective bidder.

(C) Prior to the start of bidding, a prospective bidder shall sign an affidavit agreeing that: they have undertaken due diligence in preparation for the auction, including without limitation review of the Development Agreement; they are purchasing the Subject Property solely upon the basis of their own due diligence and investigation of the Subject Property and not on the basis of any representation, express or implied, written or oral, made by ASLD or its agents or employees, except as set forth in writing herein; their representative is authorized to bid and bind the bidder; and they are purchasing the Subject Property AS IS and subject to the Development Agreement.

(D) Prior to the start of bidding, a prospective bidder must show ASLD's representative a **Cashier's Check** made payable to "Arizona State Land Department" in the amount specified under Terms of Sale Paragraph (F) below. If the prospective bidder is not the applicant, the amount of Cashier's Check shall be \$7,900,381.00. If the prospective bidder is the applicant, the amount of Cashier's Check shall be \$7,859,800.00.

(E) A prospective bidder who has complied with Paragraphs (A) through (D) above shall be deemed a "Registered Bidder" and may bid at the auction. ASLD shall only consider bids by Registered Bidders.

(F) The bidding will begin at the Appraised Value of \$28,070,000.00. A bid for less than the Appraised Value of the Sale Parcel will not be considered. Additional bidding must be made in increments of \$100,000.00. Bidding will be conducted orally.

(G) The time of declaration of the highest and best bid shall be deemed the "Time of Sale". A Registered Bidder whose bid is declared the highest and best bid shall be deemed the "Successful Bidder". The amount of the highest and best bid shall be deemed the "Sale Price".

(H) To comply with A.R.S. § 37-240(B), ASLD shall require that the Successful Bidder must be authorized to transact business in the State of Arizona no later than ten (10) business days after the date of the auction.

(I) Pursuant to A.R.S. § 37-241(C), in the event of forfeiture by the Successful Bidder, the ASLD Commissioner may declare that the bid placed before the final bid accepted is the highest bid, and that bidder has five (5) days after notification by ASLD to pay by cashier's check all amounts due under Terms of Sale Paragraph (F) below.

(J) Persons with a disability may request a reasonable accommodation such as a sign language interpreter by contacting the ADA Coordinator at (602) 542-2629. Requests should be made as early as possible to allow time to arrange the accommodation.

TERMS OF SALE:

(A) The Sale Parcel shall be purchased in an "AS-IS" condition "WITH ALL FAULTS", with no representation or warranty being made by ASLD of any type or nature. ASLD makes no warranty as to the following: (i) the physical condition or any other aspect of the Sale Parcel, including, but not limited to, the uses to which the Sale Parcel may be put, the ability to construct additional

improvements or modify existing improvements on any portion of the Sale Parcel or the ability to obtain building permits for any portion of the Sale Parcel, the conformity of the Sale Parcel to past, current or future applicable landscaping, parking, zoning or building code requirements, the existence of soil instability, past soil repairs, soil additions or conditions of soil fill, water retention characteristics of the Sale Parcel, drainage onto or off of the Sale Parcel, the location of the Sale Parcel either wholly or partially in a flood plain or a flood hazard boundary or similar area, or any other matter affecting the stability or integrity of the Sale Parcel or any improvements constituting the Sale Parcel; or (ii) the sufficiency of the Sale Parcel for purchaser's purposes or as to its continued operating conditions or usefulness. All implied warranties, including, without limitation, **WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, ARE HEREBY EXPRESSLY DISCLAIMED.**

(B) The Subject Property is sold subject to existing reservations, easements, and rights of way.

(C) ASLD does not represent or warrant that access exists over lands which may intervene respectively between the Sale Parcel and the nearest public roadway.

(D) Pursuant to A.R.S. § 37-231, the State of Arizona or its predecessor in title, reserve and retain all rights and all forms of access to all oil, gas, minerals, hydrocarbon substances, gaseous substances, and any other material which is essential to the production of fissionable materials as provided by the rules and regulations of ASLD and the laws of Arizona.

(E) Immediately following the Time of Sale, the Successful Bidder must sign an affidavit which states without limitation that they are the Successful Bidder and the amount of the Sale Price.

(F) Immediately following the Time of Sale, the Successful Bidder shall pay the following to ASLD by a cashier's check:

- 1) 25% of the Appraised Value of the Sale Parcel, which is \$7,017,500.00;
- 2) A Selling and Administrative Fee of 3% of the Appraised Value of the Sale Parcel, which is \$842,100.00;
- 3) Estimated Reimbursable Legal Advertising Costs of \$5,000.00;
- 4) Reimbursable Appraisal Fee of \$4,000.00;
- 5) Estimated Reimbursable Costs and Expenses of \$31,581.00, a portion of which amount may be refunded to the Successful Bidder if the Successful Bidder is not the applicant and the Actual Reimbursable Costs and Expenses are lower; and
- 6) A Patent Fee of \$200.00.

The total amount due at the Time of Sale is \$7,900,381.00 (less \$40,581.00 if the Successful Bidder is the applicant, for a total amount due of \$7,859,800.00).

(G) Within thirty (30) days after the date of auction the Successful Bidder must pay:

- 1) The full balance of the Sale Price;
- 2) A Selling and Administrative Fee of 3% of the Sale Price, less the amount paid under Terms of Sale Paragraph (F)(2) above; and
- 3) The actual Legal Advertising Costs, less the amount paid under Terms of Sale Paragraph (F)(3) above.

(H) No later than thirty (30) days after the auction date, the Successful Bidder shall pay directly to the City, or otherwise discharge or satisfy, the obligations allocated to the Subject Property pursuant to the Development Agreement, including: the Subject Property's share of the cost of the improvements for Legacy Blvd. between 74th Street to Hayden Road in the amount of \$1,000,000.00 pursuant to Paragraph 9.2; the Subject Property's share of the cost of the improvements for the Miller Road/Loop 101 underpass in the amount of \$176,796.00 pursuant to Paragraph 10; and the Subject Property's share of the regional drainage solution in the amount of \$71,434.00 pursuant to Paragraph 11. The total amount due by the Successful Bidder to the City for these obligations is \$1,248,230.00.

(I) When and if a Patent has been issued to the Successful Bidder by ASLD, a Broker Commission shall be paid from the Selling and Administrative Fee collected by ASLD pursuant to A.R.S. § 37-107(B)(1) to a broker otherwise eligible to receive a commission under A.A.C. R12-5-413. The Broker Commission shall be **\$280,000.00**. Any portion of the Selling and Administrative Fee collected in excess of a brokerage commission paid shall be collected and retained by ASLD.

(J) If the Successful Bidder fails to complete all payments as stated in this auction notice, the Successful Bidder shall forfeit all amounts paid, which amounts shall be deemed rent for the Sale Parcel pursuant to A.R.S. § 37-241(C)(1).

ADDITIONAL CONDITION(S):

(A) ASLD is allocating up to 20.55 acres of R-5 Zoning from the Development Plan (as defined in the Development Agreement) for use on the Subject Property.

(B) The Patent for the Sale Parcel shall include the following conditions and restrictions: There may be Register Eligible Site or Sites located within the subject property, which could include information significant in this state's history, architecture, archaeology, or culture and may meet eligibility criteria, which the Arizona State Parks Board has established for listing on the Arizona Register of Historic Places, or which meet eligibility criteria for listing on the National Register of Historic Places. If ground-disturbing activities will or may impact one or more Register Eligible Site or Sites, patentee shall consult with the State Historic Preservation Office and otherwise take such actions as are necessary to avoid, preserve, protect, or mitigate impacts on the Register Eligible Site or Sites. In the event that avoidance, preservation and protection of the Register Eligible Site or Sites cannot be accomplished, patentee shall ensure a Data Recovery Plan is developed in consultation with and acceptable to, the Arizona State Museum and the State Historic Preservation Office, or their successor agencies, and the Data Recovery is implemented and completed prior to the Register Eligible Site or Sites being affected. The artifacts and records recovered from the subject property shall be curated according to the Arizona State Museum Conservation and Curation Standards as established in rules implementing the Arizona Antiquities Act.

If human remains are encountered during ground-disturbing activities, all work must immediately cease within 30.48 meters (100 feet) of the discovery and the area must be secured. The Arizona State Museum must be notified of the discovery. All discoveries will be treated in accordance with Arizona Revised Statutes (A.R.S. § 41-844 and A.R.S. § 41-865) and work must not resume in this area without authorization from the Arizona State Museum.

These conditions shall run with the subject property, and be binding on the patentee's heirs, successors, and assigns.

BROKER INFORMATION:

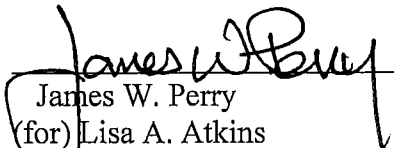
In the event a prospective bidder is represented by a licensed Arizona Real Estate Broker or Salesperson seeking a broker commission pursuant to A.R.S. § 37-132(B)(2), it is the responsibility of both the prospective bidder and the designated broker to register with ASLD no later than three (3) business days prior to the auction date. Registration must be submitted on the ASLD's Broker Registration/Bidder Certification form in accordance with A.A.C. R12-5-413. Original signatures of the Designated Broker, Salesperson, and Potential Bidder must all appear on one form. Facsimile copies will not be accepted by ASLD. The broker or salesperson of the Successful Bidder who has so registered with ASLD for this Auction will be required to sign an affidavit that the broker or salesperson is licensed pursuant to A.R.S. § 32-2101, et. Seq., identifies their client as the Successful Bidder, attests the broker or salesperson has no other affiliation with the Successful Bidder other than as a procuring broker or salesperson, and that the broker or salesperson actually procured the Successful Bidder for this Auction. **Broker Registration forms will not be accepted by ASLD for Public Auction No. 53-122379 after 5:00 p.m. on Friday, March 3, 2023.**

GENERAL INFORMATION:

ASLD may cancel this auction in whole or in part at any time prior to the acceptance of a final bid.

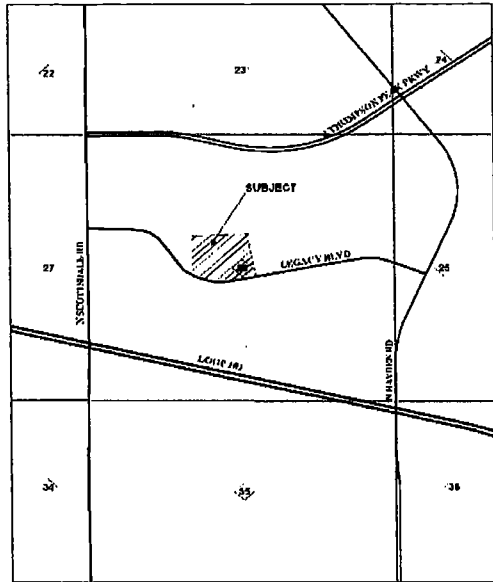
A protest to this sale must be filed within 30 days after the first day of publication of this announcement and in accordance with A.R.S. § 37-301.

THE TERMS AND CONDITIONS CONTAINED WITHIN THIS AUCTION NOTICE SHALL SURVIVE THE DELIVERY OF THE PATENT FOR THE SALE PARCEL.


James W. Perry
(for) Lisa A. Atkins
State Land Commissioner



12/15/22
Date



Disclaimer: This map is designed for general overview purposes only. Unless otherwise stated all depictions are approximate. Prospective bidders should review all information in ASLD's records relating to the Sale Parcel and seek technical or legal advice as needed to assure the understanding of all legal descriptions, plat maps, surveys, and other documents relevant to the Sale Parcel. Contact ASLD, Real Estate Division at (602) 542-3000 for additional information.