

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

**PUBLIC AUCTION SALE NO. 03-123811-28
75-YEAR COMMERCIAL LEASE**

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 Thursday, May 2, 2024, at the Arizona State Land Department, 1110 West Washington Street, 3175 Conference Room, Phoenix, Arizona, a 75-Year Ground Lease (the “Lease”) on trust lands situated in Maricopa County to wit:

TOWNSHIP 1 NORTH, RANGE 2 WEST, G&SRM, MARICOPA COUNTY, ARIZONA

PARCEL: M&B IN SE, SECTION 2, CONTAINING 57.71 ACRES, MORE OR LESS;

LOCATION: SOUTHWEST CORNER OF INTERSTATE 10 HIGHWAY AND THE LOOP
303 HIGHWAY, BUCKEYE, ARIZONA

**BENEFICIARY: (030) PERMANENT COMMON SCHOOLS (INDEMNITY
SELECTIONS)**

PROPERTY AND SELECT LEASE INFORMATION:

(A) The complete legal description of Commercial Lease No. 03-123811-28 (the “Parcel”) is available in its respective file.

(B) The Parcel has been appraised at \$24,500,000.00 (“Appraised Value”).

(C) The use(s) allowed under the Lease are: Educational Purposes. The commencement date of the Lease shall be the date of auction. The land will be developed in accordance with applicable zoning ordinances and stipulations.

(D) The Annual Rent for the Lease shall be based on the final amount of the Successful Bid at auction and shall be computed as 7.25% of the Successful Bid at auction for each of Lease Years One through Five, then escalating by 5.00% over the previous lease year’s Annual Rent amount in Lease Years Six and every Five years thereafter.

(E) For additional terms and conditions regarding annual rent and other obligations of the Lessee under the Lease, prospective bidders are advised to examine the lease document, as well as all pertinent files of ASLD.

(F) There are no reimbursable improvements on the Parcel.

(G) The complete file associated with the above-described Parcel is open to public inspection at the ASLD, 1110 West Washington Street, Phoenix, Arizona, 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 <https://land.az.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 and the Parcel, including, without limitation, ASLD File No. 03-123811-28, and files of all other public agencies regarding the Parcel.

(B) On the date of auction, a prospective bidder, or an authorized representative of a prospective bidder, shall attend and bid on behalf of the 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; they have carefully reviewed and are familiar with the terms of the Lease and have obtained the legal and other expert advice necessary to assess the value of the Parcel subject to the Lease; they are leasing the Parcel solely upon the basis of their own due diligence and investigation of the Parcel 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 leasing the Parcel AS IS.

(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 Paragraph (F) below. If the prospective bidder is not the applicant, the amount of Cashier's Check shall be \$2,574,250.00. If the prospective bidder is the applicant, the amount of Cashier's Check shall be \$2,511,250.00.

(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 \$24,500,000.00. A bid for less than the Appraised Value will not be considered. Additional bidding must be made in minimum 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 "Successful Bid".

(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 Paragraphs (F) and (G) 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:

(A) The Parcel shall be leased 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 Parcel, including, but not limited to, the uses to which the Parcel may be put, the ability to construct additional improvements or modify existing improvements on any portion of the Parcel or the ability to obtain building permits for any portion of the Parcel, the conformity of the 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 Parcel, drainage onto or off of the Parcel, the location of the 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 Parcel or any improvements constituting the Parcel; or (ii) the sufficiency of the Parcel for the Successful Bidder'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 Parcel is leased 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 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 and gaseous substances or 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 Successful Bid Price.

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

- 1) The first year's Rent based on the Appraised Value of the Parcel, which is \$1,776,250.00;
- 2) A Selling and Administrative Fee of 3% of the Appraised Value of the Parcel, which is \$735,000.00;
- 3) Estimated Reimbursable Legal Advertising Costs of \$5,000.00;
- 4) Reimbursable Appraisal Fee of \$3,000.00; and
- 5) Estimated Reimbursable Costs and Expenses of \$55,000.00, 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.

The total amount due at the Time of Sale is \$2,574,250.00 (less \$63,000.00 if the Successful Bidder is the applicant, for a total amount due of \$2,511,250.00).

(G) The Successful Bidder will have until 5:00 p.m. of the fifth business day following the date of the auction to deposit with the Department a cashier's check for the following:

- 1) The full balance of the first year's Rent based on the Successful Bid less the amount paid under Paragraph (F)(1) above;

2) A Selling and Administrative Fee of 3% of the Successful Bid, less the amount paid under Terms Paragraph (F)(2) above; and

Failure to deposit the additional first year's Rent based on the Successful Bid plus the additional Selling and Administration Fee by 5:00 p.m. on the fifth business day following the date of the auction shall result in the forfeiture of all amounts paid at the time of auction by the Successful Bidder.

(H) Within 30 days after the date of auction the Successful Bidder must pay the actual Legal Advertising Costs, less the amount paid under Terms Paragraph (F)(3) above.

(I) 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 Parcel pursuant to A.R.S. § 37-241(C)(1).

(J) No Selling and Administrative Fee shall be collected by ASLD if the successful bidder at auction is the beneficiary of the land trust.

ADDITIONAL CONDITION(S):

The Patent for the 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 the Successful Bidder has retained the services of a real estate broker, the Successful Bidder shall be solely responsible for compensating that broker.

GENERAL INFORMATION:

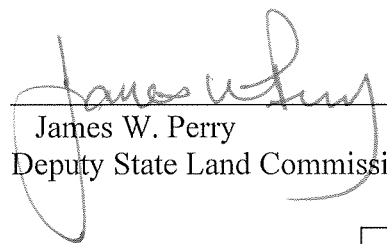
ASLD may cancel this auction in whole or in part at any time prior to the acceptance of a final bid.

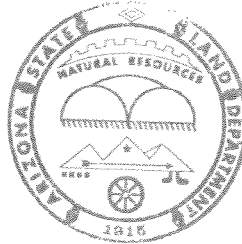
A protest to this sale must be filed within 30 days after the first day of publication of this announcement and in accordance with A.R.S. § 37-301.

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

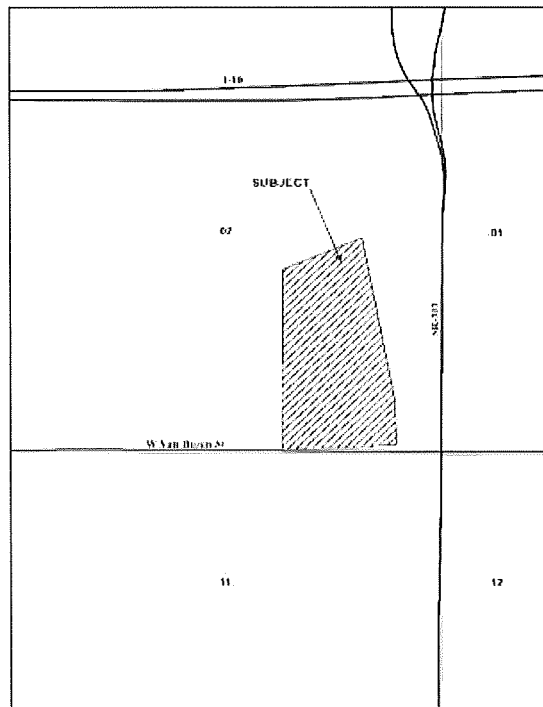
FOR LEASE INFORMATION CONTACT:

Bryan Sparks
Sales & Commercial Leasing Administrator
Real Estate Division
1110 West Washington Street
Phoenix, AZ 85007
(602) 542-3000


James W. Perry
Deputy State Land Commissioner



2/15/2024
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 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 Parcel. Contact ASLD, Real Estate Division at (602) 542-3000 for additional information.