

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

**PUBLIC AUCTION SALE NO. 53-122834 AND
PERPETUAL RIGHT OF WAY NO. 16-123042**

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 Wednesday, June 26, 2024, at the Arizona State Land Department, 1110 West Washington Street, 3175 Conference Room, Phoenix, Arizona, or another location to be announced no less than seven (7) days prior to the auction, trust lands situated in Maricopa County to wit:

LAND SALE NO. 53-122834: PARCEL 1 (THE "COMMERCIAL LEASE PARCEL")
TOWNSHIP 4 NORTH, RANGE 4 EAST, G&SRM, MARICOPA COUNTY, ARIZONA

PARCEL: PORTION OF TRACT 3, BLOCK 5 OF STATE PLAT 24 AMEND, SECTION 20, CONTAINING 18.543 ACRES, MORE OR LESS.

PARCEL: PORTION OF TRACT 7, BLOCK 5 OF STATE PLAT 24 AMEND, SECTION 29, CONTAINING 1.456 ACRES, MORE OR LESS.

TOTAL ACRES CONTAINING 20.00 ACRES, MORE OR LESS.

LOCATION: NWC STATE ROUTE 101 AND 56TH STREET, PHOENIX, ARIZONA.

LAND SALE NO. 53-122834: PARCEL 2 ("56th STREET PARCEL 1A")
TOWNSHIP 4 NORTH, RANGE 4 EAST, G&SRM, MARICOPA COUNTY, ARIZONA

PARCEL: PORTION OF TRACT 3 BLOCK 5 STATE PLAT 24 AMEND, SECTION 20, CONTAINING 1.496 ACRES, MORE OR LESS.

LOCATION: 56TH STREET WEST OF CENTERLINE AND NORTH OF STATE ROUTE LOOP 101 FREEWAY, PHOENIX, ARIZONA.

LAND SALE NO. 53-122834: PARCEL 3 ("56th STREET PARCEL 1B")
TOWNSHIP 4 NORTH, RANGE 4 EAST, G&SRM, MARICOPA COUNTY, ARIZONA

PARCEL: PORTION OF TRACT 7 BLOCK 5 OF STATE PLAT 24 AMEND, SECTION 29, CONTAINING 0.474 ACRES, MORE OR LESS.

LOCATION: 56TH STREET WEST OF CENTERLINE AND NORTH OF STATE ROUTE LOOP 101 FREEWAY, PHOENIX, ARIZONA.

LAND SALE NO. 53-122834: PARCEL 4 ("ADOT SR101L PARCEL")
TOWNSHIP 4 NORTH, RANGE 4 EAST, G&SRM, MARICOPA COUNTY, ARIZONA

PARCEL: PIMA FREEWAY R/W (LOOP 101) OF STATE PLAT 36 DESERT RIDGE SOUTH, SECTION 20, CONTAINING 25.072 ACRES, MORE OR LESS.

PARCEL: PIMA FREEWAY IN STATE PLAT 24, SECTION 29, CONTAINING 7.093 ACRES, MORE OR LESS.

TOTAL ACRES CONTAINING 32.165 ACRES, MORE OR LESS.

LOCATION: WEST OF 56TH STREET AND SOUTH OF THE "COMMERCIAL LEASE", PHOENIX, ARIZONA.

TOTAL ACRES OF LAND SALE NO. 53-122834 CONTAINING 54.135 ACRES, MORE OR LESS.

PERPETUAL RIGHT OF WAY NO. 16-123042: ("56TH STREET AND CITY NORTH DRIVE, PUBLIC ROADS WITH UNDERGROUND UTILITIES")
TOWNSHIP 4 NORTH, RANGE 4 EAST, G&SRM, MARICOPA COUNTY, ARIZONA

PARCEL 2A: M&B THRU TRACT 1, BLOCK 2, IN STATE PLAT 24 AMEND, SECTION 21, CONTAINING 0.079 ACRES, MORE OR LESS.

PARCEL 2B: M&B THRU TRACT 2, BLOCK 2, IN STATE PLAT 24 AMEND, SECTION 28, CONTAINING 0.000137 ACRES, MORE OR LESS.

PARCEL 2C: M&B THRU TRACT 1, BLOCK 2, IN STATE PLAT 24 AMEND, SECTION 21, CONTAINING 1.162 ACRES, MORE OR LESS.

PARCEL 2D: M&B THRU TRACT 1, BLOCK 2, IN STATE PLAT 24 AMEND, SECTION 21, CONTAINING 0.187 ACRES, MORE OR LESS.

TOTAL ACRES FOR PUBLIC ROADS WITH UNDERGROUND UTILITIES CONTAINING 1.428 ACRES, MORE OR LESS.

BENEFICIARY: PERMANENT COMMON SCHOOLS (INDEMNITY SELECTIONS)

PROPERTY INFORMATION:

(A) The complete legal description of Land Sale No. 53-122834, including the underlying fee of the Commercial Lease Parcel, 56th Street Parcel 1A, 56th Street Parcel 1B, and ADOT SR101L Parcel (hereinafter collectively referred to as the "Sale Parcel") are available in the sale file. The complete legal description of Right of Way No. 16-123042 (the "Right of Way") is available in its Right of Way file. The Sale Parcel and Right of Way are hereinafter collectively referred to as the "Subject Property". The Sale Parcel and the Right of Way will be auctioned together as one sale.

(B) The auction for the Sale Parcel is for the sale of the fee interest underlying ASLD Long-Term Commercial Lease No. 03-116780-99 (the "Commercial Lease") and portions of Rights of Way Nos. 16-091515 and 16-105768. The Commercial Lease Parcel is being sold subject to the Commercial Lease; ADOT SR101L is sold subject to Right of Way No. 16-091515; and 56th Street Parcel 1A & 56th Street Parcel 1B are sold subject to Right of Way No. 16-105768.

(C) The Subject Property has been appraised at \$6,616,365.00 ("Appraised Value"). The values of the Sale Parcel and the Right of Way are included in the Appraised Value of the Subject Property.

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

(E) The complete files associated with the above-described Subject Property are 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 Subject Property including without limitation ASLD File Nos. 53-122834, 16-123042, 03-116780, 16-091515, 16-105768, and files of all other public agencies regarding the Subject Property.

(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, the prospective bidder or an authorized representative of the prospective bidder shall sign an affidavit agreeing that: (1) the prospective bidder has undertaken due diligence in preparation for the auction; (2) the prospective bidder is purchasing the Subject Property solely upon the basis of its 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; (3) the prospective bidder has carefully reviewed and is familiar with the terms of the Commercial Lease; (4) the prospective bidder has obtained the legal and other expert advice necessary to assess the value of the Sale Parcel subject to the Commercial Lease; (5) the prospective bidder's representative is authorized to bid and bind the bidder; and (6) the prospective bidder is purchasing the Sale Parcel AS IS and subject to the Commercial Lease and Existing Rights of Way.

(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 \$1,882,332.20. If the prospective bidder is the applicant, the amount of Cashier's Check shall be \$1,872,582.20.

(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 \$6,616,365.00. A bid for less than the Appraised Value of the Subject Property 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 "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 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 OF SALE:

(A) The Subject Property 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 Subject Property, including, but not limited to, the uses to which the Subject Property may be put, the ability to construct additional improvements or modify existing improvements on any portion of the Subject Property or the ability to obtain building permits for any portion of the Subject Property, the conformity of the Subject Property 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 Subject Property, drainage onto or off of the Subject Property, the location of the Subject Property 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 Subject Property or any improvements constituting the Subject Property; or (ii) the sufficiency of the Subject Property 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 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 he/she is 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 Subject Property, which is \$1,654,091.25;
- 2) A Selling and Administrative Fee of 3% of the Appraised Value of the Subject Property, which is \$198,490.95;
- 3) Estimated Reimbursable Legal Advertising Costs, which are \$5,000.00;
- 4) Reimbursable Appraisal Fee, which is \$3,750.00;
- 5) Estimated Reimbursable Costs and Expenses not to exceed \$20,000.00, 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; and
- 6) Right of Way Assignment Application Fee of \$1,000.00.

The total amount due at the Time of Sale is \$1,882,332.20 (less \$9,750.00 if the Successful Bidder is the applicant, for a total amount due of \$1,872,582.20).

(G) Immediately following the Time of Sale, the Successful Bidder shall notify ASLD which of the following financial terms the Successful Bidder elects:

- 1) "The Patent Option", which requires within thirty (30) days after the date of auction payment of the following:
 - a) The full balance of the Sale Price;
 - b) A Selling and Administrative Fee of 3% of the Sale Price, less the amount paid under Terms of Sale Paragraph (F)(2) above;
 - c) The actual Legal Advertising Costs, less the amount paid under Terms of Sale Paragraph (F)(3) above; and
 - d) A Patent Fee of \$200.00; OR
- 2) "The Certificate of Purchase Option", which requires:
 - a) Within thirty (30) days after the date of auction payment of: (i) a Certificate of Purchase Fee of \$1,000.00; (ii) payment of an additional amount, if any, which, when added to the amount paid under Paragraph (F)(1) above, equals 25% of the Sale Price to be allocated to the principal; (iii) payment of a Selling and Administrative Fee of 3% of the Sale Price, less the amount paid under Terms of Sale Paragraph (F)(2) above; and (iv) the actual Legal Advertising Costs, less the amount paid under Terms of Sale Paragraph (F)(3) above; and
 - b) Within two (2) years after the date of the auction, payment of a Patent Fee of \$200.00, and the full balance of the Sale Price with simple interest, which begins to

accrue on the date of auction, until paid in full at a fixed rate equal to the greater of (i) the United States Prime Rate as published in the *Wall Street Journal* on the day of auction, plus 0.50% or (ii) 5.50% [By way of example, if the foregoing rate were calculated as of April 10, 2024, the rate would equal the greater of: (i) the United States Prime Rate of 8.5%, plus 0.50% (9.00%) or (ii) 5.50%]. The Successful Bidder may discharge the entire debt at any time, within two (2) years after the auction date, per A.R.S. § 37-241(G), by paying the remaining balance of the amount bid for the Sale Parcel, with interest thereon.

(H) The ASLD Commissioner has determined, pursuant to A.R.S. § 37-251(B), that the Successful Bidder may receive no more than three (3) partial patents and a final patent. In the event of a partial patent application, the Successful Bidder shall pay a release payment of principal and interest as calculated by ASLD, and in no event may the 25% down payment be credited towards the release payment for a partial patent. The Successful Bidder's first partial patent request shall be for the simultaneous issuance of two partial patents: one partial patent for the ADOT SR101L Parcel and one partial patent including both the 56th Street Parcel 1A and the 56th Street Parcel 1B. The Successful Bidder's second partial patent request shall be for the simultaneous issuance of two partial patents for portions of the Commercial Lease Parcel, which combined shall encompass all of the Commercial Lease Parcel.

(I) Until the remaining balance of the Sale Price for the Sale Parcel, with interest thereon, is paid in full, the Successful Bidder who elects the Certificate of Purchase Option under Terms of Sale Paragraph (G)(2) above shall not:

- 1) Construct any improvements (as that term is defined in A.R.S. § 37-101, as amended from time to time) on the Sale Parcel;
 - 2) Excavate any soil on the Sale Parcel; or
 - 3) Deposit any fill material on the Sale Parcel,
- without the prior written approval of ASLD, which may be conditioned or withheld in its sole discretion. If a partial patent is issued for a portion of the Sale Parcel, these conditions shall not apply to the patented area.

(J) Immediately following the Time of Sale, the Successful Bidder shall execute an Assignment and Assumption of Lessor's Interest in the Commercial Lease and shall execute Right of Way No. 16-123042 and complete the ASLD Assignment Application to assign the Right of Way to the City of Phoenix.

(K) Within thirty (30) days after a Patent has been issued, the Successful Bidder shall transfer the fee interest in ADOT SR101L Parcel to the Arizona Department of Transportation. The Successful Bidder shall notify ASLD of the transfer.

(L) Within thirty (30) days after a Patent has been issued, the Successful Bidder shall transfer the fee interest in the 56th Street Parcel 1A and 56th Street Parcel 1B to the City of Phoenix. The Successful Bidder shall notify ASLD of the transfer.

(M) 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):

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:

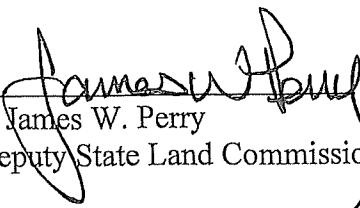
In the event the Successful Bidder has retained the services of a real estate broker, the Successful Bidder shall be solely responsible for compensating that broker.

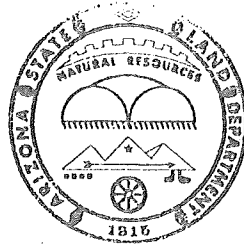
GENERAL INFORMATION:

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

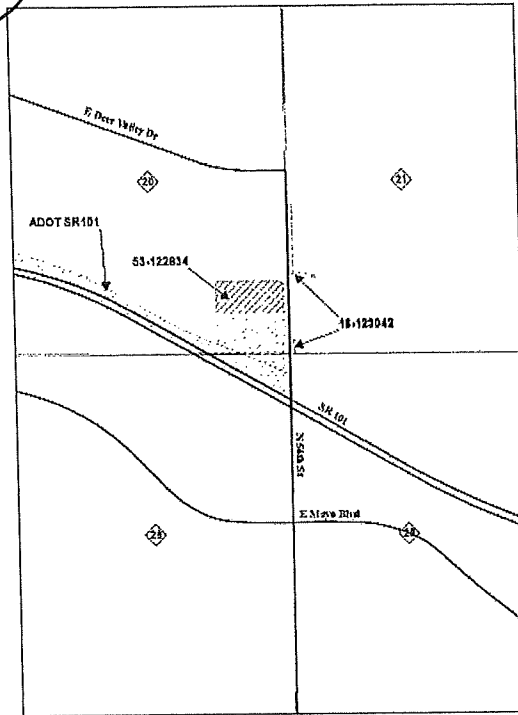
A protest to this sale must be filed within 30 days after the first day of publication of this announcement and in accordance with A.R.S. § 37-301.

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


James W. Perry
Deputy State Land Commissioner



4-11-2024
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 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.