

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

**PUBLIC AUCTION SALE NO. 53-125608 AND
PERPETUAL RIGHTS OF WAY NOS. 16-125669,
16-125670, 16-125671, 16-125672 AND 16-124841**

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 Friday, June 20, 2025, at the Arizona State Land Department, 1110 W. 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:

LAND SALE NO. 53-125608

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

PARCEL: TRACTS 3A, 3B, 3C, 3D1, P3, 3D2, 3G AND GC14 OF STATE PLAT 55
SECOND AMENDMENT, SECTION 27, CONTAINING 217.16 ACRES, MORE
OR LESS.

LOCATION: NWC SCOTTSDALE ROAD AND SR101, PHOENIX, ARIZONA

**PERPETUAL RIGHT OF WAY NO. 16-125669 (PUBLIC ROAD WITH UNDERGROUND
UTILITIES & TEMPORARY CONSTRUCTION EASEMENT)**

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

PARCEL: M&B THRU TRACTS 3A, 3B, 3C 3D1, 3D2, 3E1, 3F, 3G, 3G8, 3G8, 3G9, GC13,
GC14, IN STATE PLAT 55 SECOND AMENDMENT, SECTION 27,
CONTAINING 19.896 ACRES, MORE OR LESS.

PARCEL: M&B THRU TRACT 2, BLOCK 2, IN STATE PLAT 24 AMENDMENT,
SECTION 28, CONTAINING 0.765 ACRES, MORE OR LESS.

TOTAL ACRES FOR PUBLIC ROAD WITH UNDERGROUND UTILITIES & TEMPORARY
CONSTRUCTION EASEMENT CONTAINING 20.661 ACRES, MORE OR LESS.

**PERPETUAL RIGHT OF WAY NO. 16-125670 (UNDERGROUND SEWER LINE &
TEMPORARY CONSTRUCTION EASEMENT)**

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

PARCEL: M&B THRU TRACTS 8, GC14 IN STATE PLAT 55 SECOND AMENDMENT,
SECTION 27, CONTAINING 4.504 ACRES, MORE OR LESS.

PARCEL: M&B THRU TRACT 2, BLOCK 2, IN STATE PLAT 24 AMENDMENT,
SECTION 28, CONTAINING 12.652 ACRES, MORE OR LESS.

TOTAL ACRES FOR UNDERGROUND SEWER LINE & TEMPORARY CONSTRUCTION

EASEMENT CONTAINING 17.156 ACRES, MORE OR LESS.

PERPETUAL RIGHT OF WAY NO. 16-125671 (DRAINAGE FACILITIES)

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

PARCEL: M&B THRU TRACTS 3A, 3D2, IN STATE PLAT 55 SECOND AMENDMENT, SECTION 27, CONTAINING 7.219 ACRES, MORE OR LESS.

TOTAL ACRES FOR DRAINAGE FACILITIES CONTAINING 7.219 ACRES, MORE OR LESS.

PERPETUAL RIGHT OF WAY NO. 16-125672 (PUBLIC UTILITY EASEMENT & TEMPORARY CONSTRUCTION EASEMENT)

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

PARCEL: M&B THRU TRACTS 1, GC3, I1, IN STATE PLAT 55 SECOND AMENDMENT, SECTION 15, CONTAINING 2.182 ACRES, MORE OR LESS.

PARCEL: M&B THRU TRACT 2, BLOCK 1, IN STATE PLAT 24 AMENDMENT, SECTION 21, CONTAINING 2.515 ACRES, MORE OR LESS.

PARCEL: M&B THRU TRACTS 2A, 2B, 10, GC11, GC12, I1, I2, R2, R3 IN STATE PLAT 55 SECOND AMENDMENT, SECTION 22, CONTAINING 4.300 ACRES, MORE OR LESS.

PARCEL: M&B THRU TRACTS 3A, 3D1, 3D2, 3E1, 3E2, 3F, 3G, 8, 9, GC13, GC14 IN STATE PLAT 55 SECOND AMENDMENT, SECTION 27, CONTAINING 4.462 ACRES, MORE OR LESS.

TOTAL ACRES FOR PUBLIC UTILITY EASEMENT & TEMPORARY CONSTRUCTION EASEMENT CONTAINING 13.900 ACRES, MORE OR LESS.

PERPETUAL RIGHT OF WAY NO. 16-124841 (SERVICE ROAD)

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

PARCEL: M&B THRU TRACTS 3B, 3C, 8, GC14, IN STATE PLAT 55 SECOND AMENDMENT, SECTION 27, CONTAINING 8.858 ACRES, MORE OR LESS.

TOTAL ACRES FOR SERVICE ROAD CONTAINING 8.858 ACRES, MORE OR LESS.

BENEFICIARIES: PERMANENT COMMON SCHOOLS (INDEMNITY SELECTIONS)

PROPERTY INFORMATION:

(A) Complete legal descriptions of Land Sale No. 53-125608 (the "Sale Parcel") and Rights of Way Nos. 16-125669 (Public Road with Underground Utilities & Temporary Construction Easement), 16-125670 (Underground Sewer Line & Temporary Construction Easement), 16-125671 (Drainage Facilities), 16-125672 (Public Utility and Temporary Construction Easement) and 16-124841 (Service Road) (hereinafter collectively referred to as the "Rights of Way"), are

available in their respective files. The Sale Parcel and the Rights of Way are hereinafter collectively referred to as the "Subject Property".

(C) The Subject Property has been appraised at \$110,000,000.00. ("Appraised Value").

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

(E) The City of Phoenix ("COP" or the "City") has issued a letter dated March 26, 2025 addressed to ASLD titled: "53-124365 (PARADISE RIDGE PARCELS 3A and 3B)" (the "COP Infrastructure Letter"), which details the public infrastructure construction obligations and development standards, stipulations, fees and charges required by COP for development of the Subject Property. The estimated cost for this public infrastructure is over **ONE HUNDRED FORTY MILLION DOLLARS** (\$140,000,000.00) excluding electrical infrastructure, private utilities and interior streets. All prospective bidders should conduct their own independent cost analysis.

(F) The complete files associated with the 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 web site at <https://land.az.gov>.

BIDDING INFORMATION:

(A) Prior to the date of auction, a prospective bidder shall perform his/her 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. 53-125608, 16-125669, 16-125670, 16-125671, 16-125672, and 16-124841, and files of all other public agencies regarding the Subject Property, including without limitation, the City's files pertaining to the Subject Property.

(B) On the date of auction, a prospective bidder or a representative of a prospective bidder, other than the registered broker/salesperson, if any, 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; 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; they have carefully reviewed and are familiar with the terms of the COP Infrastructure Letter and have obtained the legal, engineering and other expert advice necessary to assess the value of the Subject Property subject to the requirements set forth in the COP Infrastructure Letter; their representative is authorized to bid and bind the bidder; and they are purchasing the Subject Property AS IS and subject to the requirements set forth in the COP Infrastructure Letter.

(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 \$14,381,500.00. If the prospective bidder is the applicant, the amount of Cashier's Check shall be \$14,316,500.00.

(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 \$110,000,000.00. 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 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 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 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 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 Subject Property 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 certifies without limitation the name of the Successful Bidder, the amount of the Sale Price, and that the Successful Bidder agrees to assume and perform all obligations of the Successful Bidder and of the owner of the Subject Property pursuant to the Terms of Sale of this auction notice.

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

- 1) 10% of the Appraised Value of the Subject Property, which is \$11,000,000.00;
- 2) A Selling and Administrative Fee of 3% of the Appraised Value of the Subject Property, which is \$3,300,000.00
- 3) Estimated Legal Advertising Costs Reimbursable to ASLD, which are \$5,000.00;
- 4) Appraisal Fee Reimbursable to ASLD of \$6,500.00;
- 5) Estimated Reimbursable Costs and Expenses not to exceed \$65,000.00, 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) Five (5) Right of Way Assignment Application Fees of \$1,000.00 each, totaling \$5,000.00.

The total amount due at the Time of Sale is \$14,381,500.00 (less \$65,000.00 if the Successful Bidder is the applicant, for a total amount due of \$14,316,500.00).

(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 Auction Date:
 - a) Payment to ASLD of the following:
 - i) A Selling and Administrative Fee of 3% of the Sale Price, less the amount paid under Terms of Sale Paragraph (F)(2) above;
 - ii) The actual Legal Advertising Costs, less the amount paid under Terms of Sale Paragraph (F)(3) above;
 - iii) A Patent Fee of \$200.00; and
 - b) Notwithstanding the time periods otherwise provided therein, satisfaction of Additional Conditions B and C below, which comprise a material inducement to the State to offer the Subject Property for sale, and payment of the balance of the Sale Price less any amounts paid under Terms of Sale (F)(1) above;
OR
- 2) "The Certificate of Purchase Option", which requires:
 - a) Within thirty (30) days after the Auction Date payment of: (i) a Certificate of Purchase Fee of \$1,000.00; (ii) payment of an additional amount which, when added to the amount paid under Paragraph (F)(1) above, equals 10% 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) Payment of six (6) annual installments of interest only due on the first, second, third, fourth, fifth and sixth anniversary of the date of auction; and final payment of the remaining principal balance with accrued interest due within seven (7) years after the date of auction, plus a Patent Fee of \$200.00. Interest shall be simple interest, which begins to accrue on the date of auction until paid in full at a variable rate equal to the CME Term SOFR 12-month as published in the *Wall Street Journal* on the day of auction plus 450 basis points.

(H) Irrespective of whether the Patent Option or Certificate of Purchase Option is selected, the Successful Bidder shall, within 60 days after receipt of notice from the City that additional funds are needed to complete construction of the PRFCI (described in Additional Condition C below), or alternatively pursuant to a schedule agreed upon between the Successful Bidder and ASLD based on the City's construction schedule and need for funds, pay to ASLD the amount requested, not to exceed the following amounts:

- 1) Nineteen million dollars (\$19,000,000.00) to be deposited by ASLD in its Performance and Restoration Fund for application toward the cost of the PRFCI, which amount shall be reimbursable to and retained by the Successful Bidder as more particularly described in Additional Conditions (C)(1) below; and
- 2) Eleven million dollars (\$11,000,000.00) to be deposited by ASLD in its Performance and Restoration Fund for application toward the cost of the PRFCI, which amount shall be reimbursable to and retained by the Successful Bidder as more particularly described in Additional Conditions (C)(2) below.

(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 Subject Property pursuant to A.R.S. § 37-241(C)(1).

(J) Immediately following the Time of Sale, the Successful Bidder shall execute the Rights of Way and complete the ASLD Assignment Applications to assign Rights of Way Nos. 16-125669, 16-125670, 16-125671 and 16-125672 to the City of Phoenix, subject to the terms thereof. Right of Way No. 16-124841 shall be assigned to the Arizona Department of Transportation. No patent or partial patent shall be issued until Successful Bidder has executed the Rights of Way and the Assignment Applications.

(K) When and if a Patent or Certificate of Purchase 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 \$500,000.00.** Any portion of the Selling and Administrative Fee collected in excess of a brokerage commission paid shall be collected and retained by ASLD.

(L) The Successful Bidder who elects the Certificate of Purchase Option under Terms of Sale Paragraph (G)(2) above shall not, without prior written approval of ASLD in its sole discretion:

- 1) Construct any improvements (as that term is defined in A.R.S. § 37-101),
- 2) Excavate any soil, or

3) Deposit any fill material,
on any portion of the Sale Parcel that has not been patented.

(M) If the Successful Bidder chooses the Certificate of Purchase Option outlined in Terms of Sale Paragraph (G)(2), the Successful Bidder may receive no more than four (4) partial patents (except for partial patents for roadways, utilities, and other public interests) of not less than 30 acres each. No part of the 10% down payment shall be credited against the release price for a partial patent. The Commissioner may set a partial patent release price higher than "par" (the Sale Price divided by the number of acres in the Sale Parcel) if the Commissioner determines that the value of the property remaining after the partial patent is less than the sum of the remaining principal balance of the Certificate of Purchase and the 10% down payment. Upon payment of the remaining principal balance with accrued interest, the Successful Bidder shall be entitled to a final patent (the "Final Patent"). The Successful Bidder may discharge the entire debt at any time, within seven (7) 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. Irrespective of whether the Successful Bidder elects the Patent Option provided in (G)(1) above or the Certificate of Purchase Option provided in (G)(2) above, the Final Patent shall not be issued until the Successful Bidder has provided the Trunk Infrastructure Assurance of Completion as required in Additional Condition (B)(1)(b) below.

ADDITIONAL CONDITION(S):

(A) The Patent for the Sale Parcel shall include the following conditions and restrictions:

(1) 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.

(B) Trunk Services/Infrastructure Condition.

(1) As a condition precedent to obtaining a patent for all or a portion of the Sale Parcel or to commencing construction on the Sale Parcel, on or before the date which is 10 months following the Auction Date (“Trunk Infrastructure Assurance Date”) the Successful Bidder shall deliver to ASLD:

- a) A phasing schedule for the planning, engineering, permitting and construction of Phase 1 infrastructure (i.e., the infrastructure required with respect to the land that is the subject of the first partial patent), including a construction commencement date within 12 months of the Auction Date and a completion date within 36 months of the Auction Date with respect to the Phase 1 infrastructure and a completion date of 120 months of the Auction Date with respect to the balance of infrastructure required by the COP Infrastructure Letter (“Trunk Infrastructure Phasing Schedule”) and applicable law.
- b) The Trunk Infrastructure Phasing Schedule shall include phased water and wastewater trunk lines and related improvements with sufficient capacity to provide water and wastewater services to new development in the Sale Parcel area; the dedication of right-of-way for and construction of necessary roadways (in each case if and when required by a Traffic Impact Analysis) including the full width of 64th Street from the existing ADOT traffic interchange at SR101 north to Deer Valley Drive, roadway access between Scottsdale Road and 64th Street following the Legacy Boulevard alignment, and Deer Valley Drive between 64th Street and Scottsdale Road; and any other improvements required by the City for development of the Sale Parcel, all as generally described in the COP Infrastructure Letter and in conformance with City standards and requirements for public infrastructure in form and substance as mutually approved by the City and ASLD.
- c) In addition to an Infrastructure Repayment Agreement for \$11 million for the PRFCI described in Additional Condition (C)(2) below, ASLD will enter into an Infrastructure Payback Agreement, prior to the commencement of construction, to reimburse the Successful Bidder for the final construction costs, less any impact fee credits or repayment from the City of Phoenix pursuant to any other agreement, for the build out as and when required by the City by a traffic impact study, for 64th Street, Legacy Boulevard (from 64th Street to the west boundary of the Subject Property) and Deer Valley Drive (except the south half of Deer Valley Drive adjacent to the Sale Parcel) referred to in Additional Condition B(1)(b) above (collectively, the “Street Improvements”). The reimbursement will be made by the purchasers of State Land parcels located in Paradise Ridge (each a “Reimbursement Parcel”). Each Reimbursement Parcel’s reimbursement amount shall be 25% of the Reimbursement Parcel’s appraised value, until the total reimbursement amount of \$30,000,000.00 is satisfied. Reimbursement payments from the Infrastructure Payback Agreement shall be made within sixty (60) days after the auction of each Reimbursement Parcel and will depend on the timing of sales of State Trust land in Paradise Ridge and shall not have any scheduled due date. Reimbursement payments to the Successful Bidder from the Reimbursement Parcels (excluding the Subject Property) shall not exceed \$30,000,000.00.
- d) Financial Assurance that the Trunk Services/Infrastructure will be completed (“Trunk Infrastructure Assurance of Completion”) within 36 months from the Auction Date with respect to the Phase 1 Trunk Services Infrastructure and 120 months from the Auction Date with respect to the balance of Trunk/Services Infrastructure required by the COP Infrastructure Letter (“Trunk Infrastructure

Outside Completion Date”), such assurance to be in the form of a cash bond, letter of credit, performance bond or equivalent, or other financial assurance in form and substance as approved by ASLD. In the event that the anticipated cost of the Trunk Services/Infrastructure increases after the initial Trunk Infrastructure Assurance of Completion is provided, ASLD may require that Successful Bidder increase the Trunk Infrastructure Assurance of Completion to match the amount of the anticipated increase in cost.

(2) The Trunk Services/Infrastructure Condition shall be satisfied upon the Successful Bidder delivering the Trunk Infrastructure Assurance of Completion to ASLD prior to the commencement of construction.

(3) The Successful Bidder shall be obligated to cause the Trunk Services/Infrastructure to be planned, engineered and constructed on or before the dates specified in, and otherwise in conformance with, the phasing schedule and Trunk Services/Infrastructure scope approved by ASLD pursuant to sub-Paragraph 1(a) above.

Extensions. Provided the Successful Bidder has timely complied with the terms set forth above, including timely delivering to ASLD written notice of any circumstance or occurrence that has affected, is affecting, or has the potential to affect the timely satisfaction of the applicable Conditions or, when applicable, the commencement, progress and completion of construction in accordance with the phasing schedules approved by ASLD, then, if a “force majeure” occurrence delays the progress or completion of specified milestones in a phasing schedule approved by ASLD, the Successful Bidder may request an extension that does not act to extend any completion date more than five years from the Auction Date, and the Commissioner may grant, in the Commissioner’s sole discretion, an extension of any of the dates referenced above (including any milestone date contained in a phasing schedule approved by ASLD). For this purpose, a force majeure occurrence may include acts of God (such as unusually severe weather), acts of the public enemy (including, without limitation, terrorist acts), insurrection, fires, floods, epidemics, quarantine restrictions, strikes, riots, lockouts, freight embargoes, failure or disruption of utilities or critical electronic systems, unforeseen environmental or archaeological conditions requiring investigation/mitigation by Applicable Laws, federal governmental restrictions, legal challenge to proceeding, or a combination of any of the foregoing or other similar event beyond the Successful Bidder’s reasonable control and without its fault or negligence that materially adversely affects the Successful Bidder’s ability to timely comply with such conditions, provided, in no event shall a “force majeure” occurrence include market or economic conditions.

(C) Paradise Ridge Flood Control Improvements Financial Contribution

(1) The nineteen million dollars (\$19,000,000.00) collected by ASLD pursuant to Terms of Sale (H)(1) above shall be applied toward the cost to complete the Paradise Ridge Flood Control Improvements (“PRFCI”), as described in the Paradise Ridge Flood Control Improvements Funding and Reimbursement Intergovernmental Agreement dated June 18, 2022 (the “IGA”), between ASLD and COP, as amended. This amount shall be reimbursed to and retained by the Successful Bidder from Drainage Impact Fees collected by COP pursuant to the terms of the IGA; and

(2) The eleven million dollars (\$11,000,000.00) collected by ASLD pursuant to Terms of Sale (H)(2) above shall also be applied toward the cost to complete the PRFCI. If the cost to

complete the PRFCI is less than the total of the amounts collected pursuant to (C)(1) and (C)(2) herein and amounts previously collected by ASLD for the PRFCI, any excess of the amounts collected over the cost to complete shall be returned to the Successful Bidder. The contribution made pursuant to this paragraph (C)(2) will be reimbursable to and retained by Successful Bidder through an Infrastructure Payback Agreement to be executed by the Successful Bidder and ASLD prior to the deposit of funds pursuant to Terms of Sale (H)(2) above and shall be funded by future State Trust Land purchasers in the vicinity of the PRFCI (each a "PRFCI Parcel"). Reimbursement payments from the Infrastructure Payback Agreement shall be made within sixty (60) days after the auction of each PRFCI Parcel and will depend on the timing of sales of State Trust land in the area benefitted by the PRFCI and shall not have any scheduled due date.

(D) Paradise Ridge Flood Control Project Maintenance Condition.

The Paradise Ridge Flood Control Project ("PRFCP", which includes the Paradise Ridge Flood Control Improvements), as described in the COP Infrastructure Letter, lies west of Scottsdale Road and forms the western boundary of the Sale Parcel. The Successful Bidder shall comply with all drainage requirements set forth in the COP Infrastructure Letter. The COP and PRFCP will require that all properties adjacent to the PRFCP channel, including the Sale Parcel, landscape, hardscape and maintain the portion of their properties abutting the PRFCP channel to COP standards. It is anticipated that Covenants, Conditions, Restrictions and Easements ("CC&Rs") will be recorded against the Sale Parcel and all other properties adjacent to the PRFCP channel to create an Owners Association providing for maintenance and operation of the channel and adjacent areas, and assessment against each Owner's parcel, including the Sale Parcel, for each parcel's pro rata share of the cost of such maintenance. The CC&Rs will also provide for easements across each Owner's property for access to and recreation along the property adjacent to the channel. At such time as the CC&Rs are created and recorded against the properties adjacent to the PRFCP channel, the Sale Parcel will be subjected to the CC&Rs and the Successful Bidder (or its successors and assigns) will become members of the Owners Association.

(E) Access to Right of Way No. 16-124841 (ADOT Service Road)

The Successful Bidder will be required to grant an easement over the Sale Parcel to the Arizona Department of Transportation (ADOT) for access from Scottsdale Road to the ADOT Service Road, in a location on the Sale Parcel that will not interfere with Successful Bidder's use or development of the Sale Parcel.

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 date of auction. 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 his/her 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. 53-125608 after 5:00 p.m. on Monday, June 16, 2025.**

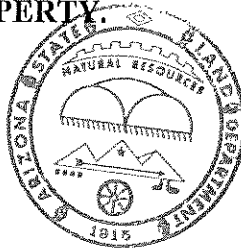
GENERAL INFORMATION:

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

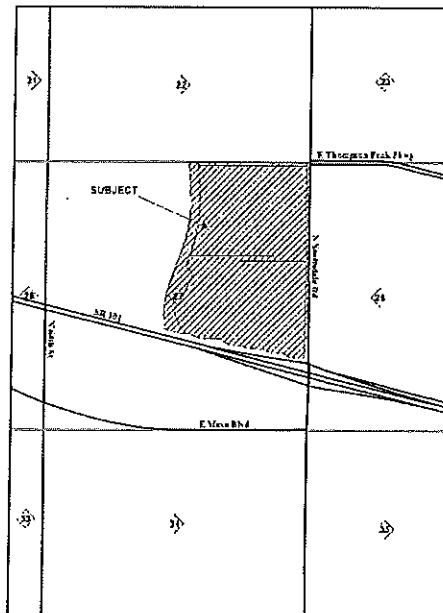
A protest to this sale must be filed within 30 days after the first day of publication of this announcement and in accordance with A.R.S. § 37-301.

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


James W. Perry
Deputy State Land Commissioner



4/4/2025
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 Subject Property 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 Subject Property. Contact ASLD, Real Estate Division at (602) 542-3000 for additional information.