**ARIZONA STATE LAND DEPARTMENT**
**1616 WEST ADAMS STREET**
**PHOENIX, ARIZONA 85007**

## PUBLIC AUCTION SALE NO. 53-117097

Pursuant to A.R.S. Title 37, notice is hereby given that the state of Arizona through its Arizona State Land Department (herein called ASLD), will sell at Public Auction to the highest and best bidder at 10:30 a.m. on Tuesday, April 14, 2015, at the Arizona State Land Department, 1616 West Adams Street, Lower Level Auditorium, Phoenix, Arizona, trust lands situated in Maricopa County to wit:

**TOWNSHIP 4 NORTH, RANGE 5 EAST, G&SRM, MARICOPA COUNTY, ARIZONA**

PARCEL: LOT 3 EXCEPT PATENT 104853, SECTION 18, CONTAINING 28.34 ACRES, MORE OR LESS.

PARCEL: LOT 4 EXCEPT PATENT 104853, SECTION 18, CONTAINING 30.09 ACRES, MORE OR LESS.

TOTAL ACRES CONTAINING 58.43 ACRES, MORE OR LESS.

LOCATION: EAST OF PIMA ROAD, NORTH AND SOUTH OF LOS GATOS DRIVE, SCOTTSDALE, ARIZONA

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

For a complete legal description of the land, prospective bidders are advised to examine the purchase application file as well as all pertinent files of ASLD.

The land has been appraised at $11,000,000.00 and consists of 58.43 acres, more or less. There are no reimbursable improvements.

The above-described lands are sold subject to existing reservations, easements, or rights of way.

The ASLD does not represent or warrant that access exists over lands, which may intervene respectively between the above parcel(s) and the nearest public roadway.

The complete file associated with the described land is open to public inspection at the ASLD, 1616 West Adams 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 ***www.azland.gov.***

Pursuant to the provisions of 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.

Each potential bidder must show ASLD's representative a cashier's check made payable to the Arizona State Land Department in the amount specified under Terms of Sale Paragraph (A) below.

**TERMS OF SALE:**

**(A)** *At the time of sale* the successful bidder must pay the following by a cashier's check: (1) 25% of the appraised value of the land, which is $2,750,000.00; (2) A Selling and Administrative Fee of the greater of $300,000.00 or 2.5% of the appraised value of the lands, which is $300,000.00; (3) Reimbursable Estimated Advertising Fee, which is $5,000.00; (4) Reimbursable Appraisal Fee, which is $2,400.00; and (5) Reimbursable Costs and Expenses, not to exceed $14,420.00. The total amount due at the time of sale is $3,071,820.00 (less $21,820.00 if the successful bidder is the applicant for a total amount due of $3,050,000.00).

**(B)** Upon the declaration as the highest and best bidder, the successful bidder must notify the ASLD's representative which of the following Options he/she/it elects to pay:

1. The full balance of the amount bid for the land within thirty days after the day of auction and a Patent Fee of $200.00; OR
2. A Certificate of Purchase Fee of $1,000.00 and an additional amount which when added to the amount paid under (A)(1) above equals 25% of the amount bid for the land to be allocated to the principal, and agree to pay the balance of the amount bid for the land with simple interest 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 0.25% or (ii) 5.25%. [By way of example, if the foregoing rate were calculated as of January 21, 2015, the rate would equal the greater of: (i) the United States Prime Rate of 3.25%, plus 0.25% (3.50%) or (ii) 5.25%.] Interest begins to accrue on the day of auction. The form of the Certificate of Purchase is available for view in the purchase application file for Public Auction No. 53-117097, at the ASLD, 1616 West Adams Street, Phoenix, Arizona, from 8:00 a.m. to 4:30 p.m., exclusive of holidays and weekends. **THE TOTAL AMOUNT WILL BE DUE AND PAYABLE ONE YEAR FROM THE DATE OF AUCTION. The successful bidder may discharge the entire debt at any time, within one year after the auction date, per A.R.S. § 37-241, by paying the remaining balance of the amount bid for the land, with interest thereon, and the Patent Fee.**

**(C)** Within 30 days after the auction date the successful bidder must pay:

1. The additional amounts due according to the Option elected on the day of auction pursuant to Terms of Sale (B) above; and
2. A Selling and Administrative Fee of the greater of $300,000.00 or 2.5% of the purchase price, less the amount paid under (A)(2) above. If the purchase price exceeds $25 million, the Selling and Administrative Fee will be the greater of $625,000.00 or 2.0% of the purchase price, less the amount paid under (A)(2) above; and
3. The actual legal advertising cost, less the amount paid under Terms of Sale (A)(3) above.

**(D)** The Commissioner has determined that partial patents and payment extensions will not be allowed for this transaction.

**(E)** The ASLD Commissioner has determined that, when and if the successful bidder performs all acts required to become entitled to a Certificate of Purchase or a Patent, 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 Arizona Administrative

Code: Title 12. Natural Resources: Chapter 5. Land Department: Article 4. Sales (R12-5-413). **The Broker Commission shall not exceed $110,000.00 and shall be paid from the Selling and Administrative Fee.** Any fee collected in excess of a brokerage commission paid shall be collected and retained by ASLD. **No commission shall be paid to the broker until a Certificate of Purchase or a Patent has been issued to the successful bidder by ASLD.**

**BIDDING INFORMATION:**

**(A)** The time of sale shall be deemed to be the time of declaration of the highest and best bidder. The bidding will begin at the total appraised value of $11,000,000.00. A bid for less than the appraised value of the land or by a party who has not inspected the land and/or the associated files and records of ASLD will not be considered. Additional bidding increments shall be a minimum of $100,000.00 thereafter. Bidding will be conducted orally.

**(B)** All bidders must sign an affidavit stating that they have undertaken due diligence in preparation for the auction, that their representative is authorized to bid and bind the bidder and that they are purchasing the property AS IS. It is the bidder's responsibility to research the records of local jurisdictions, all ASLD files pertinent to the purchase application file including the purchase application file, and all other public agencies regarding this property. Notice is hereby given that the 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. All bidders shall acknowledge and agree pursuant to the aforementioned affidavit that they are purchasing the property solely upon the basis of their own due diligence and investigation of the property and not on the basis or any representation, express or implied, written or oral, made by ASLD or it agents or employees, except as set forth in writing herein. Without limiting the generality of the forgoing, notice is hereby given that ASLD makes no warranty as to the following: (a) the physical condition or any other aspect of the property, including, but not limited to, the uses to which the property may be put, the ability to construct additional improvements or modify existing improvements on any portion of the property or the ability to obtain building permits for any portion of the property, the conformity of the 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, susceptibility to landslides, sufficiency of undershoring, water retention characteristics of the property, drainage onto or off of the property, the location of the 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 land or any improvements constituting the property; or (b) the sufficiency of the 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. This notice shall survive the delivery of the Certificate of Purchase and Patent for the subject property.

**(C)** Pursuant to A.R.S. §37-240(B), the successful bidder must be authorized to transact business in the state of Arizona no later than three (3) business days after the auction. The successful bidder must sign an affidavit stating it is the successful bidder and sign a Certification Statement pursuant to A.R.S. Title 37 and the Rules of ASLD.

**(D)** If the successful bidder fails to complete the payments as stated in the auction notice together with the additional required fees within 30 days from the auction date, all amounts paid at the time of auction by the successful bidder will be forfeited.

**(E)** In the event of forfeiture, the ASLD Commissioner may declare that the bid placed before the final bid accepted is the highest bid, and that the bidder has five (5) days after notification by ASLD to pay by cashier's check all amounts due.

**(F)** A representative of the bidder, other than the registered broker/salesperson, must attend and bid on behalf of the bidder.

**BROKER INFORMATION:**
In the event the potential bidder is represented by a broker seeking a broker commission pursuant to A.R.S.§37-132(B)(2), it is the responsibility of both the potential 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 R12-5-413. Original signatures of Broker, Salesperson, and Potential Bidder must all appear on one form. Facsimile copies will not be accepted by ASLD. The real estate broker/salesperson of the successful bidder who has so registered with ASLD for this Auction will be required to sign an affidavit that he/she is licensed pursuant to A.R.S. §32-2101, et. seq., identify his/her client as the successful bidder, has no other affiliation with the successful bidder other than as a procuring broker and that he/she actually procured the successful bidder for this Auction. **Broker Registration forms will not be accepted by ASLD for Public Auction No. 53-117097 after 5:00 p.m. on Thursday, April 9, 2015.**

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

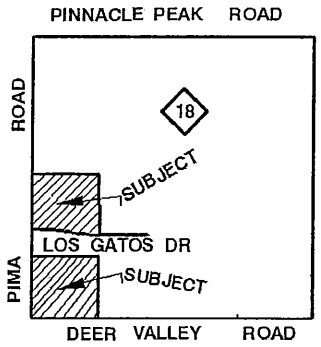
A protest to this sale must be filed within 30 days after the first day of publication of this announcement and in accordance with A.R.S. §37-301.

Persons with a disability may request a reasonable accommodation such as a sign language interpreter, by contacting the ADA Coordinator, at (602) 542-2636. Requests should be made as early as possible to allow time to arrange the accommodation.

Max D. Masel
State Land Real Estate Director

ARIZONA STATE LAND DEPARTMENT 1915

1/21/15
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 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 property. Contact ASLD, Real Estate Division at (602) 542-3000 for additional information.