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

PUBLIC AUCTION SALE NO. 53-121237

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, September 10, 2020, 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 4 EAST, G&SRM, MARICOPA COUNTY, ARIZONA

PARCEL: TRACT 14A OF STATE PLAT 16B PER BOOK 394 PAGE 42, SECTION 36, CONTAINING 73.57 ACRES, MORE OR LESS.

LOCATION: SEC OF HAYDEN ROAD AND LOOP 101, SCOTTSDALE, ARIZONA

BENEFICIARY: PERMANENT COMMON SCHOOLS

PROPERTY INFORMATION:
(A) The complete legal description of Land Sale No. 53-121237 (the "Sale Parcel") is available in its respective file.

(B) The Sale Parcel has been appraised at $31,710,000.00 ("Appraised Value").

(C) There are no reimbursable improvements on the Sale Parcel.

(D) The Sale Parcel is subject to the Third Amended and Restated Development Agreement (the "Development Agreement") between the City of Scottsdale and the ASLD, filed in the Office of the Maricopa County Recorder on June 15, 2018 at document number 20180456551.

(E) The complete file associated with the above-described Sale Parcel 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 website at ***www.azland.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 the Sale Parcel, including, without limitation, ASLD File No. 53-121237, and files of all other public agencies regarding the Sale Parcel.

(B) 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 Sale Parcel solely upon the basis of their own due diligence and investigation of the Sale 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 purchasing the Sale Parcel AS IS.

(C) 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.

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

(E) The bidding will begin at the Appraised Value of $31,710,000.00. A bid for less than the Appraised Value of the Sale Parcel will not be considered. Additional bidding must be made in minimum increments of $100,000.00. Bidding will be conducted orally.

(F) The time of sale shall be deemed to be the time of declaration of the highest and best bid (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".

(G) 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.

(H) 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. Upon payment, the bidder whose bid is declared the highest bid pursuant to this paragraph shall be deemed the Successful Bidder, and the amount of their bid shall be deemed the Sale Price.

(I) 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: (a) 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, susceptibility to landslides, sufficiency of undershoring, 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 (b) 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 Sale Parcel is sold subject to existing reservations, easements and rights of way.

(C) ASLD does not represent or warrant that legal or physical 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, the amount of the Sale Price and that the Successful Bidder agrees to assume and perform all obligations of the owner of the Sale Parcel pursuant to the Development Agreement and 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 Sale Parcel, which is $3,171,000.00;
2) A Selling and Administrative Fee of 3% of the Appraised Value of the Sale Parcel, which is $951,300.00;
3) Estimated Legal Advertising Costs of $5,000.00;
4) Reimbursable Appraisal Fee to ASLD of $3,250.00;
5) Reimbursable Costs and Expenses to ASLD of $53,665.00; and
6) A Patent Fee of $200.00.

The total amount due at the Time of Sale is $4,184,415.00.

(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) THE ENTIRE SALE PRICE, TOGETHER WITH THE AMOUNTS SPECIFIED IN (F) AND (G) ABOVE, SHALL BE DUE WITHIN 30 DAYS OF THE DATE OF AUCTION.

(I) Pursuant to Paragraph 9.2 of the Development Agreement, the Successful Bidder shall pay, or otherwise discharge its obligation to pay, $2,183,535.98 to the City of Scottsdale no later than thirty (30) days after the date of auction.

(J) Pursuant to Paragraphs 10 and 11 of the Development Agreement, the Successful Bidder may be required by the City of Scottsdale to pay, or otherwise discharge its obligations to pay, contributions toward future regional transportation infrastructure and future drainage infrastructure costs. These obligations, their limitations, and amounts are outlined in the Development Agreement.

(K) Pursuant to the Development Agreement, the Successful Bidder shall designate a four-acre (net) site to be dedicated for civic use.

(L) Development shall be limited to the use of the I-1 zoning district outlined in the Development Plan of the Development Agreement.

(M) The Successful Bidder shall be required to complete and dedicate to the City of Scottsdale all elements required in zoning case 19-ZN-2002#6, including that portion of Mayo Boulevard planned through the Sale Parcel along the alignment as shown on the existing Graphics and Plans included in case 19-ZN-2002#6, or as otherwise agreed between the City of Scottsdale and the Successful Bidder.

(N) 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.

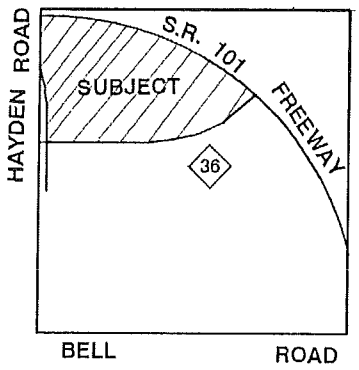
GENERAL INFORMATION:
ASLD may cancel this auction in whole or in part at any time prior to the acceptance of a final bid.

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 PATENT FOR THE SALE PARCEL.

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

6/12/2020
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.