



**BOARD OF SUPERVISORS AGENDA ITEM REPORT**  
**CONTRACTS / AWARDS / GRANTS**

Requested Board Meeting Date: June 6, 2017

or Procurement Director Award

**Contractor/Vendor Name (DBA):** Shetland Properties Co., LLC (The Fairfax Companies)

**Project Title/Description:**

Fairfax Land Exchange PR-0103, Land exchange between Pima County and Shetland Properties Co. LLC, ACQ-0447, 0448, & 0547

**Purpose:**

The County and Shetland propose to exchange property along the Santa Cruz River. The County property is 8.35 +/- acres of tax parcel 226-27-008B (the "County Property"). The Shetland exchange property is a total of 8.627 acres consisting of portions of tax parcels 226-28-005B, 226-32-004E, & 226-35-006V (the "Exchange Property"). The parcels are located in T12S, R12E, S35 & 36, G & SRM, Pima County, Arizona. The County Property and the Exchange Property are depicted on the attached map for reference. County desires to acquire the Exchange Property which contains some existing bank protection, for bank protection improvement, maintenance, and additions to the multi-use path. The values of the County Property and the Exchange Property are substantially equal in value in accordance with Arizona Revised Statute §11-251(44). Notice of the exchange will be published 30 days before the close of escrow pursuant to Arizona Revised Code §11-251(44).

**Procurement Method:**

Exempt pursuant to Pima County Code 11.04.020.

**Program Goals/Predicted Outcomes:**

The County will acquire river channel property needed to maintain existing bank protection along the Santa Cruz River via an exchange with Shetland Properties Co., LLC for County surplus property.

**Public Benefit:**

The County will have the right to maintain bank protection along the Santa Cruz River to protect the public from potential future flood waters and add to the and add a multi-use path system along the Santa Cruz River.

**Metrics Available to Measure Performance:**

The County will acquire 8.627 ac. of property along the Santa Cruz River in exchange for 8.35 ac. of surplus property for a not to exceed amount of \$1,500.00 in closing costs.

**Retroactive:**

N/A

To: CoB 5-22-17 (1)

Ver. - 1

PJS - 30

Procure Dept 05/19/17 PM02:04

**Original Information**

Document Type: CT Department Code: PW Contract Number (i.e.,15-123): 17\*0369

Effective Date: 6-6-17 Termination Date: 10/5/2017 Prior Contract Number (Synergen/CMS): \_\_\_\_\_

Expense Amount: \$ 1,500.00  Revenue Amount: \$ \_\_\_\_\_

Funding Source(s): PW-RPS General Fund

Cost to Pima County General Fund: \$1,500.00

Contract is fully or partially funded with Federal Funds?  Yes  No  Not Applicable to Grant Awards

Were insurance or indemnity clauses modified?  Yes  No  Not Applicable to Grant Awards

Vendor is using a Social Security Number?  Yes  No  Not Applicable to Grant Awards

If Yes, attach the required form per Administrative Procedure 22-73.

**Amendment Information**

Document Type: \_\_\_\_\_ Department Code: \_\_\_\_\_ Contract Number (i.e.,15-123): \_\_\_\_\_

Amendment No.: \_\_\_\_\_ AMS Version No.: \_\_\_\_\_

Effective Date: \_\_\_\_\_ New Termination Date: \_\_\_\_\_

Expense  Revenue  Increase  Decrease Amount This Amendment: \$ \_\_\_\_\_

Funding Source(s): \_\_\_\_\_

Cost to Pima County General Fund: \_\_\_\_\_

Contact: Greg Foster

Department: Public Works - Real Property Telephone: 724-6681

Department Director Signature/Date: [Signature] 5-8-2017

Deputy County Administrator Signature/Date: [Signature] 5/18/17

County Administrator Signature/Date: [Signature] 5/18/17  
(Required for Board Agenda/Addendum Items)




SECTION 35, 36  
 TOWNSHIP 12 SOUTH  
 RANGE 12 EAST

SUBJECT AREA



SECTION 35, 36  
 G&SRM  
 PIMA COUNTY, ARIZONA



-  PC PIT AREA
-  PC EXCHANGE PROPERTY
-  SHETLAND EXCHANGE PROPERTIES



PIMA COUNTY DEPARTMENT OF TRANSPORTATION  
 ENGINEERING INFORMATION MANAGEMENT

DRAWING NOT TO SCALE

DRAWN BY: CPerez

DATE REVISED: 03/31/2017  
 DATE: 08/22/2016

<p><b>PIMA COUNTY DEPARTMENT OF REAL PROPERTY SERVICES</b></p> <p><b>PROJECT: Exchange Agreement</b></p> <p><b>PARTIES: Shetland Properties Co. LLC, an Arizona limited liability company</b></p> <p><b>And</b></p> <p><b>Pima County, a political subdivision of the State of Arizona</b></p> <p><b>COSTS: \$1500.00</b> (closing costs &amp; title insurance)</p>	<table border="1"> <tr> <td style="text-align: center;"><b>CONTRACT</b></td> </tr> <tr> <td>NO. <u>CT-PW-17-369</u></td> </tr> <tr> <td>AMENDMENT NO. _____</td> </tr> <tr> <td><small>This number must appear on all invoices, correspondence and documents pertaining to this contract.</small></td> </tr> </table>	<b>CONTRACT</b>	NO. <u>CT-PW-17-369</u>	AMENDMENT NO. _____	<small>This number must appear on all invoices, correspondence and documents pertaining to this contract.</small>
<b>CONTRACT</b>					
NO. <u>CT-PW-17-369</u>					
AMENDMENT NO. _____					
<small>This number must appear on all invoices, correspondence and documents pertaining to this contract.</small>					

**EXCHANGE AGREEMENT**

1. **Parties; Effective Date.** This Exchange Agreement (the "**Agreement**") is between, Shetland Properties Co., L.L.C., an Arizona Limited Liability Company ("**Shetland**"), and Pima County, a political subdivision of the State of Arizona ("**County**"). This Agreement will become effective on the date when the parties have signed it (the "**Effective Date**"). The County is deemed to have signed the Agreement on the date the Chairman of the Pima County Board of Supervisors signed it.

2. **Exchange Properties.**

2.1. County owns the real property legally described on **Exhibit A** the "**County Property**".

2.2. Shetland owns the real property in Pima County, Arizona, legally described and depicted on **Exhibit B** the "**Exchange Property**":

2.3. County and Shetland shall exchange the County Property, of 8.35± acres valued at about \$8,000.00 and the Exchange Property, of 8.627± acres valued at about \$8,200.00 pursuant to A.R.S. § 11-251(44) (the "**Exchange**"). The Parties agree that the values are substantially equal in value. The County shall publish notice thirty days before

the Exchange, listing the ownership and descriptions of the Exchange Property and the County Property.

3. **Donation.** SHETLAND acknowledges that if the value of the Exchange Property exceeds the value of the County Property, the decision to donate the Exchange Property was made without any undue influence or coercive action of any nature, and SHETLAND hereby waives the right to an appraisal and to just compensation. If SHETLAND obtains an appraisal which determines that the fair market value ("FMV") of the Exchange Property is greater than the fair market value of the County Property, then SHETLAND may claim a charitable contribution deduction for federal income tax purposes equal to the difference between the FMV of the Exchange Property less the fair market value of the County Property. County agrees to promptly execute IRS Form 8283, and any other form required of a donee by the Internal Revenue Code of 1986, as amended, or any regulation thereunder. County shall have no liability whatsoever arising out of SHETLAND'S charitable contribution. The availability of the contribution shall not be a condition to Closing.

4. **Vacant Land.** The parties acknowledge that the Exchange Property and the County Property are vacant land and that no personal property is being transferred.

5. **Inspection Rights.**

5.1. Access and Possession. Upon execution of this Agreement and until Closing, Shetland hereby grants permission to County, County's representatives, and County's authorized agents to enter the Exchange Property for due diligence, including for land survey, biological and cultural survey, and environmental assessment. Upon execution of this Agreement until Closing, County hereby grants permission to SHETLAND, SHETLAND's representatives, and SHETLAND's authorized agents to enter the County Property for due diligence, including for land survey, biological and cultural survey, and environmental assessment. Each party shall deliver possession on the date of Closing

5.2. Each party shall permit the other party to conduct such inspections of the others property as deemed necessary to determine the environmental condition of the property. If the investigations reveal the presence of contamination or the need to conduct environmental cleanup, each party shall conduct a cleanup of its property adequate to bring the property into compliance prior to closing or the other party may terminate this Agreement.

6. **Escrow and Title.**

6.1. Proration and Closing Costs. SHETLAND shall pay all taxes on the Exchange Property to the date of Closing. Expenses incidental to transfer of title, including title reports, recording fees, escrow fees, and releases, shall be paid 50% by the County and 50% by SHETLAND.

6.2. Escrow and Title Agent. The Title Company and Escrow Agent shall be Title Security Agency, LLC ("**Title Company**"), Rhonda Herrera ("**Escrow Agent**") and this Agreement shall be used as escrow instructions in connection with the escrow established with Escrow Agent under this Agreement (the "**Escrow**"). Escrow Agent shall make reasonably suitable arrangements with County, upon County's request, to have County execute all of the documents to be executed by County as provided in this Agreement at the office of Escrow Agent that is located the closest to the office of County.

6.3. Title Commitment.

6.3.1. *Commitment.* Escrow Agent will distribute to County a Commitment for Standard Owner's Title Insurance on the Exchange Property and the Easements (the "**Commitment**") together with complete and legible copies of all documents which will remain as exceptions to County's policy of title insurance. Escrow Agent will distribute to SHETLAND a Commitment for Standard Owner's Title Insurance on the County Property together with complete and legible copies of all documents which will remain as exceptions to SHETLAND's policy of title insurance.

6.3.2. *Permitted Exceptions*

6.3.2.1. SHETLAND shall deliver title to the Exchange Property at Closing subject to all matters of record, but the Closing shall be contingent upon County being insured pursuant to the Commitment and subject only to the exceptions listed in **Exhibit C except item 12**, which SHETLAND shall cause to be removed, hereto (the "*Permitted Exceptions to Exchange Property*") and the title policy shall be in the following amount of \$8,500.00.

6.3.2.2. County shall deliver title to the County Property pursuant to the provisions of Section 11.2 hereof, subject to all matters of record, but the Closing shall be contingent upon SHETLAND being insured pursuant to the Commitment and subject only to the exceptions listed in **Exhibit D** hereto (the "**Permitted Exceptions to County Property**"), and the title policy shall be in the amount of \$8,500.00.

6.3.2.3. Each conveyance of the County Property and the Exchange Property shall be by Special Warranty Deed subject to all matters of record. The Closing of this transaction shall be contingent upon the Title Company insuring title to County subject only to the Permitted Exceptions to Exchange Property, and insuring title to SHETLAND subject only to the Permitted Exceptions to County Property. The Special Warranty Deed to the Exchange Property shall be in the form attached hereto as **Exhibit E** and shall contain the various reservations set forth therein. The Special Warranty Deeds to the County Property shall be in the form attached hereto as **Exhibit F**.

6.3.3. *Amended Commitment.* In the event Title Company should issue an Amended Commitment for Title Insurance to one of the parties which discloses an Exception(s) not previously disclosed, that party shall have 15 days after the receipt of the Amended Commitment and the new Exceptions (the "**Disapproval Period**") within which to notify the other party and the Escrow Agent in writing of its disapproval of any new Exceptions shown thereon (the "**Disapproval Notice**"). In the event of such disapproval, the party receiving the Disapproval Notice shall have 10 days from receipt of the Disapproval Notice in which to notify the disapproving party in writing whether it intends to eliminate each of the disapproved Exceptions prior to the Closing (the "**Notice Period**"). If the party receiving the Disapproval Notice fails to notify the disapproving party of its intent with respect to the disapproved items within that time or if it elects not to cure all disapproved items, the disapproving party may terminate this Agreement and the Escrow shall be canceled. If the Amended Commitment is issued less than 15 days prior to the date of the Closing, then the date of the Closing shall be deemed to be extended until the end of the Disapproval Period and the Notice Period, if applicable; provided however, that Closing must occur as provided in section 10.1.

7. **Security Interest.** Prior to Closing, each party shall obtain from any lienholders releases of (i) all nonconsensual liens, including but not limited to tax liens, mechanics liens, and judgment liens, and (ii) all consensual liens, including but not limited to mortgages, deeds of trusts, and contracts for sale, as required for the fee transfer of the County Property and Exchange Property, free and clear of all liens and encumbrances.

## 8. **Closing Documents.**

8.1. County shall execute and deliver to Escrow Agent a special warranty deed conveying title to the County Property to SHETLAND as provided in form attached hereto, and said deed shall be executed, delivered and recorded only in accordance with Section 11.2.

8.2. At Closing, SHETLAND shall execute and deliver to Escrow Agent a special warranty deed to the Exchange Property in form attached hereto.

9. **Closing Date.** Closing shall be on or before the later of (a) 120 days after the date this Agreement is approved by the Board of Supervisors or (b) 30 days after receipt of all necessary releases or consents from Lienholders.

10. **Representations.**

10.1. Each party represents that, to the best of its knowledge (i) no pollutants, contaminants, toxic or hazardous substances, wastes or materials have been stored, used, or are located on its property or within any surface or subsurface waters thereof; (ii) that no underground tanks have been located on its property; (iii) that its property is in compliance with all federal, state, and local environmental laws, regulations, and ordinances; and (iv) that no legal action of any kind has been commenced or threatened with respect to its property..

10.2. Subject only to the representations of the parties in this Section 11, each party acknowledges that neither party has made any representations or warranties of any nature to the other, and the property interests acquired by each party are acquired "AS IS" and "WHERE IS," with all faults and limitations, and all defects, latent or otherwise. Each party who is the grantee of the interests subject to this Agreement further represents to the other that it has fully and completely examined the property, conducted inspections thereof, including environmental assessments to the extent such grantee has felt necessary or advisable, and releases the other party from any and all liability, obligation or responsibility in any way relating to the condition of the land. This release survives closing.

11. **No Leases.** Each party represents that there are no oral or written leases, rental agreements, licenses, permits, or any other agreements permitting a third party to use or occupy all or any portion of its property.

12. **Broker's Commission.** The parties acknowledge that no broker or finder has been used for this transaction. Each party shall indemnify and hold harmless the other against fees, costs, and expenses of defending against such claims made by any one claiming to have been employed for this transaction.

13. **No Sale.** Neither party shall sell or encumber its property before closing.

14. **Notices.**



14.1. Writing. All notices required or permitted to be given hereunder shall be in writing and may be given in person or by United States mail, by local or nationwide delivery/courier service or by electronic transmission (for instance, e-mail to the e-mail addresses indicated below).

14.2. Receipt. Such notices and other communications shall be deemed to be given and received as follows: (a) upon actual receipt, if delivered personally; (b) upon actual receipt, if transmitted by e-mail on a business day before 5:00 p.m. (Tucson time); (c) upon the next business day following transmission if transmitted by e-mail on a day which is not a business day or if transmitted after 5:00 p.m. (Tucson time) on a business day; (d) the next business day, if delivered by overnight courier; or (e) three days following deposit in the mail, if delivered by mail postage prepaid, addressed to that party at his/her/their/its designated address. The designated address of a party shall be the address of that party shown below or such other address within the United States of America that any party from time to time may specify by written notice to the other parties at least 15 days prior to the effective date of such change, but no such notice of change shall be effective unless and until received by the other parties.

14.3. Rejection. Rejection or refusal to accept, or inability to deliver because of changed address or because no notice of changed address is given, shall be deemed to be receipt of any such notice.

14.4. Notice to Entity. Any notice to an entity shall be deemed to be given on the date specified in this section without regard to when such notice is delivered by the entity to the individual to whose attention it is directed and without regard to the fact that proper delivery may be refused by someone other than the individual to whose attention it is directed. If a notice is received by an entity, the fact that the individual to whose attention it is directed is no longer at such address or associated with such entity shall not affect the effectiveness of such notice.

14.5. Address. County and SHETLAND agree that any notice sent to the address set forth below shall serve as notice by County or SHETLAND, as the case may be, to the other:

*If to County:*

Neil J. Konigsberg, Manager  
Pima County Real Property Services  
201 N Stone Ave, 6<sup>th</sup> Flr

Page 6 of 10

Tucson, AZ 85701-1412  
Telephone: 520.740.5750  
E-mail: neil.konigsberg@pima.gov

If to SHETLAND:

Jason Tankersley  
The Fairfax Companies  
1360 N. Kolb Road  
Tucson, AZ 85715-4922  
Telephone: 520.290.9313  
E-mail: tank@ffsite.net

15. **Conflict of Interest.** This Agreement is subject to cancellation within three years after its execution pursuant to A.R.S. § 38-511 if any person significantly involved in initiating, negotiating, securing, drafting, or creating this Agreement on behalf of County is, at any time while this Agreement or any extension of the Agreement is in effect, an employee or agent of any other party to the Agreement with respect to the subject matter of the Agreement.

16. **Counterparts.** This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together constitute one and the same instrument. The signature pages from one or more counterparts may be removed from such counterparts and such signature pages all combined to a single instrument.

17. **Survival of Representation and Warranties.** All representations and warranties contained herein survive the closing for ten years.

18. **Entire Agreement.** This signed document constitutes the entire Agreement between the parties, and no modification or amendment to this Agreement will be binding unless in writing and signed by both parties.

19. **Remedies.** If either party defaults under this Agreement, the other party may pursue all rights and remedies available at law or in equity.

20. **Exhibits.** The following Exhibits to this Agreement are fully incorporated herein as if set forth at length. To the extent that any Exhibits to this Agreement or to any of the Exhibits hereto are not available at the execution hereof, they shall be added by the Parties prior to Closing and shall be in form and substance reasonably satisfactory to the Parties.

<b><u>Exhibit A</u></b>	<b>Legal Description of County Property</b>
<b><u>Exhibit B</u></b>	<b>Legal Description of Exchange Property</b>
<b><u>Exhibit C</u></b>	<b>Permitted Exceptions to Exchange Property</b>
<b><u>Exhibit D</u></b>	<b>Permitted Exceptions to County Property</b>
<b><u>Exhibit F</u></b>	<b>Form of Special Warranty Deed (County Parcel)</b>
<b><u>Exhibit E</u></b>	<b>Form of Special Warranty Deed (Exchange Property)</b>

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Each Party is signing this agreement on the date stated opposite that Party's signature.


**FOR: Shetland Properties Co., L.L.C., an Arizona limited liability company**

**BY: Fairfax Management Co., LLC, an Arizona limited liability company, the managing member of Shetland Properties Co., L.L.C.**

**Its: Manager:**

  
\_\_\_\_\_  
Jason A Tankersley Member Date 4-25-17

  
\_\_\_\_\_  
Amanda Jae Tankersley Myers Member Date 4/25/17

  
\_\_\_\_\_  
Amanda Jae Tankersley Myers Member Date 4-25-17  
2012 Irrevocable Trust

  
\_\_\_\_\_  
Jason A Tankersley Member Date 4-25-17  
2012 Irrevocable Trust

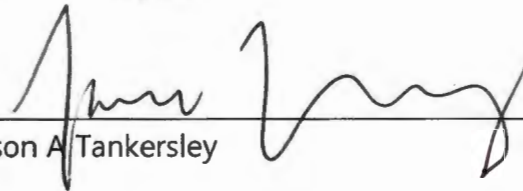
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Each Party is signing this agreement on the date stated opposite that Party's signature.

**FOR: Shetland Properties Co., L.L.C., an Arizona limited liability company**

**BY: Fairfax Management Co., LLC, an Arizona limited liability company, the managing member of Shetland Properties Co., L.L.C.**

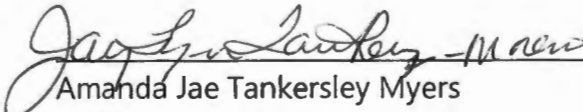
**Its: Manager:**

  
\_\_\_\_\_  
Jason A Tankersley Member

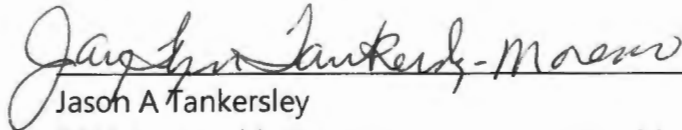
4-25-17  
Date

\_\_\_\_\_  
Amanda Jae Tankersley Myers Member

\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Amanda Jae Tankersley Myers  
2012 Irrevocable Trust Member

4-25-17  
Date

  
\_\_\_\_\_  
Jason A Tankersley  
2012 Irrevocable Trust Member

4-25-17  
Date

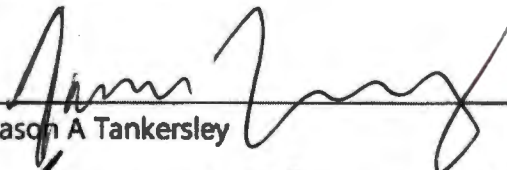
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Each Party is signing this agreement on the date stated opposite that Party's signature.

**FOR: Shetland Properties Co., LLC., an Arizona limited liability company**

**BY: Fairfax Management Co., LLC, an Arizona limited liability company, the managing member of Shetland Properties Co., LLC.**

**Its: Manager:**

  
\_\_\_\_\_  
Jason A Tankersley Member

4/25/17  
\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Amanda Jae Tankersley Myers Member

4/25/17  
\_\_\_\_\_  
Date

\_\_\_\_\_  
Amanda Jae Tankersley Myers  
2012 Irrevocable Trust Member

\_\_\_\_\_  
Date

\_\_\_\_\_  
Jason A Tankersley  
2012 Irrevocable Trust Member

\_\_\_\_\_  
Date

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**COUNTY: PIMA COUNTY, a political subdivision of the State of Arizona:**

\_\_\_\_\_  
Chair, Board of Supervisors

\_\_\_\_\_  
Date

ATTEST:

\_\_\_\_\_  
Julie Castaneda, Clerk of Board

\_\_\_\_\_  
Date

APPROVED AS TO CONTENT:

  
\_\_\_\_\_  
Neil J. Konigsberg, Manager, Real Property Services

 5/18/17  
\_\_\_\_\_  
Carmine DeBonis, Deputy County Administrator, Public Works

APPROVED AS TO FORM:

 5/1/17  
\_\_\_\_\_  
Tobin Rosen, Deputy County Attorney

**Parcels 226-28-005B, 226-32-004E, 226-35-006V, & 226-27-008B**



## EXHIBIT A

### LEGAL DESCRIPTION

A PORTION OF THE PARCEL CONVEYED AND DESCRIBED IN THE WARRANTY DEED RECORDED IN DOCKET 7870 AT PAGE 1272, RECORDS OF THE PIMA COUNTY RECORDER, PIMA COUNTY, ARIZONA, BEING WITHIN THE SOUTHEAST QUARTER OF THE NORTHWEST QUARTER OF SECTION 35, TOWNSHIP 12 SOUTH, RANGE 12 EAST, GILA AND SALT RIVER MERIDIAN, PIMA COUNTY, ARIZONA, DESCRIBED AS FOLLOWS:

**COMMENCING** AT THE EAST ONE QUARTER CORNER OF SAID SECTION 35 AS MONUMENTED BY A HALF INCH REBAR WITH NO IDENTIFICATION TAG AND 0.7 FEET BELOW SURFACE;

THENCE SOUTH  $89^{\circ}57'25''$  WEST 2625.37 FEET UPON THE EAST-WEST MID-SECTION LINE OF SAID SECTION 35 TO THE CENTER ONE QUARTER CORNER OF SECTION 35 AND THE SOUTHEAST CORNER OF SAID PARCEL RECORDED IN DOCKET 7870 AT PAGE 1272;

THENCE NORTH  $00^{\circ}18'11''$  WEST 365.72 FEET UPON THE NORTH-SOUTH MID-SECTION LINE AND THE EAST LINE OF SAID PARCEL TO THE **POINT OF BEGINNING** ON A NON-TANGENT CURVE CONCAVE NORTHEASTERLY, THE RADIUS POINT OF SAID CURVE BEARS NORTH  $38^{\circ}38'23''$  EAST;

THENCE NORTHWESTERLY UPON THE ARC OF SAID CURVE TO THE RIGHT, HAVING A RADIUS OF 1835.00 FEET AND A CENTRAL ANGLE OF  $29^{\circ}14'07''$ , FOR AN ARC DISTANCE OF 936.31 FEET TO A TANGENT LINE;

THENCE NORTH  $22^{\circ}07'30''$  WEST 223.53 FEET TO THE NORTH LINE OF SAID PARCEL, BEING ALSO THE NORTH LINE OF SAID SOUTHEAST QUARTER OF THE NORTHWEST QUARTER;

THENCE NORTH  $89^{\circ}56'04''$  EAST 633.23 FEET UPON SAID NORTH LINES TO THE NORTHEAST CORNER OF SAID PARCEL AND SAID NORTH-SOUTH MID-SECTION LINE;



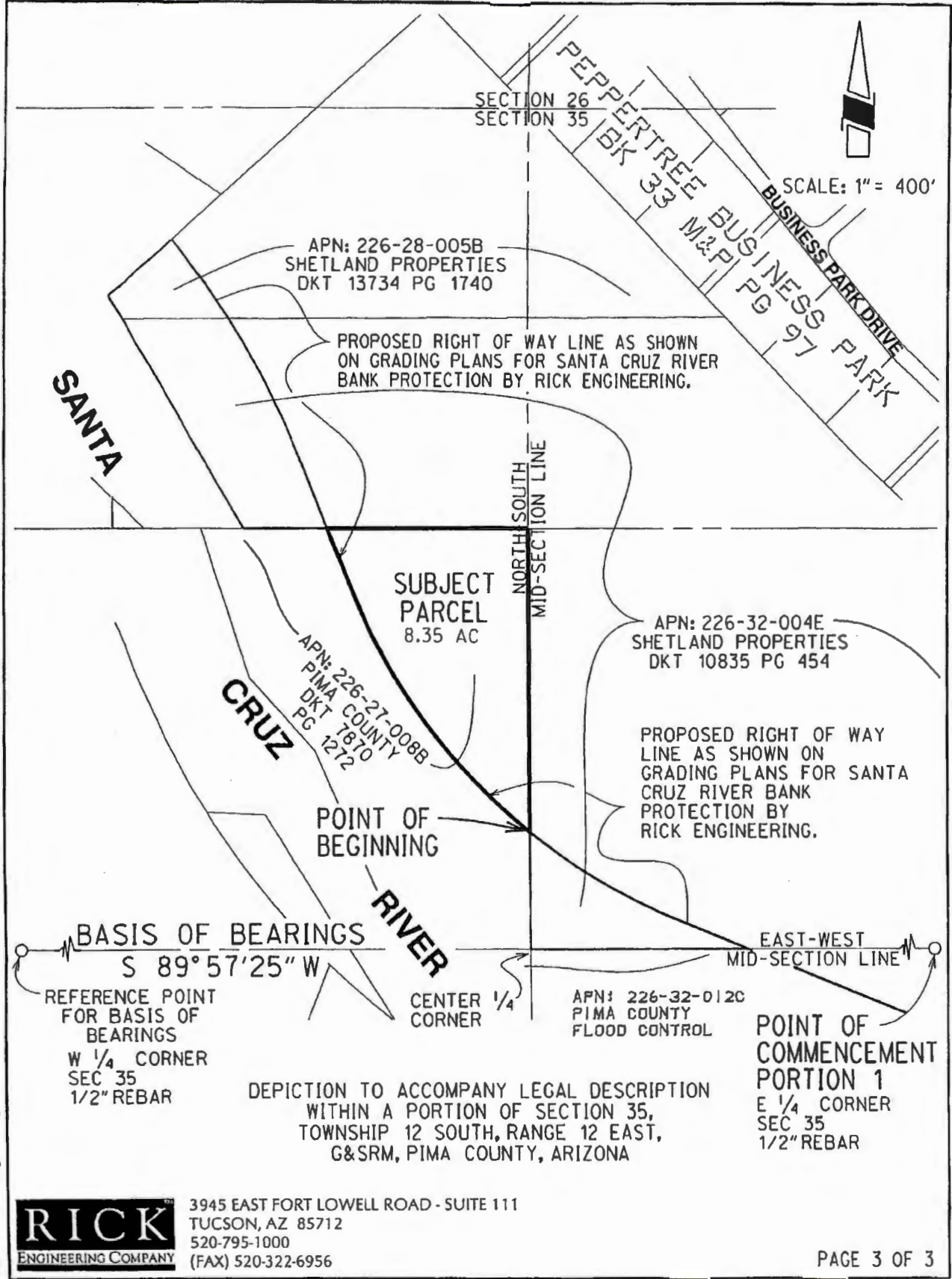
THENCE SOUTH 00°18'11" EAST 949.99 FEET UPON THE EAST LINE OF SAID PARCEL AND UPON SAID MID-SECTION LINE TO THE **POINT OF BEGINNING.**

CONTAINING 8.3494 ACRES, MORE OR LESS.

THE BASIS OF BEARINGS FOR THIS LEGAL DESCRIPTION IS THE EAST-WEST MID-SECTION LINE OF SECTION 35 AS MONUMENTED BY SAID HALF INCH REBAR WITH NO IDENTIFICATION TAG AND 0.7 FEET BELOW SURFACE AT THE EAST ONE QUARTER CORNER OF SECTION 35 AND BY ANOTHER HALF INCH REBAR WITH NO IDENTIFICATION TAG AT THE WEST ONE QUARTER CORNER OF SECTION 35; THE DISTANCE BETWEEN SAID MONUMENTS BEING 5236.65 FEET AND SAID BEARING BEING: SOUTH 89°57'25" WEST.

F:\4187\_Misc\_Surveying\_Services\Survey\4187W\_Ina\_Road\_North\_Pit\Legal\4187LG02\_COUNTY\_TO\_SHETLAND.Docx





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3945 EAST FORT LOWELL ROAD - SUITE 111  
TUCSON, AZ 85712  
520-795-1000  
(FAX) 520-322-6956

EXHIBIT B

**LEGAL DESCRIPTION**

A PORTION OF THE PARCEL CONVEYED AND DESCRIBED IN THE GRANT DEED RECORDED IN DOCKET 10835 AT PAGE 454, RECORDS OF THE PIMA COUNTY RECORDER, PIMA COUNTY, ARIZONA, TOGETHER WITH A PORTION OF THE PARCEL CONVEYED AND DESCRIBED IN THE SPECIAL WARRANTY DEED RECORDED IN DOCKET 13734 AT PAGE 1740, SAID RECORDS OF THE PIMA COUNTY RECORDER, BEING WITHIN THE NORTH HALF OF SECTION 35, TOWNSHIP 12 SOUTH, RANGE 12 EAST, GILA AND SALT RIVER MERIDIAN, PIMA COUNTY, ARIZONA, DESCRIBED AS FOLLOWS:

**PORTION 1**

**COMMENCING** AT THE EAST ONE QUARTER CORNER OF SAID SECTION 35 AS MONUMENTED BY A HALF INCH REBAR WITH NO IDENTIFICATION TAG AND 0.7 FEET BELOW SURFACE;

THENCE SOUTH 89°57'25" WEST 1927.04 FEET UPON THE EAST-WEST MID-SECTION LINE OF SAID SECTION 35 TO THE **POINT OF BEGINNING** ON THE SOUTH LINE OF SAID PARCEL RECORDED IN DOCKET 10835 AT PAGE 454;

THENCE CONTINUE SOUTH 89°57'25" WEST 698.33 FEET UPON SAID EAST-WEST MID-SECTION LINE AND UPON SAID SOUTH LINE TO THE CENTER ONE QUARTER CORNER OF SECTION 35 AND THE SOUTHWEST CORNER OF SAID PARCEL;

THENCE NORTH 00°18'11" WEST 365.72 FEET UPON THE NORTH-SOUTH MID-SECTION LINE AND THE WEST LINE OF SAID PARCEL TO **POINT "A"** ON A NON-TANGENT CURVE CONCAVE NORTHEASTERLY, THE RADIUS POINT OF SAID CURVE BEARS NORTH 38°38'23" EAST;

THENCE SOUTHEASTERLY UPON THE ARC OF SAID CURVE TO THE LEFT, HAVING A RADIUS OF 1835.00 FEET AND A CENTRAL ANGLE OF 16°45'53", FOR AN ARC DISTANCE OF 536.92 FEET TO A TANGENT LINE;

THENCE SOUTH 68°07'30" EAST 256.62 FEET TO THE **POINT OF BEGINNING**.

**PORTION 2**

**COMMENCING** AT SAID **POINT "A"**;

THENCE NORTH 00°18'11" WEST 949.99 FEET UPON SAID NORTH-SOUTH MID-SECTION LINE AND UPON THE WESTERLY LINE OF SAID PARCEL RECORDED IN DOCKET 10835 AT PAGE 454 TO THE SOUTHEAST CORNER OF THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 35, BEING AN ANGLE POINT IN SAID WESTERLY LINE;

THENCE SOUTH 89°56'04" WEST 633.23 FEET UPON THE SOUTH LINE OF SAID NORTHEAST QUARTER OF THE NORTHWEST QUARTER AND UPON SAID WESTERLY

LINE OF THE PARCEL TO THE **POINT OF BEGINNING**;

THENCE CONTINUE SOUTH 89°56'04" WEST 266.87 FEET UPON SAID SOUTH LINE OF THE NORTHEAST QUARTER AND UPON SAID WESTERLY LINE OF THE PARCEL TO ANOTHER ANGLE POINT IN SAID WESTERLY LINE;

THENCE NORTH 30°18'35" WEST 839.50 FEET UPON SAID WESTERLY LINE OF SAID PARCEL AND UPON THE WEST LINE OF THE PARCEL CONVEYED AND DESCRIBED IN THE SPECIAL WARRANTY DEED RECORDED IN DOCKET 13734 AT PAGE 1740 TO THE MOST WESTERLY CORNER THEREOF;

THENCE NORTH 47°45'42" EAST 263.54 FEET UPON THE NORTH LINE OF SAID PARCEL TO A NON-TANGENT CURVE CONCAVE SOUTHWESTERLY, THE RADIUS POINT OF SAID CURVE BEARS SOUTH 50°19'32" WEST;

THENCE, DEPARTING SAID NORTH LINE, SOUTHEASTERLY UPON THE ARC OF SAID CURVE TO THE RIGHT, HAVING A RADIUS OF 2565.00 FEET AND A CENTRAL ANGLE OF 17°32'58", FOR AN ARC DISTANCE OF 785.65 FEET TO A TANGENT LINE;

THENCE SOUTH 22°07'30" EAST 248.38 FEET TO THE **POINT OF BEGINNING**.

BOTH PORTIONS TOGETHER CONTAINING 8.4896 ACRES MORE OR LESS.

THE BASIS OF BEARINGS FOR THIS LEGAL DESCRIPTION IS THE EAST-WEST MID-SECTION LINE OF SECTION 35 AS MONUMENTED BY SAID HALF INCH REBAR WITH NO IDENTIFICATION TAG AND 0.7 FEET BELOW SURFACE AT THE EAST ONE QUARTER CORNER OF SECTION 35 AND BY ANOTHER HALF INCH REBAR WITH NO IDENTIFICATION TAG AT THE WEST ONE QUARTER CORNER OF SECTION 35; THE DISTANCE BETWEEN SAID MONUMENTS BEING 5236.65 FEET AND SAID BEARING BEING: SOUTH 89°57'25" WEST.

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SCALE: 1" = 400'

SECTION 26  
SECTION 35

APN: 226-28-005B  
SHETLAND PROPERTIES  
DKT 13734 PG 1740

PROPOSED RIGHT OF WAY LINE AS SHOWN  
ON GRADING PLANS FOR SANTA CRUZ RIVER  
BANK PROTECTION BY RICK ENGINEERING.

SANTA

PORTION 2  
5.95 AC

POB  
PORTION 2

NORTH-SOUTH  
MID-SECTION LINE

PEPPERTREE BK 33  
BUSINESS PARK DRIVE  
BUSINESS PARK  
M&P PG 97

APN: 226-32-004E  
SHETLAND PROPERTIES  
DKT 10835 PG 454

PROPOSED RIGHT OF WAY LINE AS SHOWN  
ON GRADING PLANS FOR SANTA  
CRUZ RIVER BANK  
PROTECTION BY  
RICK ENGINEERING.

CRUZ

APN: 226-27-008B  
PIMA COUNTY  
DKT 7870  
PG 1272

POINT "A"  
POINT OF  
COMMENCEMENT  
PORTION 2

POB  
PORTION 1

2.54 AC  
PORTION 1

EAST-WEST  
MID-SECTION LINE

BASIS OF BEARINGS  
S 89° 57' 25" W

REFERENCE POINT  
FOR BASIS OF  
BEARINGS  
W 1/4 CORNER  
SEC 35  
1/2" REBAR

CENTER 1/4  
CORNER

APN: 226-32-012C  
PIMA COUNTY  
FLOOD CONTROL

POINT OF  
COMMENCEMENT  
PORTION 1  
E 1/4 CORNER  
SEC 35  
1/2" REBAR

DEPICTION TO ACCOMPANY LEGAL DESCRIPTION  
WITHIN A PORTION OF SECTION 35,  
TOWNSHIP 12 SOUTH, RANGE 12 EAST,  
G&SRM, PIMA COUNTY, ARIZONA

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TUCSON, AZ 85712  
520-795-1000  
(FAX) 520-322-6956

PAGE 3 OF 3

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**EXHIBIT B CONTINUED**



EXHIBIT B

CONTINUED

**LEGAL DESCRIPTION**

A PORTION OF THE PARCEL CONVEYED AND DESCRIBED IN THE GRANT DEED RECORDED IN DOCKET 10835 AT PAGE 459, RECORDS OF THE PIMA COUNTY RECORDER, PIMA COUNTY, ARIZONA, TOGETHER WITH A PORTION OF THE PARCEL CONVEYED AND DESCRIBED IN THE WARRANTY DEED RECORDED AT SEQUENCE 20141980230, SAID RECORDS OF THE PIMA COUNTY RECORDER, BEING WITHIN THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 36, TOWNSHIP 12 SOUTH, RANGE 12 EAST, GILA AND SALT RIVER MERIDIAN, PIMA COUNTY, ARIZONA, DESCRIBED AS FOLLOWS:

**COMMENCING** AT THE SOUTHWEST CORNER OF SAID SECTION 36 AS MONUMENTED BY A 3 INCH BRASS DISC;

THENCE NORTH 00°20'10" WEST 409.71 FEET UPON THE WEST LINE OF THE SOUTHWEST QUARTER OF SAID SECTION 36 TO THE **POINT OF BEGINNING** AT THE SOUTHWEST CORNER OF THE WESTERLY PORTION OF SAID PARCEL RECORDED AT SEQUENCE 20141980230;

THENCE CONTINUE NORTH 00°20'10" WEST 284.81 FEET UPON SAID WEST LINE OF THE SOUTHWEST QUARTER, THE WEST LINE OF SAID PARCEL AND UPON THE WEST LINE OF THE PARCEL RECORDED IN DOCKET 10835 AT PAGE 459, TO A POINT OF CUSP OF A NON-TANGENT CURVE CONCAVE WESTERLY, THE RADIUS POINT OF SAID CURVE BEARS SOUTH 78°59'14" WEST;

THENCE SOUTHERLY UPON THE ARC OF SAID CURVE TO THE RIGHT, HAVING A RADIUS OF 2353.45 FEET AND A CENTRAL ANGLE OF 06°59'35", FOR AN ARC DISTANCE OF 287.24 FEET TO A THE NON-TANGENT SOUTH LINE OF THE WESTERLY PORTION OF SAID PARCEL RECORDED AT SEQUENCE 20141980230;

THENCE SOUTH 89°39'34" WEST 35.88 FEET UPON SAID SOUTH LINE TO THE **POINT OF BEGINNING**.

CONTAINING 5,948 SQUARE FEET MORE OR LESS.

THE BASIS OF BEARINGS FOR THIS LEGAL DESCRIPTION IS THE WEST LINE OF THE SOUTHWEST QUARTER OF SECTION 36 AS MONUMENTED BY SAID 3 INCH BRASS DISC AT THE SOUTHWEST CORNER OF SAID SECTION AND BY A HALF INCH REBAR WITH NO IDENTIFICATION TAG AND 0.7 FEET BELOW SURFACE AT THE WEST ONE QUARTER CORNER OF SAID SECTION; THE DISTANCE BETWEEN SAID MONUMENTS BEING 2633.24 FEET AND SAID BEARING BEING: NORTH 00°20'10" WEST.



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SANTA

CRUZ

RIVER

INA ROAD

REFERENCE POINT  
FOR BASIS OF  
BEARINGS  
W 1/4 CORNER  
SECTION 36  
1/2" REBAR



APN: 226-35-006V  
DKT 10835 PG 459

SCALE: 1" = 60'

BASIS OF BEARINGS  
N 00°20'10"W

PROPOSED R/W  
LINE AS SHOWN ON  
GRADING PLANS FOR  
SANTA CRUZ RIVER  
BANK PROTECTION  
BY RICK ENGINEERING.

SUBJECT  
PARCEL  
5948 SF

APN: 226-35-006V  
SEQ. 20141980230

SEC 35  
SEC 36

POINT OF  
BEGINNING

APN: 226-35-006W

POINT OF  
COMMENCEMENT  
3" BRASS DISC  
SW CORNER  
SECTION 36

EXHIBIT TO ACCOMPANY  
LEGAL DESCRIPTION  
WITHIN A PORTION  
OF SECTION 36,  
TOWNSHIP 12 SOUTH,  
RANGE 12 EAST,  
G&SRM, PIMA COUNTY,  
ARIZONA

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PAGE 2 OF 2

## **EXHIBIT C**

Title Security Agency 600-75909 RDH (226-28-005B & 226-32-004E)

1. RESERVATIONS contained in the Patent from the United States of America recorded in November 11, 1908, in Deed Book 44, page 563, reading as follows:

Subject to any vested and accrued water rights for mining, agricultural, manufacturing, or other purposes, and rights to ditches and reservoirs used in connection with such water rights as may be recognized and acknowledged by the local customs, laws and decisions of courts, and also subject to the right of the proprietor of a vein or lode to extract and remove his ore therefrom, should the same be found to penetrate or intersect the premises hereby granted, as provided by law, and there is reserved from the lands hereby granted, a right of way thereon for ditches or canals constructed by the authority of the United States of America

2. WATER RIGHTS, claims or title to water, and agreements, covenants, conditions or rights incident thereto, whether or not shown by the public records. This exception is not limited by reason of the disclosure of any matter relating to Water Rights as may be set forth elsewhere in Schedule B.

3. Any adverse claim to any portion of said land which has been created by artificial means or which is accretion, alluvion, avulsion, reliction or exposed riverbed.

4. The rights of the United States of America, the State of Arizona and/or other parties to any portion of the within property lying within the bed, or former bed, of any water course, as that term is defined under Arizona law.

5. Reservation of all underground percolating waters, as granted to:

To: Cortaro Water User's Association  
Recorded in Deed Book: 314  
Page: 445

6. Easements and rights incident thereto, as set forth in instrument:

To: Cortaro Water Users Association  
Recorded in Book: 107 of Miscellaneous Records Page: 151



7. Any charges which may be assessed against the property described by reason of its inclusion in Cortaro-Marana Irrigation District and Resolution in Docket 5670, page 603.

8. Easements and rights incident thereto, as set forth in instrument:

To: Tucson Electric Power Company, an Arizona Corporation

Recorded in Docket: 6239

Page: 852

Purpose: constructing, operating and maintaining an electric transmission or distribution line or system over the South 16 feet.

9. Resolution No. 1986-131; the right of way for Santa Cruz River Channelization, as recorded in Docket 7830, page 886.

10. Development Agreement between the Town of Marana, an Arizona municipal corporation and Lawyers Title Trust 7610-T, a Real Estate Trust, recorded in Docket 9024, page 1026.

Title Security Agency 600-81725-RDH (226-35-006V)

11. Reservations contained in the Patent from the State of Arizona, recorded May 25, 1943, in Deed Book 254, page 661.

12. TAXES AND ASSESSMENTS collectible by the County Treasurer, a lien not yet due and payable for the following year:

2017

13. (INTENTIONALLY OMITTED)

14. LIABILITIES AND OBLIGATIONS imposed because of the inclusion of said land within the following named district(s):

Cortaro-Marana Irrigation District and Cortaro Water User's Association, recorded in Book 314 of Deeds,  
Page 445 and in Docket 5670, Page 608.

15. EASEMENT and rights incident thereto, as set forth in instrument:

Recorded in Book 103 of Miscellaneous Records  
Page 225  
Purpose communication systems

16. EASEMENT and rights incident thereto, as set forth in instrument:

Recorded in Docket 1587  
Page 432  
Purpose gas distribution line

17. DECLARATION of Restrictions and Covenants running with the land contained in instrument recorded in Docket 4746, Page 289.

18. EASEMENT and rights incident thereto, as set forth in instrument:

Recorded in Docket 4839  
Page 242  
Purpose underground electric line and appurtenant facilities

19. EASEMENT and rights incident thereto, as set forth in instrument:

Recorded in Docket 5904  
Page 856  
Purpose no access and drainage

20. MATTERS shown on survey recorded in Book 32 of Surveys, Page 1.

21. MATTERS shown on survey recorded in Book 37 of Surveys, Page 96.

22. MATTER shown on survey recorded in Book 53 of Surveys, Page 63.

23. MATTERS shown on survey recorded in Book 78 of Surveys, Page 71.

24. AGREEMENT according to the terms and conditions contained therein:  
Purpose Memorandum of Aggregate Supply Recorded in

Docket 11174  
Page 2780

25. Any matters arising by reason of Resolution of Establishment No. 2016-01-A-003, recorded in Document No. 20160200460 and Amended in Document No. 20161720738.

(End of Exhibit C)

## **EXHIBIT D**

Title Security Agency 600-82782-RDH (226-27-008B)

1. TAXES AND ASSESSMENTS collectible by the County Treasurer, a lien not yet due and payable for the following year:

2017

2. Patent Reservations of record in Deed Book 31 at Page 444

3. Roadways and easements and licenses heretofore granted to the State of Arizona to remove mineral aggregate, reservations, licenses, matters affecting the property as a result of lying within the Santa Cruz Valley Irrigation District, as set forth in Deed recorded in Docket 1989 at Page 341.

4. License and easement to Sanitary District No. 1, Pima County, Arizona recorded in Docket 1796 at Page 208, and in Docket 2443 at Page 189.

5. License to the State of Arizona recorded in Docket 1734 at Page 86.

6. LIABILITIES AND OBLIGATIONS imposed by reason of the inclusion of said land within the following named district(s):

Santa Cruz Irrigation District  
Jaynes Irrigation District.

7. Utility Easement recorded in Docket 6223 at Page 645.

8. Resolution No. 1990-24 as set forth in instrument recorded in Docket 8724 at Page 1350.

9. Town of Marana General Plan as set forth in instrument recorded in Docket 10529 at Page 1892.

10. Easement to American Telephone and Telegraph Company of Wyoming as set forth in Book 103 of Miscellaneous Records at page 225.

11. Marana Ordinance No. 99.10 as set forth in Docket 11032 at Page 1212

12. Continental Ranch Specific Plan as set forth in instrument recorded in Docket 11047 at Page 1418.

13. Pima County Flood Control District, Resolution No. 2006-FC10, as set forth in instrument recorded in Docket 12908 at Page 2929

14. Survey of record in Document Number 20170380349

(End of Exhibit D)

## EXHIBIT E

When Recorded, Please Return to:

Pima County Real Property Services  
201 North Stone Avenue, 6<sup>th</sup> Floor  
Tucson, AZ 85701-1215

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Exempt from Affidavit of Value per A.R.S. § 11-1134(A)(3).

### Special Warranty Deed

For the consideration of Ten Dollars (\$10.00), and other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the undersigned, SHETLAND PROPERTIES CO. LLC, an Arizona limited liability company, the "Grantor" herein, does hereby convey to PIMA COUNTY, a political subdivision of the State of Arizona the "Grantee" herein, the following real property (the "Property") situated in Pima County, Arizona, together with all wells, water rights and mineral rights in which Grantor has an interest and appurtenant thereto:

As described in **Exhibit A** attached hereto.

Subject to all matters of record.

Grantor hereby binds itself and its successors to warrant and defend the title as against all acts of Grantor herein and no other, subject to the matters set forth above.

**FOR: Shetland Properties Co., L.L.C., an Arizona limited liability company, Grantor**

BY: Fairfax Management Co., LLC, an Arizona limited liability company

Its: Manager:

Page 1 of 2

<b>EXEMPTION: A.R.S. §11-1134.A.3.</b>		Board of Supervisors:	Right of Way <input type="checkbox"/> Parcel <input type="checkbox"/>
Agent:	File #:	Activity #:	P <input type="checkbox"/> De <input type="checkbox"/> Do <input type="checkbox"/> E <input type="checkbox"/>



**EXHIBIT F**

When Recorded, Please Return to:

Pima County Real Property Services  
201 North Stone Avenue, 6<sup>th</sup> Floor  
Tucson, AZ 85701-1215

---

Exempt from Affidavit of Value per A.R.S. § 11-1134(A)(3).

**Special Warranty Deed**

For the consideration of Ten Dollars (\$10.00), and other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the undersigned, PIMA COUNTY, a political subdivision of the State of Arizona, the "Grantor" herein, does hereby convey to SHETLAND PROPERTIES CO. LLC, an Arizona limited liability company the "Grantee" herein, the following real property (the "Property") situated in Pima County, Arizona, together with all wells, water rights and mineral rights in which Grantor has an interest and appurtenant thereto:

As described in **Exhibit A** attached hereto.

Subject to all taxes and other assessments, reservations in Patents, and all easements, rights of way, encumbrances, liens, covenants, conditions, restrictions, obligations and liabilities as may appear of record and all matters a survey or inspection of the Property would reveal.

Grantor hereby binds itself and its successors to warrant and defend the title as against all acts of Grantor herein and no other, subject to the matters set forth above.

**Restrictive Covenant.**

Restriction. By accepting the Property, the Grantee, for himself, herself, his/her heirs, personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that in the construction, maintenance, or operation of any facilities or structures

<b>EXEMPTION: A.R.S. §11-1134.A.3.</b>		Board of Supervisors:	Right of Way <input type="checkbox"/> Parcel <input type="checkbox"/>
Agent:	File #:	Activity #:	P <input type="checkbox"/> De <input type="checkbox"/> Do <input type="checkbox"/> E <input type="checkbox"/>



whatsoever on the Property, the grantee will not discriminate against any person on the grounds of that person's age, race, creed, color, religion, sex, disability or national origin.

Nature of Restriction. This Restrictive Covenant shall apply in perpetuity and shall run with the Property. The Restriction imposed shall be non-revocable without the written consent of at least 4 of the 5 members of the Pima County Board of Supervisors. The Restriction shall remain in effect notwithstanding any future annexation of any portion of the land by a municipality.

Enforcement of Restriction. Grantor may enforce the terms of this Restrictive Covenant through any available legal or equitable remedy, including but not limited to damages, and injunctive relief requiring the Grantee to cease and desist all activity in violation of this Restrictive Covenant. The failure of Grantor to insist upon the full and complete performance of any of the terms and conditions of this Restrictive Covenant, or to take any action permitted as a result thereof, shall not be construed as a waiver or relinquishment of the right to insist upon full and complete performance of the same, or any other covenant or condition, either in the past or in the future.

**PIMA COUNTY, a political subdivision of the State of Arizona:**

\_\_\_\_\_  
Neil Konigsberg, Manager Real Property Services

\_\_\_\_\_  
Date

STATE OF ARIZONA )  
) ss.  
COUNTY OF PIMA )

The foregoing instrument was acknowledged before me the \_\_\_\_ day of \_\_\_\_\_, 2017 by Neil Konigsberg, Manager Real Property Services.

\_\_\_\_\_  
Notary Public

My Commission Expires: \_\_\_\_\_

<b>EXEMPTION: A.R.S. §11-1134.A.3.</b>		Board of Supervisors:	Right of Way <input type="checkbox"/> Parcel <input type="checkbox"/>
Agent:	File #:	Activity #:	P <input type="checkbox"/> De <input type="checkbox"/> Do <input type="checkbox"/> E <input type="checkbox"/>