



BOARD OF SUPERVISORS AGENDA ITEM REPORT
CONTRACTS / AWARDS / GRANTS

☐ Award ☒ Contract ☐ Grant

Requested Board Meeting Date: April 20, 2021

* = Mandatory, information must be provided

or Procurement Director Award ☐

***Contractor/Vendor Name/Grantor (DBA):**

Title Security Agency, LLC, a Delaware limited liability company, as Trustee under Trust No. 202056-S

***Project Title/Description:**

Exchange Agreement - Acq-1047

***Purpose:**

Pima County Flood Control District (the "District") will exchange surplus District property known as Diablo Village Estates, south of west Valencia Road in Avra Valley for a subdivided property held by Title Security Agency, LLC, Trust 202056-S, known as The Estates at El Sereno, Lots 1-42 and Common Areas A & B, located at the base of the Catalina Mountains adjacent to National Forest land north of east Redington Road. The values of the properties to be exchanged have been deemed to be substantially equal in accordance with Arizona Revised Statutes §48-3603(C) (2) and §9-407(A). Notice of the exchange was published pursuant to Arizona Revised Statute § 39-204

***Procurement Method:**

Exempt pursuant to Pima County Code 11.04.020

***Program Goals/Predicted Outcomes:**

District will acquire resource sensitive land in exchange for surplus property.

***Public Benefit:**

By completing the exchange, resource sensitive land will be protected from future development.

***Metrics Available to Measure Performance:**

The District will acquire 141.36 ac. of vacant property in exchange for 101.67 ac. of surplus vacant property for a not to exceed amount of \$60,500.00 in closing costs.

***Retroactive:**

N/A

TO: COB 4-6-21 (1)
Vers.: 1
pgs.: 32

Contract / Award Information

Document Type: CT Department Code: PW Contract Number (i.e., 15-123): 21*0372
Commencement Date: 4/20/2021 Termination Date: 4/19/2022 Prior Contract Number (Synergen/CMS): _____
☒ Expense Amount: \$* 60,500.00 ☐ Revenue Amount: \$ _____

***Funding Source(s) required:** Flood Control Non Bond Projects

Funding from General Fund? ☐ Yes ☒ No If Yes \$ _____ % _____

Contract is fully or partially funded with Federal Funds? ☐ Yes ☒ No

If Yes, is the Contract to a vendor or subrecipient? _____

Were insurance or indemnity clauses modified? ☐ Yes ☒ No

If Yes, attach Risk's approval.

Vendor is using a Social Security Number? ☐ Yes ☒ No

If Yes, attach the required form per Administrative Procedure 22-10.

Amendment / Revised Award Information

Document Type: _____ Department Code: _____ Contract Number (i.e., 15-123): _____
Amendment No.: _____ AMS Version No.: _____
Commencement Date: _____ New Termination Date: _____
Prior Contract No. (Synergen/CMS): _____

☐ Expense or ☐ Revenue ☐ Increase ☐ Decrease Amount This Amendment: \$ _____

Is there revenue included? ☐ Yes ☐ No If Yes \$ _____

***Funding Source(s) required:** _____

Funding from General Fund? ☐ Yes ☐ No If Yes \$ _____ % _____

Grant/Amendment Information (for grants acceptance and awards) ☐ Award ☐ Amendment

Document Type: _____ Department Code: _____ Grant Number (i.e., 15-123): _____
Commencement Date: _____ Termination Date: _____ Amendment Number: _____
☐ Match Amount: \$ _____ ☐ Revenue Amount: \$ _____

***All Funding Source(s) required:** _____

***Match funding from General Fund?** ☐ Yes ☐ No If Yes \$ _____ % _____

***Match funding from other sources?** ☐ Yes ☐ No If Yes \$ _____ % _____

***Funding Source:** _____

***If Federal funds are received, is funding coming directly from the Federal government or passed through other organization(s)?** _____

Contact: Dana Hausman

Department: Public Works - Real Property Services Telephone: 724-6713

Department Director Signature/Date: [Signature] 4/2/2021

Deputy County Administrator Signature/Date: [Signature] 4/5/2021

County Administrator Signature/Date: [Signature] 4/5/21
(Required for Board Agenda/Addendum Items)



Contract Number CT-PW-21*0372

EXCHANGE AGREEMENT – ACQ-1047

1. **Defined Terms.** The following terms will be used as defined terms in this Acquisition Agreement and have the meaning set forth below ("**Agreement**"):

1.1. Owner: Title Security Agency, LLC, a Delaware limited liability company, as Trustee under Trust No. 202056-S

1.2. County: Pima County Flood Control District, a political taxing subdivision of the State of Arizona

1.3. County's Maximum Costs: the sum of (i) County's share of Closing Costs, and (ii) County's share of Prorations, which combined shall not exceed Sixty Thousand Five Hundred Dollars (\$60,500.00)

1.4. Title Company: Pioneer Title Agency, Inc., 7445 N. Oracle Road, Suite 101, Tucson, AZ 85704

1.5. Escrow Agent: Kim Moss, phone: 520-797-2693; email: kim.moss@ptaaz.com

1.6. Effective Date: the date Owner and County have approved and accepted this Agreement by affixing their signatures. The date County executes this Agreement is the date this Agreement is signed by the Chair of the Pima County Board of Directors.

1.7. County Property: the property legally described on **Exhibit A** and depicted on **Exhibit A-1**

1.8. Owner Property: the property legally described on **Exhibit B** and depicted on **Exhibit B-1**

1.9. Owner's Address: Title Security Agency LLC TR 202056-S, Attn: Rick & Delia June Price, 6300 E. El Dorado Plz, Suite 8400, Tucson, AZ 85715-4605

1.10. County Address: Manager, Pima County Real Property Services, 201 N Stone Ave, 6th Flr, Tucson, AZ 85701-1207; E-mail: jeffrey.teplitsky@pima.gov; and for notice purposes, copy: Kell Olson, Deputy County Attorney, Pima County Attorney's Office, Civil Division, 32 N Stone Ave, Suite 2100, Tucson, AZ 85701-1412.

2. **Parties; Effective Date.** This Exchange Agreement (the "**Agreement**") is between Owner and County, and will become effective on the Effective Date.

3. **Exchange of Properties.** County and Owner will exchange the County Property and the Owner Property pursuant to A.R.S. § 48-3603(C)(2); 9-407; 39-204 (the "**Exchange**"). The County shall publish notice thirty days before the Exchange, listing the ownership and description of the Owner Property and the County Property.

4. **Additional Consideration.** For the purposes of this Agreement, the County Property and the Owner Property, including any Easements are considered to be of equal value with neither party owing the other additional consideration.

5. **Donation.** Owner acknowledges that if the value of the Owner Property and the Easements exceeds the value of the County Property, the decision to donate the Owner Property and the Easements was made without any undue influence or coercive action of any nature, and Owner hereby waives the right to an appraisal and to just compensation. If Owner obtains an appraisal which determines that the fair market value ("FMV") of the Owner Property is greater than the fair market value of the County Property, then Owner may claim a charitable contribution deduction for federal income tax purposes equal to the difference between the FMV of the Owner 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 Owner's charitable contribution. The availability of the contribution shall not be a condition to Closing.

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

7. **Inspection Rights.**

7.1. Due Diligence Access. Upon execution of this Agreement and until Closing, Owner hereby grants permission to County, County's representatives, and County's authorized agents to enter the Owner Property and the Easement Areas 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 Owner, Owner's representatives, and Owner'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.

7.2. Environmental Inspection. 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.

8. **Escrow and Title.**

8.1. Proration and Closing Costs. Owner shall pay all taxes on the Owner Property to the date of Closing. Expenses incidental to transfer of title, including title reports, recording fees, escrow fees, and delivery fees, shall be paid 100% by the County. The County shall be responsible for costs associated with any releases required to transfer title to its property free and clear and any costs associated with the issuance of title insurance for the property it is acquiring.

8.2. Escrow and Title Agent. This Agreement shall be used as escrow instructions in connection with the escrow established at the Title Company 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.

8.3. Title Commitment.

8.3.1. *Commitment.* Escrow Agent will distribute to County a Commitment for Standard Owner's Title Insurance on the Owner 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

Owner 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 Owner's policy of title insurance.

8.3.2. *Permitted Exceptions*

8.3.2.1. The Closing shall be contingent upon Owner being insured pursuant to the Commitment and subject only to the exceptions listed in **Exhibit E** hereto (the "*Permitted Exceptions to County Property*"), and the title policy shall be in the amount of \$975,000.00.

8.3.2.2. The Closing shall be contingent upon County being insured pursuant to the Commitment and subject only to the exceptions listed in **Exhibit F** hereto (the "*Permitted Exceptions to Owner Property*") and the title policy shall be in the amount of \$950,000.00.

8.3.2.3. Each conveyance of the County Property and the Owner Property shall be by Special Warranty Deed subject to (a) the liens of real estate taxes, water, rent and sewer charges that are not yet due and payable; (b) all matters of record including the applicable Permitted Exceptions which were accepted by the Grantee; and (c) all matters a survey or inspection of the Property would reveal.

8.3.3. *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 11.1.

9. **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 Owner Property, free and clear of all liens and encumbrances.

10. **Closing Documents.** At Closing, the following documents will be executed:

10.1. County shall execute and deliver to Escrow Agent a Special Warranty Deed conveying title to the County Property to Owner as provided in form attached hereto as **Exhibit C.**

10.2. Owner shall execute and deliver to Escrow Agent a Special Warranty Deed conveying title to the Owner Property to County as provided in form attached hereto as **Exhibit D.**

11. **Closing.**

11.1. **Closing Date.** The Closing (the "**Closing**") will take place at the office of Title Company on or before one hundred twenty (120) days after the Effective Date, provided however, that Buyer may extend the Closing until thirty (30) days after receipt of all necessary releases or consents from Lienholders. Notwithstanding the foregoing, this Agreement will terminate if closing has not occurred within one year after execution by Buyer.

11.2. Possession. Possession of the County Property will be delivered to Owner, and possession of the Owner Property will be delivered to County, at Closing.

12. **Representations.**

12.1. Environmental. 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.

12.2. AS IS. Subject only to the representations of the parties in this Section 12, 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.

12.3. Wells and Water Rights.

12.3.1. Owner warrants that there are no wells on or water rights associated with the Owner's Property, except as specifically identified on **Exhibit G** attached. Owner agrees to assign and transfer to County effective upon Closing, any and all wells or water rights certificated or claimed appurtenant to the Property. Owner shall execute all documents reasonably necessary to effectuate such transfer.

12.3.2. Owner warrants that there are no wells on or water rights associated with the County's Property, except as specifically identified on **Exhibit H** attached. County agrees to assign and transfer to Owner effective upon Closing, any and all wells or water rights certificated or claimed appurtenant to the County Property. County shall execute all documents reasonably necessary to effectuate such transfer.

12.4. Underground Improvements.

12.4.1. Owner warrants that there are no septic tanks, septic or leach fields, alternative waste disposal systems, private irrigation lines, and/or other underground improvements on the Owner Property, except as specifically identified on **Exhibit I** attached.

12.4.2. County warrants that there are no septic tanks, septic or leach fields, alternative waste disposal systems, private irrigation lines, and/or other underground improvements on the County Property, except as specifically identified on **Exhibit J** attached.

13. **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.

14. **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.

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

16. **Notices.**

16.1. 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 above).

16.2. 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.

16.3. 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.

16.4. 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.

16.5. **Address.** County and Owner agree that any notice sent to the address set forth in Sections 1.9 and 1.10 herein shall serve as notice by County or Owner, as the case may be, to the other.

17. **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.

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.

<u>Exhibit A</u>	Legal Description of County Property
<u>Exhibit A-1</u>	Depiction of County Property
<u>Exhibit B</u>	Legal Description of Owner Property
<u>Exhibit B-1</u>	Depiction of Owner Property
<u>Exhibit C</u>	Form of Special Warranty Deed (County Property)
<u>Exhibit D</u>	Form of Special Warranty Deed (Owner Property)
<u>Exhibit E</u>	Permitted Exceptions to County Property
<u>Exhibit F</u>	Permitted Exceptions to Owner Property
<u>Exhibit G</u>	Owner Property Water Rights
<u>Exhibit H</u>	County Property Water Rights

Exhibit I
Exhibit J

Owner Property Underground Improvements
County Property Underground Improvements

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

OWNER: TITLE SECURITY AGENCY, LLC,
a Delaware limited liability company,
Trust No. 202056-D *only and*
not otherwise




Signature

3/26/21

Date

Diane L. Sloane

Print Owner



Its

Remainder of Page Intentionally Left Blank
County Signatures Follow

COUNTY: PIMA COUNTY FLOOD CONTROL DISTRICT,
A political taxing subdivision of the State of Arizona:

Chair, Board of Directors

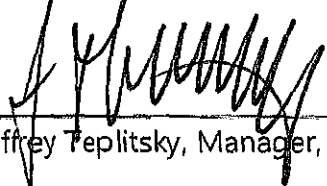
Date

ATTEST:

Julie Castañeda, Clerk of Board

Date

APPROVED AS TO CONTENT:



Jeffrey Teplitsky, Manager, Real Property Services

 4/5/2021

Carmine DeBonis, Deputy County Administrator, Public Works

APPROVED AS TO FORM:



Kell Olson, Deputy County Attorney

EXHIBIT A LEGAL DESCRIPTION

PARCEL NO. 1:

LOTS 512 THROUGH 888, INCLUSIVE, OF DIABLO VILLAGE ESTATES, AS SHOWN ON THE PLAT RECORDED IN BOOK 29 OF MAPS AND PLATS, PAGE 74 IN THE PIMA COUNTY RECORDER'S OFFICE, BEING IN THE WEST HALF OF SECTION 16, TOWNSHIP 15 SOUTH, RANGE 12 EAST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, PIMA COUNTY, ARIZONA;

EXCEPT ALL THOSE PORTIONS OF THE BELOW DESCRIBED EXCEPTED PROPERTY.

PARCEL NO. 2:

ALL OF THAT PORTION OF THE FINAL PLAT OF "DIABLO VILLAGE ESTATES, LOTS 512 THROUGH 888 & BLOCK A", A SUBDIVISION RECORDED IN BOOK 29 OF MAPS AND PLATS AT PAGE 74 IN THE PIMA COUNTY RECORDER'S OFFICE, BEING IN THE WEST HALF OF SECTION 16, TOWNSHIP 15 SOUTH, RANGE 12 EAST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, PIMA COUNTY, ARIZONA, DESCRIBED AND CONVEYED IN INSTRUMENT RECORDED IN SEQUENCE NO. 20132760384;

EXCEPT ALL THOSE PORTIONS OF THE BELOW DESCRIBED EXCEPTED PROPERTY.

PARCEL NO. 3:

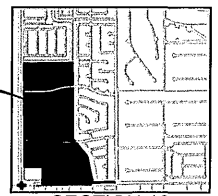
ALL OF THAT PORTION OF THE FINAL PLAT OF "DIABLO VILLAGE ESTATES, LOTS 1 THROUGH 511", A SUBDIVISION RECORDED IN BOOK 28 OF MAPS AND PLATS AT PAGE 33 IN THE PIMA COUNTY RECORDER'S OFFICE, BEING IN THE WEST HALF OF SECTION 16, TOWNSHIP 15 SOUTH, RANGE 12 EAST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, PIMA COUNTY, ARIZONA, DESCRIBED AND CONVEYED IN INSTRUMENT RECORDED IN SEQUENCE NO. 20132760384;

EXCEPT ALL THOSE PORTIONS OF THE BELOW DESCRIBED EXCEPTED PROPERTY.

EXCEPTED PROPERTY:

EXCEPTING FROM THE ABOVE DESCRIBED PARCELS 1, 2 AND 3 THE EIGHT (8) FOLLOWING DESCRIBED PARCELS:

- 1) THE WEST 75.00 FEET OF SAID SECTION 16 (VALHALLA ROAD);
- 2) THE SOUTH 140 FEET OF THE WEST 553.57 FEET (THAT PORTION LOS REALES ROAD RIGHT-OF-WAY ABUTTING BLOCK A OF SAID DIABLO VILLAGE ESTATES);
- 3) A THREE SIDED PARCEL BOUNDED ON THE WEST BY A LINE 75 FEET EAST OF AND PARALLEL WITH THE WEST LINE OF SAID SECTION 16, ON THE SOUTH BY A LINE 140 FEET NORTH OF AND PARALLEL WITH THE SOUTH LINE OF SAID SECTION 16, AND ON THE NORTHEAST BY A 25 FOOT RADIUS BEING THE SOUTHWEST BOUNDARY OF BLOCK A OF SAID DIABLO VILLAGE ESTATES;
- 4) THAT PORTION OF JEFFREY ROAD DESCRIBED AND ESTABLISHED BY RESOLUTION AND ORDER NO.2018-4 AS RECORDED IN SEQUENCE NO. 20180190598;
- 5) THAT PORTION OF TETON ROAD DESCRIBED AND ESTABLISHED BY RESOLUTION AND ORDER NO.2018-4 AS RECORDED IN SEQUENCE NO. 20180190598;
- 6) THE PROPERTY DESCRIBED AND CONVEYED IN INSTRUMENT RECORDED IN SEQUENCE NO. 20180030379;
- 7) THE PROPERTY DESCRIBED AND CONVEYED IN INSTRUMENT RECORDED IN SEQUENCE NO. 20180030380;
- 8) THE PROPERTY DESCRIBED AND CONVEYED IN INSTRUMENT RECORDED IN SEQUENCE NO. 20180030381.



SUBJECT AREA

SECTION 16
G&SRM

PIMA COUNTY, ARIZONA

SECTION 16
TOWNSHIP 15 SOUTH
RANGE 12 EAST

EXHIBIT "A-1"



PARCEL 210-33-001B



21013

PIMA COUNTY DEPARTMENT OF TRANSPORTATION
ENGINEERING INFORMATION MANAGEMENT

DRAWING NOT TO SCALE

DRAWN BY: SBUTLER

DATE: APRIL 2021



COMMITMENT FOR TITLE INSURANCE

Issued by

Pioneer Title Agency, Inc.

Order Number: 504-235003 KM

First Amendment - KW

EXHIBIT "B"

LEGAL DESCRIPTION

The land referred to herein below is situated in the County of Pima, State of Arizona, and is described as follows:

Parcel No. 1:

Lots 1 through 42, inclusive, and Common Areas A and B of The Estates at El Sereno, a subdivision of Pima County, Arizona, according to the map or plat thereof of record in the office of the County Recorder of Pima County, Arizona, in Book 63 of Maps and Plats at page 48 thereof.

Parcel No. 2:

35-foot and 50-foot wide easements for ingress, egress and utilities as set forth in instrument recorded August 3, 1992 in Docket 9346, page 1287;

Except any portion lying within Parcel No. 1, above.

This page is only a part of a 2016 ALTA® Commitment for Title Insurance issued by FIRST NATIONAL TITLE INSURANCE COMPANY. This Commitment is not valid without the Notice; the Commitment to Issue Policy; the Commitment Conditions; Schedule A; Schedule B, Part I—Requirements; and Schedule B, Part II—Exceptions; and a counter-signature by the Company or its Issuing agent that may be in electronic form.

FNTI Form No.: Com16 ALTA Commitment for Title Insurance Adopted 8-01-2016

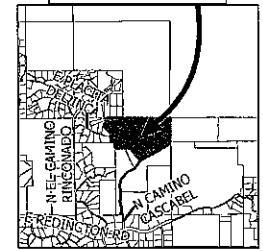
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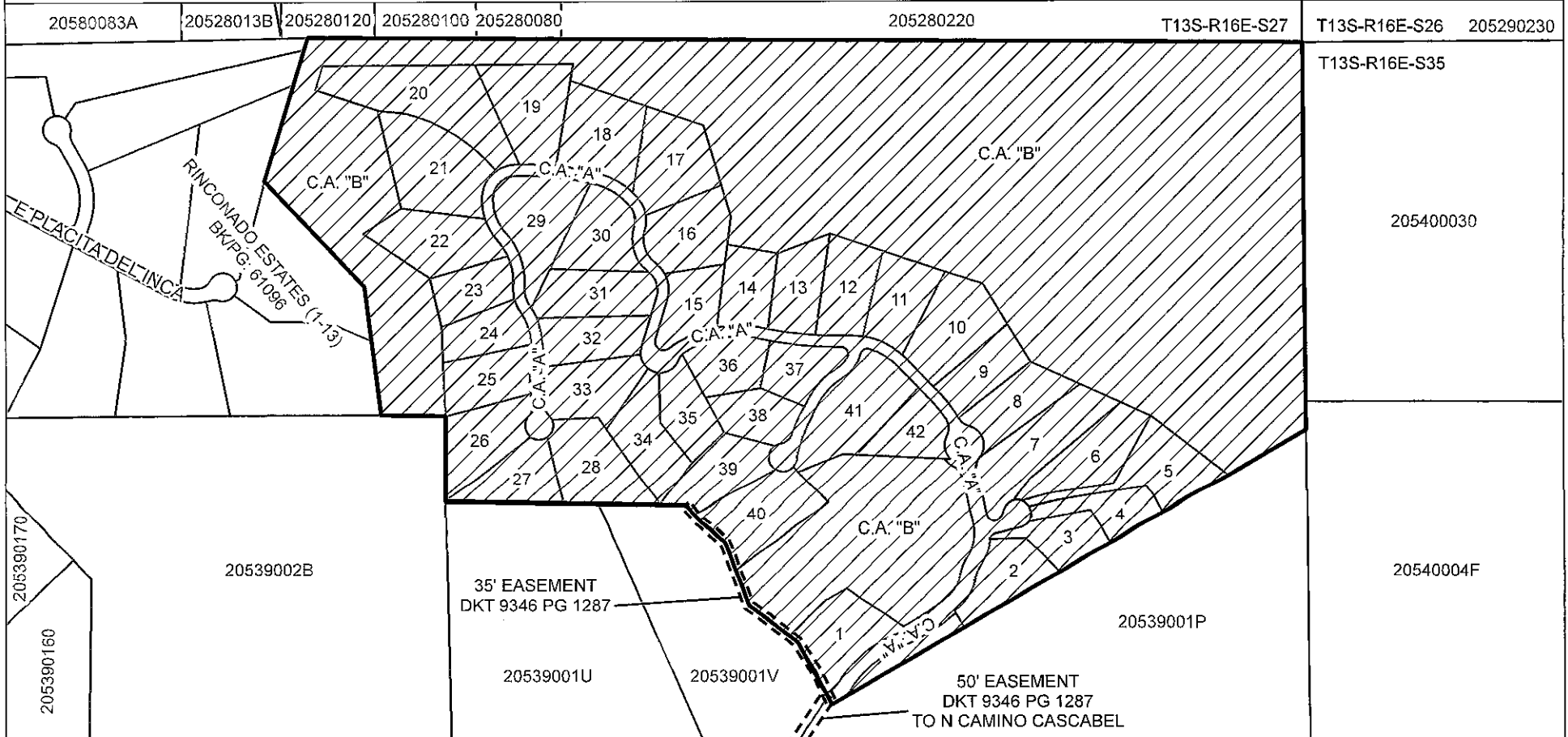
EXHIBIT B-1

SECTION 34
TOWNSHIP 13 SOUTH
RANGE 16 EAST

SUBJECT AREA



SECTION 34 G&SRM
PIMA COUNTY, ARIZONA



**PIMA COUNTY DEPARTMENT OF TRANSPORTATION
ENGINEERING INFORMATION MANAGEMENT**

21014

DRAWING NOT TO SCALE

DRAWN BY: C HORNECK

DATE: MAR 2021

LEGEND



PROPERTY TO BE ACQUIRED: THE ESTATES AT EL SERENO
LOTS 1-42 AND COMMON AREAS "A" & "B"



EASEMENTS TO BE ACQUIRED: 35' AND 50' EASEMENTS
DKT 9346 AND PG 1287

EXHIBIT "C"

SPECIAL WARRANTY DEED

For valuable consideration, Pima County Flood Control District, a political taxing subdivision of the State of Arizona, ("Grantor") does hereby convey to _____ the following described property situate in Pima County, Arizona:

SEE ATTACHED **EXHIBIT " "** FOR LEGAL DESCRIPTION AND ATTACHED **EXHIBIT " "** FOR DEPICTION

SUBJECT TO all matters of record.

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

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 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.

EXEMPTION: A.R.S. §11-1134.A.3.		Board of Supervisors:	Right of Way [] Parcel []
Agent:	File #:	Activity #:	P [] De [] Do [] E []

Dated this _____ day of _____, 2021.

By: _____

Title: _____

STATE OF ARIZONA)
) ss
COUNTY OF PIMA)

This instrument was acknowledged before me this _____ day of _____, 2021, by
_____ as _____ of
_____.

Notary Public

My Commission Expires:

EXEMPTION: A.R.S. §11-1134.A.3.		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"/>

Special Warranty Deed To Others

EXHIBIT "D"

SPECIAL WARRANTY DEED

For valuable consideration, I or we, _____
("Grantors"), do hereby convey to Pima County Flood Control District, a political taxing subdivision
of the State of Arizona the following described property situate in Pima County, Arizona:

SEE ATTACHED **EXHIBIT " "** FOR LEGAL DESCRIPTION AND ATTACHED **EXHIBIT " "**
FOR DEPICTION

SUBJECT TO all matters of record.

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

Dated this _____ day of _____, 20____.

By: _____

Title: _____

STATE OF ARIZONA

COUNTY OF PIMA

) ss
)

This instrument was acknowledged before me this _____ day of _____, 20____,
by _____ as _____ of _____.

Notary Public

My Commission Expires:

EXEMPTION: A.R.S. §11-1134.A.3.		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"/>



COMMITMENT FOR TITLE INSURANCE

Issued by

Pioneer Title Agency, Inc.

Order Number: 504-235003 KM

EXHIBIT "E"

First Amendment - KW

SCHEDULE B, PART II

Exceptions

THIS COMMITMENT DOES NOT REPUBLISH ANY COVENANT, CONDITION, RESTRICTION, OR LIMITATION CONTAINED IN ANY DOCUMENT REFERRED TO IN THIS COMMITMENT TO THE EXTENT THAT THE SPECIFIC COVENANT, CONDITION, RESTRICTION, OR LIMITATION VIOLATES STATE OR FEDERAL LAW BASED ON RACE, COLOR, RELIGION, SEX, SEXUAL ORIENTATION, GENDER IDENTITY, HANDICAP, FAMILIAL STATUS, OR NATIONAL ORIGIN.

The Policy will not insure against loss or damage resulting from the terms and provisions of any lease or easement identified in Schedule A, and will include the following Exceptions unless cleared to the satisfaction of the Company:

1. Any defect, lien, encumbrance, adverse claim, or other matter that appears for the first time in the Public Records or is created, attaches, or is disclosed between the Commitment Date and the date on which all of the Schedule B, Part I—Requirements are met.
2. (a) Taxes or assessments that are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the Public Records; (b) proceedings by a public agency that may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the Public Records.
3. Any facts, rights, interests or claims that are not shown by the Public Records but that could be ascertained by an inspection of the Land or that may be asserted by persons in possession of the Land.
4. Easements, liens or encumbrances, or claims thereof, not shown by the Public Records.
5. Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land and not shown by the Public Records.
6. (a) Unpatented claims; (b) reservations or exceptions in patents or in acts authorizing the issuance thereof; (c) water rights, claims or title to water; whether or not the matters excepted under (a), (b), or (c) are shown by the Public Records.
7. Any lien, or right to a lien, for services, labor or material heretofore or hereafter furnished, imposed by law and not shown by the Public Records.
8. Defects, liens, encumbrances, adverse claims or other matters, if any, created, first appearing in the Public Records or attaching to the subsequent effective date hereof but prior to the date the proposed Insured acquires of records for value the estate or interest or mortgage thereon covered by this Public.

This page is only a part of a 2016 ALTA® Commitment for Title Insurance issued by FIRST NATIONAL TITLE INSURANCE COMPANY. This Commitment is not valid without the Notice; the Commitment to Issue Policy; the Commitment Conditions; Schedule A; Schedule B, Part I—Requirements; and Schedule B, Part II—Exceptions; and a counter-signature by the Company or its issuing agent that may be in electronic form.

FNTI Form No.: Com16 ALTA Commitment for Title Insurance Adopted 8-01-2016

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COMMITMENT FOR TITLE INSURANCE

Issued by

Pioneer Title Agency, Inc.

EXHIBIT "E" (cont)

Order Number: 504-235003 KM

SCHEDULE B, PART II

(Continued)

(Note: The above Exceptions Nos. 2 through 8, inclusive, will be eliminated from any A.L.T.A. Extended Coverage Policy, A.L.T.A. Homeowner's Policy, A.L.T.A. Expanded Coverage Residential Loan Policy and any short form versions thereof. However, the same or similar exception may be made in Schedule B of those policies in conformity with the remaining Exceptions of this Commitment shown below.)

9. TAXES for the second half of 2020, a lien, not yet due.
10. TAXES for the full year 2021, a lien, not yet due or payable.
11. LIABILITIES AND OBLIGATIONS imposed upon said land by its inclusion within any legally formed districts.
12. LIABILITIES AND OBLIGATIONS imposed upon said land by its inclusion within The Estates at El Sereno Homeowners Association.
13. Easement(s) for ingress and egress and rights incident thereto as set forth in Book 50 of Miscellaneous Records, page 93 and in Docket 959, page 252.
14. Easement(s) for electric facilities and rights incident thereto as set forth in Book 69 of Miscellaneous Records, page 23.
15. Easement(s) electric lines and appurtenant facilities and rights incident thereto as set forth in Docket 6090, page 1114.
16. Easement(s) electric lines and appurtenant facilities and rights incident thereto as set forth in Docket 7461, page 755.
17. Terms, conditions, restrictions, easements, liabilities and/or obligations as set forth in Covenant to Easement recorded in Docket 7461, page 755.
18. Terms, conditions, restrictions, easements, liabilities and/or obligations as set forth in Covenant to Easement recorded in Docket 9346, page 1282.
19. Terms, conditions, restrictions, easements, liabilities and/or obligations as set forth in Covenant of Easement recorded in Docket 9346, page 1287.
20. Easement(s) for water pipes and utility facilities and rights incident thereto as set forth in Docket 9346, page 1294.
21. All matters disclosed by surveys recorded in Book 8 of Surveys, page 65, in Book 10 of Surveys, page 39 and in Book 29 of Surveys, page 80.
22. Easements, restrictions, reservations, conditions and set-back lines as set forth on the plat recorded in Book 63 of Maps and Plats, page 48 but deleting any covenant, condition or restriction indicating a preference, limitation or discrimination

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COMMITMENT FOR TITLE INSURANCE

Issued by

Pioneer Title Agency, Inc.

Order Number: 504-235003 KM

EXHIBIT "E" (con't)

SCHEDULE B, PART II

(Continued)

based on race, color, religion, sex, handicap, familial status or national origin to the extent such covenants, conditions or restrictions violate 42 USC 3604(c).

23. RESTRICTIONS, CONDITIONS, COVENANTS, EASEMENTS, RESERVATIONS, LIABILITIES AND OBLIGATIONS, including but not limited to any recitals creating easements or party walls contained in instrument recorded in Docket 13242, page 2357, omitting, if any, from the above, any restrictions based on race, color, religion, sex, sexual orientation, handicap, familial status, marital status, disability, ancestry, source of income or national origin as set forth in applicable state or federal laws, except to the extent that said covenant or restriction is permitted by applicable law. Together with all matters pertaining the imposition of any transfer or conveyance fee contained within the document(s). The provisions for such fee require it to be paid upon transfer or conveyance of the land.

24. Terms, conditions, restrictions, easements, liabilities and/or obligations as set forth in Assurance Agreement for Construction of Subdivision Improvements (Third Party Trust) recorded in Docket 13242, page 2350, Amendment to Trust recorded in Docket 13242, page 2354 and Substitute Assurance Agreement for Construction of Subdivision Improvements (Third Party Trust) recorded in Sequence No. 20202100303.

25. Terms, conditions, restrictions, easements, liabilities and/or obligations as set forth in Pre-Annexation and Development Agreement recorded in Sequence No. 20203490435 and Resolution No. 23261 recorded in Sequence No. 20203490434.

END OF SCHEDULE B, PART II

This page is only a part of a 2016 ALTA® Commitment for Title Insurance issued by FIRST NATIONAL TITLE INSURANCE COMPANY. This Commitment is not valid without the Notice; the Commitment to Issue Policy; the Commitment Conditions; Schedule A; Schedule B, Part I—Requirements; and Schedule B, Part II—Exceptions; and a counter-signature by the Company or its issuing agent that may be in electronic form.

FNTI Form No.: Com16 ALTA Commitment for Title Insurance Adopted 8-01-2016

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COMMITMENT FOR TITLE INSURANCE

Issued by

Pioneer Title Agency, Inc.

Order Number: 504-235002 KM

EXHIBIT "F"

- KW

SCHEDULE B, PART II

Exceptions

THIS COMMITMENT DOES NOT REPUBLISH ANY COVENANT, CONDITION, RESTRICTION, OR LIMITATION CONTAINED IN ANY DOCUMENT REFERRED TO IN THIS COMMITMENT TO THE EXTENT THAT THE SPECIFIC COVENANT, CONDITION, RESTRICTION, OR LIMITATION VIOLATES STATE OR FEDERAL LAW BASED ON RACE, COLOR, RELIGION, SEX, SEXUAL ORIENTATION, GENDER IDENTITY, HANDICAP, FAMILIAL STATUS, OR NATIONAL ORIGIN.

The Policy will not insure against loss or damage resulting from the terms and provisions of any lease or easement identified in Schedule A, and will include the following Exceptions unless cleared to the satisfaction of the Company:

1. Any defect, lien, encumbrance, adverse claim, or other matter that appears for the first time in the Public Records or is created, attaches, or is disclosed between the Commitment Date and the date on which all of the Schedule B, Part I—Requirements are met.
2. (a) Taxes or assessments that are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the Public Records; (b) proceedings by a public agency that may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the Public Records.
3. Any facts, rights, interests or claims that are not shown by the Public Records but that could be ascertained by an inspection of the Land or that may be asserted by persons in possession of the Land.
4. Easements, liens or encumbrances, or claims thereof, not shown by the Public Records.
5. Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land and not shown by the Public Records.
6. (a) Unpatented claims; (b) reservations or exceptions in patents or in acts authorizing the issuance thereof; (c) water rights, claims or title to water; whether or not the matters excepted under (a), (b), or (c) are shown by the Public Records.
7. Any lien, or right to a lien, for services, labor or material heretofore or hereafter furnished, imposed by law and not shown by the Public Records.
8. Defects, liens, encumbrances, adverse claims or other matters, if any, created, first appearing in the Public Records or attaching to the subsequent effective date hereof but prior to the date the proposed Insured acquires of records for value the estate or interest or mortgage thereon covered by this Public.

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COMMITMENT FOR TITLE INSURANCE

Issued by

Pioneer Title Agency, Inc.

Order Number: 504-235002 KM

EXHIBIT "F" (con't)

SCHEDULE B, PART II

(Continued)

(Note: The above Exceptions Nos. 2 through 8, inclusive, will be eliminated from any A.L.T.A. Extended Coverage Policy, A.L.T.A. Homeowner's Policy, A.L.T.A. Expanded Coverage Residential Loan Policy and any short form versions thereof. However, the same or similar exception may be made in Schedule B of those policies in conformity with the remaining Exceptions of this Commitment shown below.)

9. TAXES for the full year 2021, a lien, not yet due or payable.

10. ANY ACTION by the County Assessor and/or Treasurer, altering the current or prior tax assessment, subsequent to the date of the Policy of Title Insurance.

11. Additional taxes and assessments that may be imposed upon the property described in Schedule A resulting from any inaccuracy that may be contained in the tax rolls in the Office of the County Treasurer.

12. LIABILITIES AND OBLIGATIONS imposed upon said land by its inclusion within Drexel Heights Fire District as disclosed by instrument recorded in Docket 12785, page 6075.

13. LIABILITIES AND OBLIGATIONS imposed upon said land by its inclusion within any legally formed districts.

14. Established and/or existing roads, highways, rights-of-way or easements.

15. Easements, restrictions, reservations, conditions and set-back lines as set forth on the plat recorded in Book 29 of Maps, Page 74 but deleting any covenant, condition or restriction indicating a preference, limitation or discrimination based on race, color, religion, sex, handicap, familial status or national origin to the extent such covenants, conditions or restrictions violate 42 USC 3604(c).

Thereafter the effect of Release of Easement recorded in Sequence No. 20140860426.

16. Terms, conditions, restrictions, easements, liabilities and/or obligations as set forth in Substitute Assurance Agreement for Construction of Subdivision Improvements recorded in Docket 12316, page 2850.

17. Terms, conditions, restrictions, easements, liabilities and/or obligations as set forth in Amendment to Trust recorded in Docket 12316, page 2858.

18. Terms, conditions, restrictions, easements, liabilities and/or obligations as set forth in Development Agreement recorded in Docket 12733, page 1881; re-recorded in Docket 12942, page 19 and Amendment recorded in Docket 13120, page 2012.

Thereafter the effect of Resolution 2016-FC 5; Resolution 2016-79 recorded in Sequence No. 20163370622.

This page is only a part of a 2016 ALTA® Commitment for Title Insurance issued by FIRST NATIONAL TITLE INSURANCE COMPANY. This Commitment is not valid without the Notice; the Commitment to Issue Policy; the Commitment Conditions; Schedule A; Schedule B, Part I—Requirements; and Schedule B, Part II—Exceptions; and a counter-signature by the Company or its issuing agent that may be in electronic form.

FNTI Form No.: Com16 ALTA Commitment for Title Insurance Adopted 8-01-2016

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COMMITMENT FOR TITLE INSURANCE

Issued by

Honor Title Agency, Inc.

Order Number: 504-235002 KM

EXHIBIT "F" (con't)

SCHEDULE B, PART II

(Continued)

19. ANY PRIVATE RIGHTS or EASEMENTS on, under and across those portions of said land lying within the road, street or alley abandoned by Resolution or Ordinance recorded in Sequence No. 20132330838.

20. All matters disclosed by survey recorded in Record of Surveys Sequence No. 20142760088.

21. Terms, conditions, restrictions, easements, liabilities and/or obligations as set forth in Site-Specific Agreement to Master Agreement for Mutual Public Lands Management Between Pima County and Pima County Regional Flood Control District recorded in Sequence No. 20173610008.

22. RIGHT OF WAY for road as set forth in Resolution and Order No. 2018-4 recorded in Sequence No. 20180190598.

END OF SCHEDULE B, PART II

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FNT1 Form No.: Com16 ALTA Commitment for Title Insurance Adopted 8-01-2016

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EXHIBIT “G”

Wells & Water Rights Owner’s Questionnaire

NO WELLS OR WATER RIGHTS

EXHIBIT "H"

Wells & Water Rights County's Questionnaire

NO WELLS OR WATER RIGHTS

EXHIBIT "I"

Owner Disclosure of Underground Improvements in Right of Way

NO IMPROVEMENTS

EXHIBIT "J"

County Disclosure of Underground Improvements in Right of Way

NO IMPROVEMENTS