

Agenda Number 4e

CONTACT: Dennis Rule
623-869-2667
drule@cap-az.com

Suzanne Ticknor
623-869-2410
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MEETING DATE: November 2, 2017

AGENDA ITEM: Victory at Verrado – Phase 2 Member Land Enrollment

RECOMMENDATION: Staff recommends that the Board approve the amended CAGR D Member Land Enrollment documents for “Victory at Verrado – Phase 2.”

FINANCIAL IMPLICATIONS: None

LINKAGE TO STRATEGIC PLAN, POLICY, STATUTE OR GUIDING PRINCIPLE:

CAWCD Board of Directors 2016 Strategic Plan

- CAGR D Management and Oversight

PREVIOUS BOARD ACTION/ACTIVITY: None

ISSUE SUMMARY/DESCRIPTION:

The legal description for this currently enrolled CAGR D Member Land has been modified to correct inconsistencies with the final plat and to include golf course lands within the final plat. The enrollment documents must be re-recorded to incorporate the change in legal description and addition of the golf course lands. As a result of this modification, the standard form CAGR D Member Land enrollment documents have been changed to include the word “amended” and to include provisions addressing the golf course lands. The supporting documentation notes that these are amended documents. There are no other changes to the terms and conditions of the standard form enrollment documents, but the inclusion of language to recognize that this is an amended enrollment requires specific action by the Board to approve the otherwise standard form documents.

The Arizona Department of Water Resources has approved this amended enrollment documentation and the landowner has paid all applicable fees.

SUGGESTED MOTION:

I move that the Board approve the attached Amended Agreement and Notice of Municipal Provider Reporting Requirements and Amended Declaration of Covenants, Conditions and Restrictions for Victory at Verrado – Phase 2 Regarding Membership in the Central Arizona Groundwater Replenishment District.

Attachment 1: Amended Agreement

Attachment 2: Amended Declaration

Agenda Number 4e Attachment 1

When recorded, please return to:
Central Arizona Water
Conservation District
P.O. Box 43020
Phoenix, Arizona 85080-3020
Attn: Manager, Groundwater
Replenishment District

**AMENDED
AGREEMENT AND NOTICE OF MUNICIPAL PROVIDER
REPORTING REQUIREMENTS FOR
VICTORY AT VERRADO-PHASE 2 (ML# 003-14-1260)
REGARDING MEMBERSHIP IN THE CENTRAL ARIZONA
GROUNDWATER REPLENISHMENT DISTRICT**

This Amended Agreement and Notice of Municipal Provider Reporting Requirements for Victory at Verrado-Phase 2 Regarding Membership in the Central Arizona Groundwater Replenishment District ("Amended Agreement") is being re-recorded for the purposes of modifying the legal description in the original Agreement and Notice of Municipal Provider Reporting Requirements for Victory at Verrado-Phase 2 Regarding Membership in the Central Arizona Groundwater Replenishment District, recorded October 16, 2014, Instrument Number 20140687253 ("Original Agreement") and including certain additional property. This Amended Agreement will become effective upon the issuance by the Arizona Department of Water Resources of a new certificate of assured water supply for the Property and the Additional Property, and at that time, will supersede and replace the Original Agreement.

CONCURRENCE: CENTRAL ARIZONA WATER CONSERVATION DISTRICT

By: _____
Lisa A. Atkins

Its: President

Attest: _____
Sharon B. Megdal

Its: Secretary

FIDELITY NATIONAL TITLE INSURANCE COMPANY, a
California corporation, as Trustee of its Trust number B176

By: _____

Its: Trust Officer

EPCOR WATER ARIZONA INC., an Arizona corporation

By: _____

Jake Lenderking

Its: Water Resources Manager

**AMENDED
AGREEMENT AND NOTICE OF MUNICIPAL PROVIDER
REPORTING REQUIREMENTS FOR
VICTORY AT VERRADO-PHASE 2 (ML# 003-14-1260)
REGARDING MEMBERSHIP IN THE CENTRAL ARIZONA
GROUNDWATER REPLENISHMENT DISTRICT**

This Amended Agreement and Notice of Municipal Provider Reporting Requirements for Victory at Verrado-Phase 2 Regarding Membership in the Central Arizona Groundwater Replenishment District is made this _____ day of _____, 2017, among the Central Arizona Water Conservation District, a political subdivision of the State of Arizona, Fidelity National Title Insurance Company, a California corporation, as Trustee of its Trust number B176 ("Fidelity"), T.W. Lewis – Active Adult II, LLC, an Arizona limited liability company ("TW Lewis"), Lennar Arizona, Inc., an Arizona corporation ("Lennar"), Taylor Morrison/Arizona, Inc., an Arizona corporation ("Taylor Morrison"), V117 Holdings, LLC, an Arizona limited liability company ("V117 Holdings"), Verrado ARC LLC, an Arizona limited liability company ("Verrado ARC"), and EPCOR Water Arizona Inc., an Arizona corporation.

RECITALS

A. Owner is the owner of the Property, legally described in Exhibit A attached and incorporated into this Agreement.

B. Verrado ARC, an Owner under this Agreement, is the owner of the Additional Property legally described in Exhibit B attached and incorporated into this Agreement.

C. On October 16, 2014, Fidelity recorded a Declaration of Covenants, Conditions and Restrictions for Victory at Verrado-Phase 2 (ML# 003-14-1260) Regarding Membership in the Central Arizona Groundwater Replenishment District against certain real property described in that original declaration in the Official Records of Maricopa County, Instrument Number 20140687254 (the "Original Declaration").

D. Fidelity, Municipal Provider and CAWCD also executed and recorded the original Agreement and Notice of Municipal Provider Reporting Requirements for Victory at Verrado-Phase 2 (ML#003-14-1260) Regarding Membership in the Central Arizona Groundwater Replenishment District, which was recorded on October 16, 2014 in the Official Records of Maricopa County, Instrument Number 20140687253 (the "Original Agreement").

E. Following recordation of the Original Declaration and Original Agreement, Fidelity sold certain real property within the Property to TW Lewis, Lennar, Taylor Morrison, and V117 Holdings, and sold the Additional Property to Verrado ARC.

F. Owner, Municipal Provider and CAWCD desire to amend the Original Agreement for the purpose of modifying the legal description of the Property in the Original Agreement and including the Additional Property.

G. Owner has applied to the Department for a certificate of assured water supply for the Property and the Additional Property pursuant to Arizona Revised Statutes Title 45, Chapter 2, Article 9. Owner and the Municipal Provider have executed a notice of intent to serve agreement, as required by the Department, whereby the Municipal Provider has agreed to provide water to the Property and the Additional Property.

H. Owner of the Additional Property or its successor in interest may provide water to the Additional Property. The Municipal Provider may provide water to the Additional Property.

I. As permitted by Arizona Revised Statutes § 45-576.01(B), Owner desires to satisfy one requirement for obtaining a certificate of assured water supply by qualifying the Property and the Additional Property as Member Land pursuant to the Groundwater Replenishment Statute. As Member Land, the Property and the Additional Property will be a member of the Central Arizona Groundwater Replenishment District, an operating subdivision of CAWCD.

J. To qualify the Property and the Additional Property as Member Land and to permit the delivery of Excess Groundwater to the Property as Member Land, the Groundwater Replenishment Statute requires the Property to be subject to the Declaration.

K. To qualify the Property as Member Land, the Groundwater Replenishment Statute also requires the Municipal Provider to record this Agreement and comply with certain annual reporting requirements in accordance with Arizona Revised Statutes § 48-3774(C).

L. To assure that the Municipal Provider has the information from which to comply with the annual reporting requirements, Owner agrees, per Article 3 of this Agreement, that the Owner of each Parcel of the Additional Property will annually file with the Municipal Provider, commencing in 2018, a report that contains the information for the preceding calendar year required by Arizona Revised Statutes § 48-3775(A)(1) and (2).

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are acknowledged, and intending to be legally bound, the parties hereby agree as follows:

ARTICLE 1 DEFINITIONS

1.1 "Additional Property" means the real property legally described in Exhibit B attached and incorporated into this Agreement.

1.2 "Agreement" means this Amended Agreement and Notice of Municipal Provider Reporting Requirements for Victory at Verrado-Phase 2 Regarding Membership in the Central Arizona Groundwater Replenishment District, as amended from time to time.

1.3 "Annual Groundwater Allowance" means the annual allotment of allowable groundwater use that continues in perpetuity as calculated by the Director in accordance with the Assured and Adequate Water Supply Rules adopted by the Department for the Active Management Area identified in Paragraph 1.7 of this Agreement, pursuant to Arizona Revised Statutes § 45-576(H). For the purposes of this Agreement, if the groundwater allowance determined by the Director is a lump sum rather than a perpetual volume, then the Annual Groundwater Allowance shall equal zero.

1.4 "CAWCD" means the Central Arizona Water Conservation District, a political subdivision of the State of Arizona, and any successor political subdivision.

1.5 "Declaration" means the Amended Declaration of Covenants, Conditions and Restrictions for Victory at Verrado-Phase 2 Regarding Membership in the Central Arizona Groundwater Replenishment District recorded by Owner, as declarant, against the Property and the Additional Property. The Declaration supersedes the Original Declaration referred to in Recital C to this Agreement.

1.6 "Department" means the Arizona Department of Water Resources, an agency of the State of Arizona, and any successor agency.

1.7 "Director" means the director of the Department.

1.8 "Excess Groundwater" means the amount of Groundwater equal to the amount of Groundwater delivered by the Municipal Provider to the Property and the Additional Property in a calendar year in excess of the amount of Groundwater that may be used at the Property and the Additional Property in that calendar year consistent with the applicable Assured and Adequate Water Supply Rules adopted by the Department for the Phoenix Active Management Area pursuant to Arizona Revised Statutes § 45-576(H), subject to the provisions of Paragraph 2.4 herein.

1.9 "Fidelity" means Fidelity National Title Insurance Company, a California corporation, as Trustee of its Trust number B176, and its successors and assigns.

1.10 "Groundwater" is as defined in Arizona Revised Statutes § 45-101(5).

1.11 "Groundwater Replenishment Statute" means Arizona Revised Statutes, Title 48, Chapter 22.

1.12 "Lennar" means Lennar Arizona, Inc., an Arizona corporation, and its successors and assigns.

1.13 "Member Land" is as defined in Arizona Revised Statutes § 48-3701(10).

1.14 "Municipal Provider" means EPCOR Water Arizona Inc., an Arizona corporation, and its successors and assigns.

1.15. "Original Agreement" has the meaning provided in Recital D to this Agreement.

1.16 "Original Declaration" has the meaning provided in Recital C to this Agreement."

1.17 "Owner" means Fidelity, as to only that portion of the Property described in Exhibit A as Parcel No. 1, TW Lewis, as to only that portion of the Property described in Exhibit A as Parcel No. 2, Lennar, as to only that portion of the Property described in Exhibit A as Parcel No. 3, Taylor Morrison, as to only that portion of the Property described in Exhibit A as Parcel No. 4, V117 Holdings, as to only that portion of the Property described in Exhibit A as Parcel No. 5, and Verrado ARC, as to only the Additional Property, and their successors and assigns.

1.18 "Parcel" means any portion of the Property and Additional Property now existing or hereafter established for which the tax assessor for the county in which the Property is located has issued a separate tax parcel number. The current tax parcel number for each Parcel is as shown in Exhibit C attached and incorporated into this Agreement.

1.19 "Parcel Replenishment Obligation" means, with respect to any particular Parcel, an amount of Groundwater that is equal to the amount of Groundwater delivered by the Municipal Provider to the Parcel in a calendar year multiplied by the percentage that the Excess Groundwater of the Property and Additional Property for that year bears to the total amount of Groundwater delivered by the Municipal Provider to the Property and Additional Property during that year.

1.20 "Property" means the real property legally described in Exhibit A attached and incorporated into this Agreement.

1.21 "Report(s)" means the report(s) required to be prepared by the Municipal Provider in accordance with Arizona Revised Statutes § 48-3775(A) and this Agreement.

1.22 "Taylor Morrison" means Taylor Morrison/Arizona, Inc., an Arizona corporation, and its successors and assigns.

1.23 “TW Lewis” means T.W. Lewis—Active Adult II, LLC, an Arizona limited liability company, and its successors and assigns.

1.24 “Verrado ARC” means Verrado ARC LLC, an Arizona limited liability company, and its successors and assigns.

1.25 “V117 Holdings” means V117 Holdings, LLC, an Arizona limited liability company, and its successors and assigns.

ARTICLE 2 REPORTING REQUIREMENTS

2.1 Annual Reports. In accordance with Arizona Revised Statutes § 48-3775(A), on or before March 31 of each year after the recordation of this Agreement, the Municipal Provider shall file a Report with CAWCD and with the Director that contains the following information for the preceding calendar year, which is the reporting year:

2.1.1 The amount of Groundwater delivered by the Municipal Provider to each Parcel of the Property and the Additional Property, identified by the applicable tax parcel number, and the basis for the calculation of the amount of Groundwater delivered.

2.1.2 The amount of Groundwater delivered by the Owner to each Parcel of the Additional Property identified by the applicable tax parcel number, the right or rights pursuant to which Groundwater was delivered, well registration numbers of the wells from which the Groundwater was delivered, and the basis for the calculation of the amount of Groundwater delivered.

2.1.3 The total amount of Groundwater delivered by the Municipal Provider to the Property and the Additional Property, the total amount of Groundwater delivered by the Owner to the Additional Property and the basis for the calculation of the total amount of Groundwater delivered.

2.1.4 The amount of Excess Groundwater delivered by the Municipal Provider and the Owner to the Property and the Additional Property, and the basis for the calculation of the amount of Excess Groundwater delivered.

2.1.5 The Parcel Replenishment Obligation of each Parcel, identified by the applicable tax parcel number.

2.1.6 Such other information as CAWCD may reasonably require.

2.2 Records. In accordance with Arizona Revised Statutes § 48-3775(F), the Municipal Provider shall maintain current and accurate records of the information required to be included in the Reports.

2.3 Form of Reports. In accordance with Arizona Revised Statutes § 48-3777, CAWCD shall determine the form of the Reports to be submitted by the Municipal Provider in order to carry out the purposes of the Groundwater Replenishment Statute.

2.4 Formula for Calculating the Minimum Quantity of Excess Groundwater. The Municipal Provider shall report a minimum volume of Excess Groundwater delivered by the Municipal Provider and the Owner to the Property and the Additional Property each year during the term of this Agreement. The formula for calculating this minimum volume is as follows:

$$[\text{Total GW} - (\text{Annual GWA} + (\text{Total Extinguishment Credits pledged in the next 100 years}/100))] * 2/3$$

Where: Total GW = Groundwater delivered by the Municipal Provider and Owner to the Property and Additional Property during the preceding year, which is the Reporting Year

Annual GWA = The volume of Annual Groundwater Allowance awarded to the Property and Additional Property as calculated by the Director in accordance with the Assured and Adequate Water Supply Rules adopted by the Department for the Active Management Area provided in Paragraph 1.7, pursuant to Arizona Revised Statutes § 45-576(H)

2.5 Multi-Parcel Reporting Agreement. If the Municipal Provider delivers water to multiple Parcels that are served water through a single meter, the Municipal Provider and the Owner(s) of those Parcels shall enter into an agreement that specifies how the total volume of Groundwater delivered to the Parcels will be accounted for against each Parcel for purposes of this Agreement and reported to CAWCD. The Municipal Provider shall provide CAWCD with a copy of any agreement entered into pursuant to this Section 2.5 of the Agreement, or amendment to such agreement, within 30 days of the Municipal Provider and the Owner(s) of the affected Parcels executing any such agreement or amendment to such agreement.

ARTICLE 3 REPORTS OF WATER DELIVERIES TO THE ADDITIONAL PROPERTY

3.1 On or before February 20 each year after 2017, the Owner of each Parcel of Additional Property shall file with the Municipal Provider a report that contains the following information for the preceding calendar year, which is the reporting year.

3.1.1 The amount of Groundwater delivered by the Owner to each Parcel of the Additional Property, identified by the applicable tax parcel number, the right or rights pursuant to which Groundwater was delivered, well registration numbers of the wells from

which Groundwater was delivered, and the basis for the calculation of the amount of Groundwater delivered.

3.1.2 The total amount of Groundwater delivered by the Owner of the Additional Property and the basis for the calculation of the amount of Groundwater delivered.

3.1.3 Any other information that the Municipal Provider deems necessary in order to prepare and file the Reports annually.

3.2 Any Owner of the Additional Property or any portion thereof shall cooperate fully with the Municipal Provider concerning the Municipal Provider's preparation and filing of the Reports.

3.3 The Owner of a Parcel of the Additional Property shall fully indemnify, defend and hold harmless the Municipal Provider, and its directors, agents, officers, employees and representatives from and against any liability, loss, claim, damage, penalty, violation or expense incurred by the Municipal Provider directly or indirectly arising in connection with this Agreement to the extent caused by the negligence or misconduct of that Owner of the Parcel of Additional Property or from nonperformance of the terms and conditions of this Agreement by the Owner of the Parcel of Additional Property.

ARTICLE 4 ENFORCEMENT POWERS

4.1 Penalty for Failure to Report. If the Municipal Provider fails to timely file a Report as required by CAWCD, CAWCD may assess a penalty in accordance with Arizona Revised Statutes § 48-3775(G). Provided, however, in the event that the Owner of a Parcel of the Additional Property fails to provide all information to the Municipal Provider as required by this Agreement, and that failure prevents the Municipal Provider from filing a complete Report as required by CAWCD, CAWCD may assess a penalty in accordance with Arizona Revised Statutes § 48-3775 (G) and the Owner failing to so provide said information, and not the Municipal Provider, shall be required to pay all costs associated with the penalty.

4.2 Inspections, Investigations and Audits. The CAWCD has the rights provided under Arizona Revised Statutes § 48-3783 with respect to inspections, investigations and audits.

ARTICLE 5 GENERAL PROVISIONS

5.1 Binding Effect. The provisions of this Agreement inure to the benefit of and bind the respective successors and assigns of the parties hereto, provided that no

assignment or transfer of this Agreement or any part or interest herein by the Municipal Provider is valid until approved by CAWCD, which approval may be withheld solely on the basis of CAWCD's determination that assignment would cause the Municipal Provider, Owner, or CAWCD to be out of compliance with the Groundwater Replenishment Statute or unable to meet its obligations under this Agreement or under the Groundwater Replenishment Statute. Upon the sale or other transfer of a Parcel of Additional Property, the seller or transferor shall have no further obligation or liability as Owner under this Agreement from and after the date of the sale or conveyance, except that (a) the seller or transferor shall provide written notification to CAWCD and the Municipal Provider within thirty days of the sale or transfer indicating the name and address of the party to whom the Parcel of Additional Property has been sold or transferred and the date on which the sale or transfer became effective, (b) the seller or transferor shall report the Groundwater information as required in Paragraph 3.1 for the year of the sale or transfer for deliveries of Groundwater to the Parcel of Additional Property by the seller or transferor prior to the date of the sale or other transfer of the Parcel of Additional Property, and (c) the obligations under Paragraph 3.3 shall survive as to claims for indemnity caused by the negligence or misconduct of the seller or transferor or from nonperformance of the terms and conditions of this Agreement by the seller or transferor prior to the date of the sale or transfer of the Parcel of Additional Property. The Municipal Provider and Owner agree and covenant to CAWCD to execute and record any additional documentation which CAWCD may reasonably require to effectuate the intents and purposes of this Agreement and the Groundwater Replenishment Statute.

5.2 Entire Agreement. This Agreement constitutes the entire agreement among the parties and no understandings or obligations not expressly set forth in this Agreement are binding upon the parties.

5.3 Amendments. This Agreement may be modified, amended or revoked only (i) by the express written agreement of the parties hereto; or (ii) by amendment statutes, rules or regulations or successor statutes, rules or regulations, as contemplated by Paragraph 4.5.

5.4 Interpretation. This Agreement is governed by and must be construed and interpreted in accordance with and in reference to the laws of the State of Arizona, including but not limited to the Groundwater Replenishment Statute.

5.5 Rules, Regulations and Successor Statutes. All references in this Agreement to Arizona Revised Statutes include all rules and regulations promulgated by the Department under such statutes and all amendments and successor statutes, rules and regulations to such statutes, rules and regulations.

5.6 Severability. Any determination by any court of competent jurisdiction that any provision of this Agreement is invalid or unenforceable does not affect the validity or enforceability of any other provision of this Agreement.

5.7 Captions. All captions, titles or headings in this Agreement are used for the purpose of reference and convenience only and do not limit, modify or otherwise affect any of the provisions of this Agreement.

5.8 Notices. Except as otherwise required by law, any notice given in connection with this Agreement must be in writing and must be given by personal delivery, overnight delivery, facsimile, or United States certified or registered mail. Any such notice must be addressed to the appropriate party at the following address (or at any other address as a party may hereafter designate by written notice given as required by this paragraph):

CAWCD:

For delivery use: Central Arizona Water Conservation District
23636 North 7th Street
Phoenix, Arizona 85024
Attn: Manager, Groundwater Replenishment District

For U.S. Mail use: Central Arizona Water Conservation District
P.O. Box 43020
Phoenix, Arizona 85080-3020
Attn: Manager, Groundwater Replenishment District

Municipal
Provider: EPCOR Water Arizona Inc.
2355 W. Pinnacle Peak Road, Suite 300
Phoenix, AZ 85027

Owner: Fidelity National Title Insurance Company
Trust No. B176
60 E. Rio Salado Park Way
Tempe, AZ 85281

TW Lewis – Active Adult II, LLC
850 W. Elliot Road, Suite 101
Tempe, AZ 85284

Lennar Arizona, Inc.
1725 W. Greentree Drive, Suite 114
Tempe, Arizona 85284

Taylor Morrison/Arizona, Inc.
9000 E. Pima Center Parkway, Suite 350
Scottsdale, AZ 85258

V117 Holdings, LLC
4220 E. McDowell Road, Suite 101
Mesa, AZ 85215

Verrado ARC LLC
c/o DMB Associates, Inc.
7600 E. Doubletree Ranch Road, Suite 300
Scottsdale, AZ 85258-2137

Notice is deemed to have been given on the date on which notice is personally delivered, delivered to an overnight delivery service, transmitted by facsimile, or mailed. Notice is deemed to have been received on the date on which the notice is actually received or delivery is refused.

5.9 Consent to Recording. Owner hereby consents to the recording of this Agreement against the Property.

5.10 Effective Date. This Agreement shall become effective upon the issuance by the Department of a new certificate of assured water supply for the Property. When effective, this Agreement will supersede and replace the Original Agreement.

[Signatures appear on following page]

IN WITNESS WHEREOF, the Parties to this Agreement have executed this Agreement as of the date first set forth above.

CAWCD: CENTRAL ARIZONA WATER CONSERVATION DISTRICT

By: _____
Theodore C. Cooke

Its: General Manager

STATE OF ARIZONA)
) ss.
County of MARICOPA)

The foregoing instrument was acknowledged before me this ____ day of _____, 2017, by Theodore C. Cooke, the General Manager of Central Arizona Water Conservation District.

Notary Public

MUNICIPAL PROVIDER: EPCOR WATER ARIZONA INC., an Arizona corporation

By: _____
Jake Lenderking

Its: Water Resources Manager

STATE OF)
) ss.
County of)

The foregoing instrument was acknowledged before me this ____ day of _____, 2017, by Jake Lenderking, the Water Resources Manager of EPCOR Water Arizona Inc..

Notary Public

OWNERS:

FIDELITY NATIONAL TITLE INSURANCE COMPANY, a California corporation, as Trustee of its Trust number B176, as to only that portion of the Property described in Exhibit A as Parcel No. 1

By: _____

Its: _____ Trust officer

STATE OF)
) ss.
County of)

The foregoing instrument was acknowledged before me this ____ day of _____, 2017, by _____, the _____ Trust Officer of _____ Fidelity National Title Insurance Company, as Trustee of its Trust No. B176 _____.

Notary Public

T.W. LEWIS – ACTIVE ADULT II, LLC, an Arizona limited liability company, as to only that portion of the Property described in Exhibit A as Parcel No. 2

By: _____

Its: _____

STATE OF)
) ss.
County of)

The foregoing instrument was acknowledged before me this ____ day of _____, 2017, by _____, the _____ of T.W. Lewis – Active Adult II, LLC.

Notary Public

LENNAR ARIZONA, INC., an Arizona corporation, as to only that portion of the Property described in Exhibit A as Parcel No. 3

By: _____

Its: _____

STATE OF)
) ss.
County of)

The foregoing instrument was acknowledged before me this ____ day of _____, 2017, by _____, the _____ of Lennar Arizona, Inc.

Notary Public

TAYLOR MORRISON/ARIZONA, INC., an Arizona corporation, as to only that portion of the Property described in Exhibit A as Parcel No. 4

By: _____

Its: _____

STATE OF)
) ss.
County of)

The foregoing instrument was acknowledged before me this ____ day of _____, 2017, by _____, the _____ of Taylor Morrison/Arizona, Inc.

Notary Public

V117 HOLDINGS, LLC, an Arizona limited liability company,
as to only that portion of the Property described in Exhibit A
as Parcel No. 5

By: RRJ Ventures, LLC, an Arizona limited liability company

Its: Manager

By: _____

Its: _____

STATE OF)
) ss.
County of)

The foregoing instrument was acknowledged before me this ____ day of _____,
2016, by _____, the _____ of
RRJ Ventures, LLC, an Arizona limited liability company, the Manager of V117
Holdings, LLC.

Notary Public

VERRADO ARC LLC, an Arizona limited liability company,
only as to the Additional Property described in Exhibit B.

By: DMB Associates, Inc., an Arizona corporation

Its: Manager

By: _____

Its: _____

STATE OF)
) ss.
County of)

The foregoing instrument was acknowledged before me this ____ day of _____,
2017, by _____, the _____
of DMB Associates, Inc., an Arizona corporation, the Manager of Verrado ARC LLC

Notary Public

The Optionee, as to a portion of the Property described in Exhibit A as Parcel No. 1, Area "A", identified as "Buyer" under that certain Second Amended and Restated Purchase and Sale Agreement, dated July 28, 2016, by and between Verrado ARC LLC, an Arizona limited liability company, and Lennar Arizona, Inc., an Arizona corporation, as amended by the First Amendment to Second Amended and Restated Purchase and Sale Agreement dated August 4, 2016, as amended by the Second Amendment to Second Amended and Restated Purchase and Sale Agreement dated September 1, 2016, as amended by the Third Amendment to Second Amended and Restated Purchase and Sale Agreement dated September 21, 2016, as amended by the Fourth Amendment to Second Amended and Restated Purchase and Sale Agreement dated October 3, 2016, hereby consents to the execution and recording of this document:

OPTIONEE: LENNAR ARIZONA, INC., an Arizona corporation

By: _____

Its: _____

STATE OF)
) ss.
County of)

The foregoing instrument was acknowledged before me this ____ day of _____, 2017, by _____, the _____ of Lennar Arizona, Inc.

Notary Public

The Optionee, as to a portion of the Property described in Exhibit A as Parcel No. 1, Area "A", identified as "Buyer" under that certain Purchase and Sale Agreement, dated October 3, 2016, by and between Verrado ARC LLC, an Arizona limited liability company, and Taylor Morrison/Arizona, Inc., an Arizona corporation, as amended by the First Amendment to Purchase and Sale Agreement dated November 28, 2016, hereby consents to the execution and recording of this document:

OPTIONEE: TAYLOR MORRISON/ARIZONA, INC., an Arizona corporation

By: _____

Its: _____

STATE OF)
) ss.
County of)

The foregoing instrument was acknowledged before me this ____ day of _____, 2017, by _____, the _____ of Taylor Morrison/Arizona, Inc.

Notary Public

The Optionee, as to a portion of the Property described in Exhibit A as Parcel No. 1, Area "A", identified as "Buyer" under that certain Purchase and Sale Agreement, dated December 8, 2016, by and between Verrado ARC LLC, an Arizona limited liability company, and Pinnacle West Homes and Development, LLC, an Arizona limited liability company, as amended by the First Amendment to Purchase and Sale Agreement dated January 17, 2017, hereby consents to the execution and recording of this document:

OPTIONEE: PINNACLE WEST HOMES AND DEVELOPMENT, LLC, an Arizona limited liability company

By: _____

Its: _____

STATE OF)
) ss.
County of)

The foregoing instrument was acknowledged before me this ____ day of _____, 2017, by _____, the _____ of Pinnacle West Homes and Development, LLC.

Notary Public

The Optionee, as to a portion of the Property described in Exhibit A as Parcel No. 1, Area "A", identified as "Assignee" under that certain Assignment and Assumption Agreement, by and between Pinnacle West Homes and Development, LLC, an Arizona limited liability company, and V117 Holdings, LLC, an Arizona limited liability company, hereby consents to the execution and recording of this document:

OPTIONEE: V117 HOLDINGS, LLC, an Arizona limited liability company

By: _____

Its: _____

STATE OF)
) ss.
County of)

The foregoing instrument was acknowledged before me this ____ day of _____, 2017, by _____, the _____ of V117 Holdings, LLC.

Notary Public

The Optionee, as to a portion of the Property described in Exhibit A as Parcel No. 1, Area "A", identified as "Buyer" under that certain Memorandum of Rolling Option Agreement by and between V117 Holdings, LLC, an Arizona limited liability company, and Pinnacle West Homes V117, LLC, an Arizona limited liability company, dated April 17, 2017, hereby consents to the execution and recording of this document:

OPTIONEE: PINNACLE WEST HOMES V117, LLC, an Arizona limited liability company

By: _____

Its: _____

STATE OF)
) ss.
County of)

The foregoing instrument was acknowledged before me this ____ day of _____, 2017, by _____, the _____ of Pinnacle West Homes V117, LLC.

Notary Public

The Optionee, as to a portion of the Property described in Exhibit A as Parcel No. 2, identified as "Builder" under that certain Memorandum of Option Agreement by and between, T.W. Lewis – Active Adult II, LLC, an Arizona limited liability company, and Weekley Homes, LLC, a Delaware limited liability company, dated December 14, 2016, hereby consents to the execution and recording of this document:

OPTIONEE: WEEKLEY HOMES, LLC, a Delaware limited liability company

By: _____

Its: _____

STATE OF)
) ss.
County of)

The foregoing instrument was acknowledged before me this ____ day of _____, 2017, by _____, the _____ of Weekley Homes, LLC.

Notary Public

The Optionee, as to a portion of the Property described in Exhibit A as Parcel No. 2, identified as "Marketer" under that certain Memorandum of Option Agreement by and between, Weekley Homes, LLC, a Delaware limited liability company, and Weekly Homes Arizona, LLC, an Arizona limited liability company hereby consents to the execution and recording of this document:

OPTIONEE: WEEKLEY HOMES ARIZONA, LLC, an Arizona limited liability company

By: _____

Its: _____

STATE OF)
) ss.
County of)

The foregoing instrument was acknowledged before me this ____ day of _____, 2017, by _____, the _____ of Weekley Homes Arizona, LLC.

Notary Public

EXHIBIT A

PARCEL NO. 1:

AREA "A"

ALL OF VERRADO VICTORY DISTRICT - PHASE 2, EXCEPT FOR TRACTS B1, P1, Q3, AND A PART OF H4, RECORDED UNDER BOOK 1249, PAGE 19, MARICOPA COUNTY RECORDS, SITUATED IN SECTION 18 AND 19, TOWNSHIP 2 NORTH, RANGE 2 WEST, OF THE GILA AND SALT RIVER MERIDIAN, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT A BRASS CAP FOUND AT THE NORTHEAST CORNER OF SAID SECTION 19 FROM WHENCE A 3" MARICOPA COUNTY BRASS CAP FOUND AT THE EAST QUARTER CORNER OF SAID SECTION 19, BEARS SOUTH 00°27'16" WEST, 2,622.92 FEET;

THENCE SOUTHERLY ALONG THE EAST LINE OF THE NORTHEAST QUARTER OF SAID SECTION 19, SOUTH 00°27'16" WEST, 261.58 FEET TO THE **TRUE POINT OF BEGINNING**;

THENCE CONTINUING SOUTHERLY ALONG SAID EAST LINE OF THE NORTHEAST QUARTER OF SECTION 19, SOUTH 00°27'16" WEST, 1738.53 FEET;

THENCE NORTH 89°32'44" WEST, 312.25 FEET, TO A POINT OF CURVATURE, HAVING A RADIUS OF 787.00 FEET;

THENCE NORTHWESTERLY 391.29 FEET, ALONG SAID CURVE, CONCAVE NORTHEASTERLY, THROUGH A CENTRAL ANGLE OF 28°29'12";

THENCE NORTH 61°03'32" WEST, 595.57 FEET TO THE BEGINNING OF A NON-TANGENT CURVE HAVING A RADIUS POINT THAT BEARS SOUTH 69°02'10" EAST, 763.00 FEET;

THENCE SOUTHWESTERLY 52.56 FEET, ALONG SAID CURVE, CONCAVE SOUTHEASTERLY, THROUGH A CENTRAL ANGLE OF 03°56'48", TO THE NORTHEAST CORNER OF TRACT 'A1' OF THE FINAL PLAT FOR VERRADO VICTORY DISTRICT - PHASE 1, RECORDED UNDER BOOK 1172, PAGE 11, MCR;

THENCE ALONG SAID NORTHERLY AND EASTERLY BOUNDARY LINES OF SAID FINAL PLAT OF VERRADO VICTORY DISTRICT - PHASE 1, THE FOLLOWING 14 COURSES;

THENCE NORTH 72°58'58" WEST, 124.00 FEET, TO THE BEGINNING OF A NON-TANGENT CURVE, HAVING A RADIUS POINT THAT BEARS SOUTH 72° 58' 58" EAST, 887.00 FEET;

THENCE NORTHEASTERLY 134.86 FEET ALONG SAID CURVE, CONCAVE TO THE SOUTHEAST, THROUGH A CENTRAL ANGLE OF 08°42'40";

THENCE NORTH 25°43'42" EAST, 49.42 FEET;

THENCE NORTH 68°54'11" WEST, 765.04 FEET;

THENCE NORTH 86°18'44" WEST, 103.74 FEET;

THENCE NORTH 21°43'20" WEST, 242.26 FEET;

THENCE NORTH 52°24'55" WEST, 153.50 FEET;

THENCE NORTH 70°30'15" WEST, 390.42 FEET;

THENCE NORTH 02°40'19" EAST, 217.78 FEET;

THENCE NORTH 18°40'14" WEST, 606.59 FEET, TO THE BEGINNING OF A NON-TANGENT CURVE, HAVING A RADIUS POINT THAT BEARS NORTH 34° 13' 14" WEST, 661.00 FEET;

THENCE NORTHEASTERLY 454.27 FEET ALONG SAID CURVE, CONCAVE TO THE NORTHWEST, THROUGH A CENTRAL ANGLE OF 39° 22' 34";

THENCE NORTH 16° 24' 12" EAST, 52.70 FEET;

THENCE NORTH 73° 35' 48" WEST, 122.00 FEET;

THENCE NORTH 16° 24' 12" EAST, 97.30 FEET, TO A POINT OF CURVATURE, HAVING A RADIUS OF 1261.00 FEET, AND TO AN ANGLE POINT ON THE EAST LINE OF TRACT "Q3" OF SAID FINAL PLAT VERRADO VICTORY DISTRICT – PHASE 2;

THENCE DEPARTING SAID FINAL PLAT OF VERRADO VICTORY DISTRICT - PHASE 1, AND ALONG SAID EAST LINE OF TRACT "Q3" AND THE EAST AND NORTH LINES OF TRACT "P1" OF SAID FINAL PLAT FOR VERRADO VICTORY DISTRICT - PHASE 2 THE FOLLOWING 9 COURSES:

THENCE NORTHERLY, 381.06 FEET, ALONG SAID CURVE, CONCAVE EASTERLY, THROUGH A CENTRAL ANGLE OF 17°18'51";

THENCE NORTH 33°43'03" EAST, 353.36 FEET, TO A POINT OF CURVATURE, HAVING A RADIUS OF 764.00 FEET;

THENCE NORTHERLY 341.84 FEET, ALONG SAID CURVE, CONCAVE WESTERLY. THROUGH A CENTRAL ANGLE OF 25°38'09";

THENCE NORTH 08°04'54" EAST, 127.15 FEET, TO A POINT OF CURVATURE, HAVING A RADIUS OF 15.00 FEET;

THENCE NORTHWESTERLY 21.45 FEET, ALONG SAID CURVE, CONCAVE SOUTHWESTERLY, THROUGH A CENTRAL ANGLE OF 81°56'32", TO A POINT OF REVERSE CURVATURE HAVING A RADIUS OF 527.20 FEET;

THENCE NORTHWESTERLY 335.43 FEET, ALONG SAID CURVE, CONCAVE NORTHEASTERLY, THROUGH A CENTRAL ANGLE OF 36°27'14";

THENCE NORTH 37°24'24" WEST, 184.40 FEET, TO A POINT OF CURVATURE, HAVING A RADIUS OF 172.80 FEET;

THENCE WESTERLY, 192.18 FEET, ALONG SAID CURVE, CONCAVE SOUTHERLY, THROUGH A CENTRAL ANGLE OF 63°43'19";

THENCE SOUTH 78°52'17" WEST, 253.49 FEET, TO THE NORTHWEST CORNER OF SAID TRACT "P1";

THENCE DEPARTING SAID NORTH LINE OF TRACT "P1", ALONG THE EASTERLY LINE OF SAID FINAL PLAT FOR VERRADO VICTORY DISTRICT – PHASE 1, NORTH 11°07'43" WEST, 60.40 FEET, TO A POINT, SAID POINT LYING SOUTH 11°07'43" EAST, 23.80 FEET FROM THE NORTHEAST CORNER OF SAID FINAL PLAT OF VERRADO VICTORY DISTRICT - PHASE 1;

THENCE DEPARTING SAID EASTERLY LINE OF VERRADO VICTORY DISTRICT - PHASE 1, NORTH 78°52'17" EAST, 253.49 FEET, TO A POINT OF CURVATURE HAVING A RADIUS OF 233.20 FEET;

THENCE SOUTHEASTERLY, 259.36 FEET, ALONG SAID CURVE, CONCAVE SOUTHWESTERLY, THROUGH A CENTRAL ANGLE OF 63°43'19";

THENCE SOUTH 37°24'24" EAST, 184.40 FEET, TO A POINT OF CURVATURE, HAVING A RADIUS OF 466.80 FEET;

THENCE SOUTHEASTERLY 300.67 FEET, ALONG SAID CURVE, CONCAVE NORTHEASTERLY, THROUGH A CENTRAL ANGLE OF 36°54'18";

THENCE SOUTH 78°20'04" EAST, 30.06 FEET;

THENCE SOUTH 11°59'44" WEST, 20.34 FEET, TO THE BEGINNING OF A NON-TANGENT CURVE, HAVING A RADIUS POINT THAT BEARS NORTH 11°59'44" EAST, 486.00 FEET;

THENCE EASTERLY, 165.50 FEET, ALONG SAID CURVE, CONCAVE NORTHERLY, THROUGH A CENTRAL ANGLE OF 19°30'39";

THENCE SOUTH 07°30'54" EAST, 52.00 FEET, TO THE BEGINNING OF A NON-TANGENT CURVE, HAVING A RADIUS POINT THAT BEARS NORTH 07°30'54" WEST, 538.00 FEET;

THENCE NORTHEASTERLY 320.02 FEET, ALONG SAID CURVE, CONCAVE NORTHWESTERLY, THROUGH A CENTRAL ANGLE OF 34°04'51";

THENCE NORTH 48°24'14" EAST, 225.02 FEET;

THENCE SOUTH 41°35'46" EAST, 204.00 FEET;

THENCE NORTH 48°24'14" EAST, 95.55 FEET;

THENCE SOUTH 65°01'53" EAST, 153.24 FEET;

THENCE SOUTH 73°15'11" EAST, 538.47 FEET;

THENCE SOUTH 65°57'27" EAST, 32.27 FEET;

THENCE SOUTH 54°48'29" EAST, 57.56 FEET;
THENCE SOUTH 33°16'18" EAST, 88.49 FEET;

THENCE SOUTH 06°43'05" EAST, 135.01 FEET;

THENCE SOUTH 01°26'33" WEST, 68.00 FEET;

THENCE SOUTH 06°32'03" WEST, 112.68 FEET;

THENCE SOUTH 01°26'33" WEST, 319.14 FEET;

THENCE SOUTH 02°06'53" WEST, 79.44 FEET;

THENCE SOUTH 04°01'43" WEST, 79.32 FEET;

THENCE SOUTH 05°58'07" WEST, 79.32 FEET;

THENCE SOUTH 07°54'30" WEST, 79.32 FEET;

THENCE SOUTH 10°34'45" WEST, 159.11 FEET;

THENCE SOUTH 11°23'23" WEST, 160.00 FEET;

THENCE SOUTH 14°57'58" WEST, 80.16 FEET;

THENCE SOUTH 11°23'23" WEST, 127.07 FEET;

THENCE SOUTH 13°21'17" EAST, 127.89 FEET;
THENCE SOUTH 79°47'37" EAST, 180.66 FEET;
THENCE SOUTH 83°36'28" EAST, 30.07 FEET;
THENCE SOUTH 79°47'37" EAST, 286.99 FEET;
THENCE SOUTH 03°12'09" WEST, 113.56 FEET;
THENCE SOUTH 89°32'44" EAST, 164.07 FEET TO THE **TRUE POINT OF BEGINNING.**

EXCEPTING THEREFROM

LOTS 100 THROUGH 119, INCLUSIVE, AND LOTS 214 THROUGH 249, INCLUSIVE, AND LOTS 300 THROUGH 351, INCLUSIVE, AND LOTS 800 THROUGH 835, INCLUSIVE, AND LOTS 900 THROUGH 955, INCLUSIVE, VERRADO VICTORY DISTRICT – A REPLAT OF PHASE 2 RECORDED IN BOOK 1249, PAGE 19, MARICOPA COUNTY RECORDS, EXCEPT TRACTS B1, P1, Q3 AND A PART OF H4, AND A REPLAT OF A PORTION OF TRACT "T" OF THE 'FINAL PLAT FOR VERRADO VICTORY DISTRICT PHASE 3 – PARCEL 3A AND A RE-PLAT OF TRACT A1 PER VERRADO VICTORY DISTRICT – PHASE 1 RECORDED IN BOOK 1172, PAGE 11, MARICOPA COUNTY RECORDS, AND A RE-PLAT OF A PART OF TRACT E3 PER VERRADO VICTORY DISTRICT – PHASE 2 RECORDED IN BOOK 1249, PAGE 19, MARICOPA COUNTY RECORDS' BEING RECORDED IN BOOK 1290, PAGE 35, ACCORDING TO BOOK 1300 OF MAPS, PAGE 14, RECORDS OF MARICOPA COUNTY, ARIZONA.

AND EXCEPTING THEREFROM

A PORTION OF SECTIONS 18 AND 19, TOWNSHIP 2 NORTH, RANGE 2 WEST OF THE GILA AND SALT RIVER MERIDIAN, MARICOPA COUNTY, ARIZONA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

TRACTS "A2" AND "X1" OF THE FINAL PLAT FOR "VERRADO VICTORY DISTRICT – PHASE 2," RECORDED IN BOOK 1249, PAGE 19, MARICOPA COUNTY RECORDS.

AREA "B"

THAT PORTION OF SECTION 18, TOWNSHIP 2 NORTH, RANGE 2 WEST, OF THE GIL.A AND SALT RIVER MERIDIAN, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT A MARICOPA COUNTY BRASS CAP FOUND AT THE EAST QUARTER CORNER OF SAID SECTION 19 FROM WHENCE A 3" BRASS CAP FOUND AT THE NORTHEAST CORNER OF SAID SECTION 19, BEARING NORTH 00°27'16" EAST, A DISTANCE OF 2,622.91 FEET (BASIS OF BEARING);

THENCE NORTHERLY ALONG THE EAST LINE OF THE NORTHEAST QUARTER OF SAID SECTION 19, NORTH 00°27'16" EAST, A DISTANCE OF 2,622.91 FEET, TO THE NORTHEAST CORNER OF SAID SECTION 19;

THENCE DEPARTING THE NORTHEAST CORNER OF SAID SECTION 19, NORTHERLY ALONG THE EAST LINE OF THE SOUTHEAST QUARTER OF SECTION 18, NORTH 00°05'39" EAST, A DISTANCE OF 1,740.41 FEET;

THENCE DEPARTING SAID EAST LINE OF THE SOUTHEAST QUARTER OF SECTION 18, NORTH 89°54'21" WEST, A DISTANCE OF 1,981.95 FEET, TO THE TRUE POINT OF BEGINNING;

THENCE SOUTH 08°41'12" EAST, A DISTANCE OF 66.00 FEET, TO THE BEGINNING OF NON-TANGENT CURVE, HAVING A RADIUS POINT BEARING NORTH 08°41'12" WEST, A DISTANCE OF 538.00 FEET;

THENCE WESTERLY, A DISTANCE OF 11.00 FEET, ALONG SAID CURVE, CONCAVE NORTHWESTERLY, THROUGH A CENTRAL ANGLE OF 01°10'18";

THENCE NORTH 07°30'54" WEST, A DISTANCE OF 52.00 FEET, TO THE BEGINNING OF A NON-TANGENT CURVE, HAVING A RADIUS POINT BEARING NORTH 07°30'54" WEST, A DISTANCE OF 486.00 FEET;

THENCE WESTERLY, A DISTANCE OF 165.05 FEET, ALONG SAID CURVE, CONCAVE NORTHERLY, THROUGH A CENTRAL ANGLE OF 19°30'39";

THENCE NORTH 11°59'44" EAST, A DISTANCE OF 14.00 FEET, TO THE BEGINNING OF A NON-TANGENT CURVE HAVING A RADIUS POINT BEARING NORTH 11°59'44" EAST, A DISTANCE OF 472.00 FEET;

THENCE EASTERLY, A DISTANCE OF 170.38 FEET, ALONG SAID CURVE, CONCAVE NORTHERLY, THROUGH A CENTRAL ANGLE OF 20°40'57", TO THE **TRUE POINT OF BEGINNING.**

AREA "C"

TRACTS A THROUGH I, INCLUSIVE, AND TRACTS M1 THROUGH M10, INCLUSIVE, AS SHOWN ON THE MAP OF DEDICATION FOR VERRADO VICTORY DISTRICT – PHASE 1: VERRADO WAY AND INDIAN SCHOOL ROAD RECORDED ON JANUARY 2, 2014, IN BOOK 1171 OF MAPS, PAGE 7 OF RECORDS OF THE COUNTY RECORDER OF MARICOPA COUNTY, ARIZONA.

PARCEL NO. 2:

LOTS 900 THROUGH 955, INCLUSIVE, VERRADO VICTORY DISTRICT – A REPLAT OF PHASE 2 RECORDED IN BOOK 1249, PAGE 19, MARICOPA COUNTY RECORDS, EXCEPT TRACTS B1, P1, Q3 AND A PART OF H4, AND A REPLAT OF A PORTION OF TRACT "T" OF THE 'FINAL PLAT FOR VERRADO VICTORY DISTRICT PHASE 3 – PARCEL 3A AND A RE-PLAT OF TRACT A1 PER VERRADO VICTORY DISTRICT – PHASE 1 RECORDED IN BOOK 1172, PAGE 11, MARICOPA COUNTY RECORDS, AND A RE-PLAT OF A PART OF TRACT E3 PER VERRADO VICTORY DISTRICT – PHASE 2 RECORDED IN BOOK 1249, PAGE 19, MARICOPA COUNTY RECORDS' BEING RECORDED IN BOOK 1290, PAGE 35, ACCORDING TO BOOK 1300 OF MAPS, PAGE 14, RECORDS OF MARICOPA COUNTY, ARIZONA.

PARCEL NO. 3:

LOTS 100 THROUGH 119, INCLUSIVE, AND 300 THROUGH 351, INCLUSIVE, VERRADO VICTORY DISTRICT – A REPLAT OF PHASE 2 RECORDED IN BOOK 1249, PAGE 19, MARICOPA COUNTY RECORDS, EXCEPT TRACTS B1, P1, Q3 AND A PART OF H4, AND A REPLAT OF A PORTION OF TRACT "T" OF THE 'FINAL PLAT FOR VERRADO VICTORY DISTRICT PHASE 3 – PARCEL 3A AND A RE-PLAT OF TRACT A1 PER VERRADO VICTORY DISTRICT – PHASE 1 RECORDED IN BOOK 1172, PAGE 11, MARICOPA COUNTY RECORDS, AND A RE-PLAT OF A PART OF TRACT E3 PER VERRADO VICTORY DISTRICT – PHASE 2 RECORDED IN BOOK 1249, PAGE 19, MARICOPA COUNTY RECORDS' BEING RECORDED IN BOOK 1290, PAGE 35, ACCORDING TO BOOK 1300 OF MAPS, PAGE 14, RECORDS OF MARICOPA COUNTY, ARIZONA.

PARCEL NO. 4:

LOTS 800 THROUGH 835, INCLUSIVE, VERRADO VICTORY DISTRICT – A REPLAT OF PHASE 2 RECORDED IN BOOK 1249, PAGE 19, MARICOPA COUNTY RECORDS, EXCEPT TRACTS B1, P1, Q3 AND A PART OF H4, AND A REPLAT OF A PORTION OF TRACT "T" OF THE 'FINAL PLAT FOR VERRADO VICTORY DISTRICT PHASE 3 – PARCEL 3A AND A RE-PLAT OF TRACT A1 PER VERRADO VICTORY

DISTRICT – PHASE 1 RECORDED IN BOOK 1172, PAGE 11, MARICOPA COUNTY RECORDS, AND A RE-PLAT OF A PART OF TRACT E3 PER VERRADO VICTORY DISTRICT – PHASE 2 RECORDED IN BOOK 1249, PAGE 19, MARICOPA COUNTY RECORDS' BEING RECORDED IN BOOK 1290, PAGE 35, ACCORDING TO BOOK 1300 OF MAPS, PAGE 14, RECORDS OF MARICOPA COUNTY, ARIZONA.

PARCEL NO. 5:

LOTS 214 THROUGH 249, INCLUSIVE, VERRADO VICTORY DISTRICT – A REPLAT OF PHASE 2 RECORDED IN BOOK 1249, PAGE 19, MARICOPA COUNTY RECORDS, EXCEPT TRACTS B1, P1, Q3 AND A PART OF H4, AND A REPLAT OF A PORTION OF TRACT "T" OF THE 'FINAL PLAT FOR VERRADO VICTORY DISTRICT PHASE 3 – PARCEL 3A AND A RE-PLAT OF TRACT A1 PER VERRADO VICTORY DISTRICT – PHASE 1 RECORDED IN BOOK 1172, PAGE 11, MARICOPA COUNTY RECORDS, AND A RE-PLAT OF A PART OF TRACT E3 PER VERRADO VICTORY DISTRICT – PHASE 2 RECORDED IN BOOK 1249, PAGE 19, MARICOPA COUNTY RECORDS' BEING RECORDED IN BOOK 1290, PAGE 35, ACCORDING TO BOOK 1300 OF MAPS, PAGE 14, RECORDS OF MARICOPA COUNTY, ARIZONA.

EXHIBIT B

A PORTION OF SECTIONS 18 AND 19, TOWNSHIP 2 NORTH, RANGE 2 WEST OF THE GILA AND SALT RIVER MERIDIAN, MARICOPA COUNTY, ARIZONA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

TRACTS "A2" AND "X1" OF THE FINAL PLAT FOR "VERRADO VICTORY DISTRICT – PHASE 2," RECORDED IN BOOK 1249, PAGE 19, MARICOPA COUNTY RECORDS.

EXHIBIT C

Tax Parcel Numbers

<u>Tax Assessor Parcel Number</u>	<u>Tax Year</u>	<u>County</u>	<u>AMA</u>
502-77-780 thru 502-77-801	2017	Maricopa	Phoenix
502-86-496 thru 502-86-509			
502-86-546 thru 502-86-572			
502-86-642 thru 502-86-753			
502-86-790 thru 502-86-810			
502-86-867 thru 502-86-958			
502-92-311 thru 502-92-324			
502-92-326 thru 502-92-328			
502-86-811 thru 502-86-866			
502-86-476 thru 502-86-496			
502-86-573 thru 502-86-587			
502-92-268 thru 502-92-310			
502-86-754 thru 502-86-789			
502-86-510 thru 502-86-545			
502-86-892; 502-86-889			

Agenda Number 4e Attachment 2

When recorded, please return to:
Central Arizona Water
Conservation District
P.O. Box 43020
Phoenix, Arizona 85080-3020
Attn: Manager, Groundwater
Replenishment District

AMENDED

**DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR
VICTORY AT VERRADO-PHASE 2 (ML# 003-14-1260)
REGARDING MEMBERSHIP IN THE CENTRAL ARIZONA
GROUNDWATER REPLENISHMENT DISTRICT**

This Amended Declaration of Covenants, Conditions and Restrictions for Victory at Verrado-Phase 2 Regarding Membership in the Central Arizona Groundwater Replenishment District ("Amended Declaration") is being re-recorded for the purpose of modifying the legal description in the original Declaration of Covenants, Conditions and Restrictions for Victory at Verrado-Phase 2 Regarding Membership in the Central Arizona Groundwater Replenishment District, recorded October 16, 2014, Instrument Number 20140687254 ("Original Declaration") and including certain additional property. This Amended Declaration will become effective upon the issuance by the Arizona Department of Water Resources of a new certificate of assured water supply for the Property and the Additional Property, and at that time, will supersede and replace the Original Declaration. CAWCD and the Department hereby give their express written consent to the recording of this Amended Declaration

CONCURRENCE: CENTRAL ARIZONA WATER CONSERVATION DISTRICT

By: _____

Its: President_____

ARIZONA DEPARTMENT OF WATER RESOURCES

By: _____

Its: Director_____

FIDELITY NATIONAL TITLE INSURANCE COMPANY, a
California corporation, as Trustee of its Trust number
B176

By: _____

Its: _____ Trust Officer

**AMENDED DECLARATION OF COVENANTS, CONDITIONS
AND RESTRICTIONS FOR
VICTORY AT VERRADO-PHASE 2 (ML# 003-14-1260)
REGARDING MEMBERSHIP IN THE CENTRAL ARIZONA
GROUNDWATER REPLENISHMENT DISTRICT**

This Amended Declaration of Covenants, Conditions and Restrictions for Victory at Verrado-Phase 2 Regarding Membership in the Central Arizona Groundwater Replenishment District is made this ___ day of _____, 2017, by Fidelity National Title Insurance Company, a California corporation, as Trustee of its Trust number B176 ("Fidelity"), T.W. Lewis – Active Adult II, LLC, an Arizona limited liability company ("TW Lewis"), Lennar Arizona, Inc., an Arizona corporation ("Lennar"), Taylor Morrison/Arizona, Inc., an Arizona corporation ("Taylor Morrison"), V117 Holdings, LLC, an Arizona limited liability company ("V117 Holdings"), and Verrado ARC LLC, an Arizona limited liability company ("Verrado ARC").

RECITALS

A. Declarant is the owner of the Property, legally described in Exhibit A attached and incorporated into this Declaration.

B. Verrado ARC, also a Declarant, is the owner of the Additional Property legally described in Exhibit B attached and incorporated into this Declaration.

C. On October 16, 2014, Fidelity recorded a declaration against certain real property in the Official Records of Maricopa County as Instrument Number 20140687254 ("Original Declaration").

C. Following recording of the Original Declaration, Fidelity sold certain real property within the Property to TW Lewis, Lennar, Taylor Morrison, V117 Holdings, and sold the Additional Property to Verrado ARC.

D. Declarant desires to amend the Original Declaration for the purpose of modifying the legal description of the Property in the Original Declaration and including the Additional Property.

E. The Department and CAWCD have consented to the amendment of the Original Declaration for the purpose of modifying the legal description in the Original Declaration and including the Additional Property.

F. Declarant has applied to the Department for a certificate of assured water supply for the Property and the Additional Property pursuant to Arizona Revised Statutes Title 45, Chapter 2, Article 9.

G. As permitted by Arizona Revised Statutes § 45-576.01(B), Declarant desires to satisfy one requirement for obtaining a certificate of assured water supply by qualifying the Property and the Additional Property as Member Land pursuant to the Groundwater

Replenishment Statute. As Member Land, the Property and the Additional Property will be a member of the Central Arizona Groundwater Replenishment District, an operating subdivision of the CAWCD.

H. The Declarant has paid CAWCD an Enrollment Fee to enroll the Property and the Additional Property as Member Land within the Central Arizona Groundwater Replenishment District.

I. To qualify the Property and the Additional Property as Member Land, the Groundwater Replenishment Statute requires Declarant to subject the Property and the Additional Property to this Declaration.

J. To permit the delivery of Excess Groundwater to the Property and the Additional Property as Member Land, each Parcel must be subject to the Parcel Replenishment Obligation, the Replenishment Assessment, the Activation Fee, the applicable Replenishment Reserve Fee, Annual Membership Dues and Enrollment Fee, all to be determined by CAWCD.

K. Qualifying the Property and the Additional Property as Member Land and subjecting the Property and the Additional Property to the Parcel Replenishment Obligation, the Replenishment Assessment, the Activation Fee, the Replenishment Reserve Fee, Annual Membership Dues, and Enrollment Fee directly benefit the Property and the Additional Property by increasing the potential of the Property and the Additional Property to qualify for a certificate of assured water supply issued by the Department pursuant to Arizona Revised Statutes Title 45, Chapter 2, Article 9, thereby allowing the development, use and enjoyment of the Property and the Additional Property.

L. The Property will receive water service from Municipal Provider. The Additional Property may receive water service from Municipal Provider.

M. The Additional Property may receive water service from the Owner of each Parcel of the Additional Property. Such Owner will annually report to Municipal Provider the information called for in Arizona Revised Statutes § 48-3775(A)(1) and (2), as described in Article 8 to this Declaration.

O. Since the Additional Property will be used in conjunction with and for the benefit of the Property, both the Additional Property and the Property should be considered as a Member Land for purposes of determining the Parcel Replenishment Obligation and the Replenishment Assessment.

NOW, THEREFORE, Declarant hereby declares that the Property and the Additional Property shall be held, sold and conveyed subject to the covenants, conditions and restrictions contained in this Declaration.

ARTICLE 1 DEFINITIONS

1.1 "Additional Property" means the real property legally described in Exhibit B attached and incorporated into this Declaration.

1.2 "Activation Fee" means the fee established by CAWCD for the purpose of raising funds to pay a portion of the costs associated with acquisition and development of water supplies and infrastructure necessary for CAWCD to perform its obligations under Article 4 of the Groundwater Replenishment Statute. The Activation Fee is equal to the per-unit fee established by the CAWCD Board of Directors multiplied by the total number of housing units to be constructed within that portion of the Property owned by the Owner.

1.3 "Annual Membership Dues" means the dues established annually by CAWCD pursuant to Arizona Revised Statutes § 48-3779.

1.4 "CAWCD" means the Central Arizona Water Conservation District, a political subdivision of the State of Arizona, and any successor political subdivision.

1.5 "Declarant" means Fidelity, as to only that portion of the Property described in Exhibit A as Parcel No. 1, TW Lewis, as to only that portion of the Property described in Exhibit A as Parcel No. 2, Lennar, as to only that portion of the Property described in Exhibit A as Parcel No. 3, Taylor Morrison, as to only that portion of the Property described in Exhibit A as Parcel No. 4, V117 Holdings, as to only that portion of the Property described in Exhibit A as Parcel No. 5, and Verrado ARC, only as to the Additional Property described in Exhibit B.

1.6 "Declaration" means this Amended Declaration of Covenants, Conditions and Restrictions for Victory at Verrado-Phase 2 Regarding Membership in the Central Arizona Groundwater Replenishment District, as amended from time to time.

1.7 "Department" means the Arizona Department of Water Resources, an agency of the State of Arizona, and any successor agency.

1.8 "Enrollment Fee" means the fee established by CAWCD to cover the costs of administrative activities related to the enrollment of lands as Member Lands of the Central Arizona Groundwater Replenishment District and to pay a portion of the costs associated with the acquisition and development of water supplies and infrastructure necessary for CAWCD to perform its obligations under Article 4 of the Groundwater Replenishment Statute. The amount of the Enrollment Fee is set pursuant to CAWCD's "CAGRDR Enrollment Fee and Activation Fee Policy."

1.9 "Excess Groundwater" means the amount of Groundwater equal to the amount of Groundwater delivered to the Property and Additional Property in a calendar year in excess of the amount of Groundwater that may be used at the Property and Additional Property in that calendar year consistent with the applicable Assured and Adequate Water Supply Rules adopted by the Department for the Phoenix Active Management Area pursuant to Arizona Revised Statutes § 45-576(H).

1.10 "Fidelity" means Fidelity National Title Insurance Company, a California corporation, as Trustee of its Trust number B176, and its successors and assigns.

1.11 "Groundwater" is as defined in Arizona Revised Statutes § 45-101(5).

1.12 "Groundwater Replenishment Statute" means Arizona Revised Statutes Title 48, Chapter 22.

1.13 "Lennar" means Lennar Arizona, Inc., an Arizona corporation, and its successors and assigns.

1.14 "Member Land" is as defined in Arizona Revised Statutes § 48-3701(10).

1.15 "Municipal Provider" means EPCOR Water Arizona Inc., an Arizona corporation, and its successors and assigns.

1.16 "Owner" means the Person or Persons who individually or collectively own fee title to a Parcel, provided that if fee title to a Parcel is vested in a trustee under a deed of trust under Arizona Revised Statutes Title 33, Chapter 6.1, the owner of the trustor's interest under the deed of trust is deemed to be the "Owner" of that Parcel.

1.17 "Parcel" means any portion of the Property or Additional Property now existing or hereafter established for which the tax assessor for the county in which the Property or Additional Property is located has issued a separate tax parcel number.

1.18 "Parcel Replenishment Obligation" means, with respect to any particular Parcel, an amount of Groundwater that is equal to the amount of Groundwater delivered by the Municipal Provider to the Parcel in a calendar year multiplied by the percentage that the Excess Groundwater of the Property and Additional Property for that year bears to the total amount of Groundwater delivered by the Municipal Provider to the Property and Additional Property during that year.

1.19 "Person" means a natural person, corporation, business trust, estate, trust, partnership, association, limited liability company, limited liability partnership, joint venture, government, governmental subdivision or agency, or other legal or commercial entity.

1.20 "Property" means the real property legally described in Exhibit A to this Declaration.

1.21 "Replenishment Assessment" means the annual assessment levied by CAWCD against a Parcel in a calendar year based on the Parcel Replenishment Obligation applicable to that Parcel during that year, including any applicable Replenishment Reserve Charge.

1.22 "Replenishment Reserve Charge" means the charge established annually by CAWCD pursuant to Arizona Revised Statutes § 48-3772(E) and included in the Replenishment Assessment.

1.23 "Replenishment Reserve Fee" means the fee that must be levied by CAWCD pursuant to Arizona Revised Statutes § 48-3774.01. The fee is equal to twice the

Replenishment Reserve Charge multiplied by the total projected annual Excess Groundwater demand for Victory at Verrado-Phase 2 as reported by the Department pursuant to Arizona Revised Statutes § 45-578(F).

1.24 “Taylor Morrison” means Taylor Morrison/Arizona, Inc., an Arizona corporation, and its successors and assigns.

1.25 “TW Lewis” means T.W. Lewis—Active Adult II, LLC, an Arizona limited liability company, and its successors and assigns.

1.26 “Verrado ARC” means Verrado ARC LLC, an Arizona limited liability company, and its successors and assigns.

1.27 “V117 Holdings” means V117 Holdings, LLC, an Arizona limited liability company, and its successors and assigns.

ARTICLE 2 COVENANT FOR REPLENISHMENT ASSESSMENT

2.1 Replenishment Assessment. Each Parcel is hereby made subject to the Replenishment Assessment based on the Parcel Replenishment Obligation in an amount to be determined by CAWCD as necessary to allow CAWCD to perform its obligations under Article 4 of the Groundwater Replenishment Statute.

2.2 Levy of Replenishment Assessment. CAWCD shall levy the Replenishment Assessment against each Parcel in accordance with Arizona Revised Statutes § 48-3778.

2.3 Interest, Costs and Penalties. If the Replenishment Assessment is not paid when due, CAWCD will be entitled to interest, costs and penalties as provided by law.

ARTICLE 3 COVENANT FOR REPLENISHMENT RESERVE FEE

3.1 Replenishment Reserve Fee. Each Parcel that has qualified as a Category 1 member land pursuant to Arizona Revised Statutes § 48-3774.01 is hereby made subject to the Replenishment Reserve Fee based on a pro rata distribution of the total projected annual Excess Groundwater demand for Victory at Verrado-Phase 2 as reported by the Department pursuant to Arizona Revised Statutes § 45-578(F).

3.2 Payment of Replenishment Reserve Fee. In accordance with Arizona Revised Statutes § 45-576(C), the Replenishment Reserve Fee must be paid by the Owner to CAWCD prior to the issuance of a public report by the state real estate commissioner authorizing the sale or lease of subdivided lands within that portion of the Property and Additional Property owned by the Owner. With the approval of CAWCD and the

Department, long-term storage credits, as defined in Arizona Revised Statutes § 45-802.01, may be assigned by the Owner to CAWCD's replenishment reserve subaccount in lieu of paying the Replenishment Reserve Fee.

3.3 Interest, Costs and Penalties. If the Replenishment Reserve Fee is not paid when due, CAWCD will be entitled to interest, costs and penalties as provided by law.

3.4 Not Applicable to Category 2 Member Land. This Article 3 shall not apply to those parcels of the Property and Additional Property that have qualified as Category 2 member land pursuant to Arizona Revised Statutes § 48-3774.01.

ARTICLE 4 COVENANT FOR PAYMENT OF ACTIVATION FEE

4.1 Activation Fee. Each subdivision within the Property and Additional Property that qualifies as a Member Land pursuant to Arizona Revised Statutes § 48-3774 is hereby made subject to the Activation Fee.

4.2 Payment of Activation Fee. The Activation Fee must be paid by the Owner in full or in part to CAWCD prior to the issuance of a public report by the Arizona Real Estate Commission authorizing the sale or lease of subdivided lands within that portion of the Property and Additional Property owned by the Owner. The Activation Fee may be paid in two equal installments. The first installment shall be paid before issuance of the public report. The second installment shall be paid within 30 days of the date of CAWCD's invoice for the second installment, or as otherwise agreed by the Owner and CAWCD.

4.3 Interest, Costs and Penalties. If the Activation Fee is not paid when due, CAWCD will be entitled to interest, costs and penalties as provided by law.

ARTICLE 5 COVENANT FOR PAYMENT OF ANNUAL MEMBERSHIP DUES

5.1 Annual Membership Dues. Each Parcel is hereby made subject to the Annual Membership Dues in accordance with Arizona Revised Statutes § 48-3779.

5.2 Levy of Annual Membership Dues. CAWCD shall levy the Annual Membership Dues against each Parcel in accordance with Arizona Revised Statutes § 48-3779.

5.3 Interest, Costs and Penalties. If the Annual Membership Dues are not paid when due, CAWCD will be entitled to interest, costs and penalties as provided by law.

ARTICLE 6
COVENANT FOR PAYMENT OF ENROLLMENT FEES

6.1 Enrollment Fee. Each Parcel is hereby made subject to the Enrollment Fee.

6.2 Additional Enrollment Fees. If any portion of the Property and Additional Property is re-platted subsequent to the initial enrollment of the Property and Additional Property as Member Lands of the Central Arizona Groundwater Replenishment District and the number of Parcels within that re-platted portion of the Property and Additional Property increases, that re-platted portion of the Property and Additional Property is hereby subject to the payment of additional Enrollment Fees in accordance with the version of CAWCD's "CAGRDR Enrollment Fee and Activation Fee Policy" effective on the date that the re-platting of the Property and Additional Property is approved by the applicable platting authority.

6.3 Payment of Additional Enrollment Fees. Any additional Enrollment Fees due to CAWCD under Paragraph 6.2 of this Declaration must be paid to CAWCD by the Owner of the re-platted portion of the Property and Additional Property within 30 days of the date of CAWCD's invoice, or as otherwise agreed by the Owner and CAWCD.

6.4 Interest, Costs and Penalties. If any additional Enrollment Fees due under Paragraph 6.2 of this Declaration are not paid when due, CAWCD will be entitled to interest, costs and penalties as provided by law.

ARTICLE 7
COVENANT FOR CREATION OF LIEN

7.1 Creation of Lien and Personal Obligation. Declarant, for each Parcel, hereby covenants and agrees, and each Owner (other than Declarant), by becoming the Owner of a Parcel, is deemed to covenant and agree, to pay the Replenishment Assessment, Activation Fee, Replenishment Reserve Fee, Annual Membership Dues, and Enrollment Fee (including any additional Enrollment Fees due under Article 6 of this Declaration) to CAWCD in accordance with this Declaration and the Groundwater Replenishment Statute. The Replenishment Assessment and Annual Membership Dues, together with interest, costs, and penalties as provided by law, constitute a continuing lien on the Parcel against which such Replenishment Assessment and Annual Membership Dues are levied, as provided by Arizona Revised Statutes §§ 48-3778 and 48-3779. The Replenishment Assessment and Annual Membership Dues, together with interest, costs and penalties, are also personal obligations of each Person who was an Owner of a Parcel at the time such Replenishment Assessment and/or Annual Membership Dues came due.

7.2 Remedies for Nonpayment of Replenishment Assessment and Annual Membership Dues. In the event of the delinquency of any Replenishment Assessment or Annual Membership Dues, CAWCD has the rights and remedies provided in Arizona

Revised Statutes §§ 48-3778 and 48-3779.

ARTICLE 8 REPORTS OF WATER DELIVERIES TO THE ADDITIONAL PROPERTY

8.1 On or before February 20 of each year after 2017, the Owner of each Parcel of the Additional Property shall file with Municipal Provider a report that contains the following information for the preceding calendar year, which is the reporting year:

8.1.1 The amount of Groundwater delivered by the Owner to each Parcel of the Additional Property, identified by the applicable tax parcel number, and the basis for the calculation of the amount of Groundwater delivered.

8.1.2 The total amount of Groundwater delivered by the Owner to the Additional Property Member Land, and the basis for the calculation of the amount of Groundwater delivered.

8.1.3 Such other information as CAWCD may require.

ARTICLE 9 GENERAL PROVISIONS

9.1 Binding Effect. The Property shall be held, sold and conveyed subject to this Declaration. By acceptance of a deed or by acquiring any portion of or any interest in the Property, each Owner is bound by all the covenants, conditions and restrictions now or hereafter imposed by this Declaration. The covenants, conditions and restrictions contained in this Declaration run with the land and bind Declarant, all Owners, and all successors and assigns of Declarant or any Owner. Declarant agrees and covenants to CAWCD to execute and record any additional documentation which CAWCD may reasonably require to effectuate the intents and purposes of this Declaration and the Groundwater Replenishment Statute.

9.2 Amendments. This Declaration may be modified, amended or revoked only (i) by the express written agreement of CAWCD, the Department and the Owners of 67% of the total area of the Property; or (ii) by amendment statutes, rules or regulations or successor statutes, rules or regulations, as contemplated by Paragraph 9.4 of this Declaration.

9.3 Interpretation. This Declaration must be construed and interpreted in accordance with and in reference to the laws of the State of Arizona, including but not limited to the Groundwater Replenishment Statute.

9.4 Rules, Regulations and Successor Statutes. All references in this Declaration to Arizona Revised Statutes include all rules and regulations promulgated by

the Department under such statutes and all amendments and successor statutes, rules and regulations to such statutes, rules and regulations.

9.5 Severability. Any determination by any court of competent jurisdiction that any provision of this Declaration is invalid or unenforceable does not affect the validity or enforceability of any other provision of this Declaration.

9.6 Captions. All captions, titles or headings in this Declaration are used for the purpose of reference and convenience only and do not limit, modify or otherwise affect any of the provisions of this Declaration.

9.7 Effective Date. This Declaration shall become effective upon the issuance by the Department of a new certificate of assured water supply for the Property. When effective, this Declaration will supersede and replace the Original Declaration.

[Signatures appear on following page]

IN WITNESS WHEREOF, Declarant has executed this Declaration as of the date first set forth above.

DECLARANTS: FIDELITY NATIONAL TITLE INSURANCE COMPANY, a California corporation, as Trustee of its Trust number B176, as to only that portion of the Property described in Exhibit A as Parcel No. 1

By: _____

Its: _____ Trust officer

STATE OF)
) ss.
County of)

The foregoing instrument was acknowledged before me this ____ day of _____, 2017, by _____, the _____ Trust Officer of _____ Fidelity National Title Insurance Company, as Trustee of its Trust No. B176 _____.

Notary Public

T.W. LEWIS – ACTIVE ADULT II, LLC, an Arizona limited liability company, as to only that portion of the Property described in Exhibit A as Parcel No. 2

By: _____

Its: _____

STATE OF)
) ss.
County of)

The foregoing instrument was acknowledged before me this ____ day of _____, 2017, by _____, the _____ of T.W. Lewis – Active Adult II, LLC.

Notary Public

LENNAR ARIZONA, INC., an Arizona corporation, as to only that portion of the Property described in Exhibit A as Parcel No. 3

By: _____

Its: _____

STATE OF)
) ss.
County of)

The foregoing instrument was acknowledged before me this ____ day of _____, 2017, by _____, the _____ of Lennar Arizona, Inc.

Notary Public

TAYLOR MORRISON/ARIZONA, INC., an Arizona corporation, as to only that portion of the Property described in Exhibit A as Parcel No. 4

By: _____

Its: _____

STATE OF)
) ss.
County of)

The foregoing instrument was acknowledged before me this ____ day of _____, 2017, by _____, the _____ of Taylor Morrison/Arizona, Inc.

Notary Public

V117 HOLDINGS, LLC, an Arizona limited liability company,
as to only that portion of the Property described in Exhibit A
as Parcel No. 5

By: RRJ Ventures, LLC, an Arizona limited liability company

Its: Manager

By: _____

Its: _____

STATE OF)
) ss.
County of)

The foregoing instrument was acknowledged before me this ____ day of _____,
2016, by _____, the _____ of
RRJ Ventures, LLC, an Arizona limited liability company, the Manager of V117
Holdings, LLC.

Notary Public

VERRADO ARC LLC, an Arizona limited liability company,
only as to the Additional Property described in Exhibit B.

By: DMB Associates, Inc., an Arizona corporation

Its: Manager

By: _____

Its: _____

STATE OF)
) ss.
County of)

The foregoing instrument was acknowledged before me this ____ day of _____,
2017, by _____, the _____
of DMB Associates, Inc., an Arizona corporation, the Manager of Verrado ARC LLC

Notary Public

The Optionee, as to a portion of the Property described in Exhibit A as Parcel No. 1, Area "A", identified as "Buyer" under that certain Second Amended and Restated Purchase and Sale Agreement, dated July 28, 2016, by and between Verrado ARC LLC, an Arizona limited liability company, and Lennar Arizona, Inc., an Arizona corporation, as amended by the First Amendment to Second Amended and Restated Purchase and Sale Agreement dated August 4, 2016, as amended by the Second Amendment to Second Amended and Restated Purchase and Sale Agreement dated September 1, 2016, as amended by the Third Amendment to Second Amended and Restated Purchase and Sale Agreement dated September 21, 2016, as amended by the Fourth Amendment to Second Amended and Restated Purchase and Sale Agreement dated October 3, 2016, hereby consents to the execution and recording of this document:

OPTIONEE: LENNAR ARIZONA, INC., an Arizona corporation

By: _____

Its: _____

STATE OF)
) ss.
County of)

The foregoing instrument was acknowledged before me this ____ day of _____, 2017, by _____, the _____ of Lennar Arizona, Inc.

Notary Public

The Optionee, as to a portion of the Property described in Exhibit A as Parcel No. 1, Area "A", identified as "Buyer" under that certain Purchase and Sale Agreement, dated October 3, 2016, by and between Verrado ARC LLC, an Arizona limited liability company, and Taylor Morrison/Arizona, Inc., an Arizona corporation, as amended by the First Amendment to Purchase and Sale Agreement dated November 28, 2016, hereby consents to the execution and recording of this document:

OPTIONEE: TAYLOR MORRISON/ARIZONA, INC., an Arizona corporation

By: _____

Its: _____

STATE OF)
) ss.
County of)

The foregoing instrument was acknowledged before me this ____ day of _____, 2017, by _____, the _____ of Taylor Morrison/Arizona, Inc.

Notary Public

The Optionee, as to a portion of the Property described in Exhibit A as Parcel No. 1, Area "A", identified as "Buyer" under that certain Purchase and Sale Agreement, dated December 8, 2016, by and between Verrado ARC LLC, an Arizona limited liability company, and Pinnacle West Homes and Development, LLC, an Arizona limited liability company, as amended by the First Amendment to Purchase and Sale Agreement dated January 17, 2017, hereby consents to the execution and recording of this document:

OPTIONEE: PINNACLE WEST HOMES AND DEVELOPMENT,
LLC, an Arizona limited liability company

By: _____

Its: _____

STATE OF)
) ss.
County of)

The foregoing instrument was acknowledged before me this ____ day of _____,
2017, by _____, the _____
of Pinnacle West Homes and Development, LLC.

Notary Public

The Optionee, as to a portion of the Property described in Exhibit A as Parcel No. 1, Area "A", identified as "Assignee" under that certain Assignment and Assumption Agreement, by and between Pinnacle West Homes and Development, LLC, an Arizona limited liability company, and V117 Holdings, LLC, an Arizona limited liability company, hereby consents to the execution and recording of this document:

OPTIONEE: V117 HOLDINGS, LLC, an Arizona limited liability company

By: _____

Its: _____

STATE OF)
) ss.
County of)

The foregoing instrument was acknowledged before me this ____ day of _____, 2017, by _____, the _____ of V117 Holdings, LLC.

Notary Public

The Optionee, as to a portion of the Property described in Exhibit A as Parcel No. 1, Area "A", identified as "Buyer" under that certain Memorandum of Rolling Option Agreement by and between V117 Holdings, LLC, an Arizona limited liability company, and Pinnacle West Homes V117, LLC, an Arizona limited liability company, dated April 17, 2017, hereby consents to the execution and recording of this document:

OPTIONEE: PINNACLE WEST HOMES V117, LLC, an Arizona limited liability company

By: _____

Its: _____

STATE OF)
) ss.
County of)

The foregoing instrument was acknowledged before me this ____ day of _____, 2017, by _____, the _____ of Pinnacle West Homes V117, LLC.

Notary Public

The Optionee, as to a portion of the Property described in Exhibit A as Parcel No. 2, identified as "Builder" under that certain Memorandum of Option Agreement by and between, T.W. Lewis – Active Adult II, LLC, an Arizona limited liability company, and Weekley Homes, LLC, a Delaware limited liability company, dated December 14, 2016, hereby consents to the execution and recording of this document:

OPTIONEE: WEEKLEY HOMES, LLC, a Delaware limited liability company

By: _____

Its: _____

STATE OF)
) ss.
County of)

The foregoing instrument was acknowledged before me this ____ day of _____, 2017, by _____, the _____ of Weekley Homes, LLC.

Notary Public

The Optionee, as to a portion of the Property described in Exhibit A as Parcel No. 2, identified as "Marketer" under that certain Memorandum of Option Agreement by and between, Weekley Homes, LLC, a Delaware limited liability company, and Weekly Homes Arizona, LLC, an Arizona limited liability company hereby consents to the execution and recording of this document:

OPTIONEE: WEEKLEY HOMES ARIZONA, LLC, an Arizona limited liability company

By: _____

Its: _____

STATE OF)
) ss.
County of)

The foregoing instrument was acknowledged before me this ____ day of _____, 2017, by _____, the _____ of Weekley Homes Arizona, LLC.

Notary Public

EXHIBIT A

PARCEL NO. 1:

AREA "A"

ALL OF VERRADO VICTORY DISTRICT - PHASE 2, EXCEPT FOR TRACTS B1, P1, Q3, AND A PART OF H4, RECORDED UNDER BOOK 1249, PAGE 19, MARICOPA COUNTY RECORDS, SITUATED IN SECTION 18 AND 19, TOWNSHIP 2 NORTH, RANGE 2 WEST, OF THE GILA AND SALT RIVER MERIDIAN, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT A BRASS CAP FOUND AT THE NORTHEAST CORNER OF SAID SECTION 19 FROM WHENCE A 3" MARICOPA COUNTY BRASS CAP FOUND AT THE EAST QUARTER CORNER OF SAID SECTION 19, BEARS SOUTH 00°27'16" WEST, 2,622.92 FEET;

THENCE SOUTHERLY ALONG THE EAST LINE OF THE NORTHEAST QUARTER OF SAID SECTION 19, SOUTH 00°27'16" WEST, 261.58 FEET TO THE **TRUE POINT OF BEGINNING**;

THENCE CONTINUING SOUTHERLY ALONG SAID EAST LINE OF THE NORTHEAST QUARTER OF SECTION 19, SOUTH 00°27'16" WEST, 1738.53 FEET;

THENCE NORTH 89°32'44" WEST, 312.25 FEET, TO A POINT OF CURVATURE, HAVING A RADIUS OF 787.00 FEET;

THENCE NORTHWESTERLY 391.29 FEET, ALONG SAID CURVE, CONCAVE NORTHEASTERLY, THROUGH A CENTRAL ANGLE OF 28°29'12";

THENCE NORTH 61°03'32" WEST, 595.57 FEET TO THE BEGINNING OF A NON-TANGENT CURVE HAVING A RADIUS POINT THAT BEARS SOUTH 69°02'10" EAST, 763.00 FEET;

THENCE SOUTHWESTERLY 52.56 FEET, ALONG SAID CURVE, CONCAVE SOUTHEASTERLY, THROUGH A CENTRAL ANGLE OF 03°56'48", TO THE NORTHEAST CORNER OF TRACT 'A1' OF THE FINAL PLAT FOR VERRADO VICTORY DISTRICT - PHASE 1, RECORDED UNDER BOOK 1172, PAGE 11, MCR;

THENCE ALONG SAID NORTHERLY AND EASTERLY BOUNDARY LINES OF SAID FINAL PLAT OF VERRADO VICTORY DISTRICT - PHASE 1, THE FOLLOWING 14 COURSES;

THENCE NORTH 72°58'58" WEST, 124.00 FEET, TO THE BEGINNING OF A NON-TANGENT CURVE, HAVING A RADIUS POINT THAT BEARS SOUTH 72° 58' 58" EAST, 887.00 FEET;

THENCE NORTHEASTERLY 134.86 FEET ALONG SAID CURVE, CONCAVE TO THE SOUTHEAST, THROUGH A CENTRAL ANGLE OF 08°42'40";

THENCE NORTH 25°43'42" EAST, 49.42 FEET;

THENCE NORTH 68°54'11" WEST, 765.04 FEET;

THENCE NORTH 86°18'44" WEST, 103.74 FEET;

THENCE NORTH 21°43'20" WEST, 242.26 FEET;

THENCE NORTH 52°24'55" WEST, 153.50 FEET;

THENCE NORTH 70°30'15" WEST, 390.42 FEET;

THENCE NORTH 02°40'19" EAST, 217.78 FEET;

THENCE NORTH 18°40'14" WEST, 606.59 FEET, TO THE BEGINNING OF A NON-TANGENT CURVE, HAVING A RADIUS POINT THAT BEARS NORTH 34° 13' 14" WEST, 661.00 FEET;

THENCE NORTHEASTERLY 454.27 FEET ALONG SAID CURVE, CONCAVE TO THE NORTHWEST, THROUGH A CENTRAL ANGLE OF 39° 22' 34";

THENCE NORTH 16° 24' 12" EAST, 52.70 FEET;

THENCE NORTH 73° 35' 48" WEST, 122.00 FEET;

THENCE NORTH 16° 24' 12" EAST, 97.30 FEET, TO A POINT OF CURVATURE, HAVING A RADIUS OF 1261.00 FEET, AND TO AN ANGLE POINT ON THE EAST LINE OF TRACT "Q3" OF SAID FINAL PLAT VERRADO VICTORY DISTRICT – PHASE 2;

THENCE DEPARTING SAID FINAL PLAT OF VERRADO VICTORY DISTRICT - PHASE 1, AND ALONG SAID EAST LINE OF TRACT "Q3" AND THE EAST AND NORTH LINES OF TRACT "P1" OF SAID FINAL PLAT FOR VERRADO VICTORY DISTRICT - PHASE 2 THE FOLLOWING 9 COURSES:

THENCE NORTHERLY, 381.06 FEET, ALONG SAID CURVE, CONCAVE EASTERLY, THROUGH A CENTRAL ANGLE OF 17°18'51";

THENCE NORTH 33°43'03" EAST, 353.36 FEET, TO A POINT OF CURVATURE, HAVING A RADIUS OF 764.00 FEET;

THENCE NORTHERLY 341.84 FEET, ALONG SAID CURVE, CONCAVE WESTERLY. THROUGH A CENTRAL ANGLE OF 25°38'09";

THENCE NORTH 08°04'54" EAST, 127.15 FEET, TO A POINT OF CURVATURE, HAVING A RADIUS OF 15.00 FEET;

THENCE NORTHWESTERLY 21.45 FEET, ALONG SAID CURVE, CONCAVE SOUTHWESTERLY, THROUGH A CENTRAL ANGLE OF 81°56'32", TO A POINT OF REVERSE CURVATURE HAVING A RADIUS OF 527.20 FEET;

THENCE NORTHWESTERLY 335.43 FEET, ALONG SAID CURVE, CONCAVE NORTHEASTERLY, THROUGH A CENTRAL ANGLE OF 36°27'14";

THENCE NORTH 37°24'24" WEST, 184.40 FEET, TO A POINT OF CURVATURE, HAVING A RADIUS OF 172.80 FEET;

THENCE WESTERLY, 192.18 FEET, ALONG SAID CURVE, CONCAVE SOUTHERLY, THROUGH A CENTRAL ANGLE OF 63°43'19";

THENCE SOUTH 78°52'17" WEST, 253.49 FEET, TO THE NORTHWEST CORNER OF SAID TRACT "P1";

THENCE DEPARTING SAID NORTH LINE OF TRACT "P1", ALONG THE EASTERLY LINE OF SAID FINAL PLAT FOR VERRADO VICTORY DISTRICT – PHASE 1, NORTH 11°07'43" WEST, 60.40 FEET, TO A POINT, SAID POINT LYING SOUTH 11°07'43" EAST, 23.80 FEET FROM THE NORTHEAST CORNER OF SAID FINAL PLAT OF VERRADO VICTORY DISTRICT - PHASE 1;

THENCE DEPARTING SAID EASTERLY LINE OF VERRADO VICTORY DISTRICT - PHASE 1, NORTH 78°52'17" EAST, 253.49 FEET, TO A POINT OF CURVATURE HAVING A RADIUS OF 233.20 FEET;

THENCE SOUTHEASTERLY, 259.36 FEET, ALONG SAID CURVE, CONCAVE SOUTHWESTERLY, THROUGH A CENTRAL ANGLE OF 63°43'19";

THENCE SOUTH 37°24'24" EAST, 184.40 FEET, TO A POINT OF CURVATURE, HAVING A RADIUS OF 466.80 FEET;

THENCE SOUTHEASTERLY 300.67 FEET, ALONG SAID CURVE, CONCAVE NORTHEASTERLY, THROUGH A CENTRAL ANGLE OF 36°54'18";

THENCE SOUTH 78°20'04" EAST, 30.06 FEET;

THENCE SOUTH 11°59'44" WEST, 20.34 FEET, TO THE BEGINNING OF A NON-TANGENT CURVE, HAVING A RADIUS POINT THAT BEARS NORTH 11°59'44" EAST, 486.00 FEET;

THENCE EASTERLY, 165.50 FEET, ALONG SAID CURVE, CONCAVE NORTHERLY, THROUGH A CENTRAL ANGLE OF 19°30'39";

THENCE SOUTH 07°30'54" EAST, 52.00 FEET, TO THE BEGINNING OF A NON-TANGENT CURVE, HAVING A RADIUS POINT THAT BEARS NORTH 07°30'54" WEST, 538.00 FEET;

THENCE NORTHEASTERLY 320.02 FEET, ALONG SAID CURVE, CONCAVE NORTHWESTERLY, THROUGH A CENTRAL ANGLE OF 34°04'51";

THENCE NORTH 48°24'14" EAST, 225.02 FEET;

THENCE SOUTH 41°35'46" EAST, 204.00 FEET;

THENCE NORTH 48°24'14" EAST, 95.55 FEET;

THENCE SOUTH 65°01'53" EAST, 153.24 FEET;

THENCE SOUTH 73°15'11" EAST, 538.47 FEET;

THENCE SOUTH 65°57'27" EAST, 32.27 FEET;

THENCE SOUTH 54°48'29" EAST, 57.56 FEET;
THENCE SOUTH 33°16'18" EAST, 88.49 FEET;

THENCE SOUTH 06°43'05" EAST, 135.01 FEET;

THENCE SOUTH 01°26'33" WEST, 68.00 FEET;

THENCE SOUTH 06°32'03" WEST, 112.68 FEET;

THENCE SOUTH 01°26'33" WEST, 319.14 FEET;

THENCE SOUTH 02°06'53" WEST, 79.44 FEET;

THENCE SOUTH 04°01'43" WEST, 79.32 FEET;

THENCE SOUTH 05°58'07" WEST, 79.32 FEET;

THENCE SOUTH 07°54'30" WEST, 79.32 FEET;

THENCE SOUTH 10°34'45" WEST, 159.11 FEET;

THENCE SOUTH 11°23'23" WEST, 160.00 FEET;

THENCE SOUTH 14°57'58" WEST, 80.16 FEET;

THENCE SOUTH 11°23'23" WEST, 127.07 FEET;

THENCE SOUTH 13°21'17" EAST, 127.89 FEET;
THENCE SOUTH 79°47'37" EAST, 180.66 FEET;
THENCE SOUTH 83°36'28" EAST, 30.07 FEET;
THENCE SOUTH 79°47'37" EAST, 286.99 FEET;
THENCE SOUTH 03°12'09" WEST, 113.56 FEET;
THENCE SOUTH 89°32'44" EAST, 164.07 FEET TO THE **TRUE POINT OF BEGINNING.**

EXCEPTING THEREFROM

LOTS 100 THROUGH 119, INCLUSIVE, AND LOTS 214 THROUGH 249, INCLUSIVE, AND LOTS 300 THROUGH 351, INCLUSIVE, AND LOTS 800 THROUGH 835, INCLUSIVE, AND LOTS 900 THROUGH 955, INCLUSIVE, VERRADO VICTORY DISTRICT – A REPLAT OF PHASE 2 RECORDED IN BOOK 1249, PAGE 19, MARICOPA COUNTY RECORDS, EXCEPT TRACTS B1, P1, Q3 AND A PART OF H4, AND A REPLAT OF A PORTION OF TRACT “T” OF THE ‘FINAL PLAT FOR VERRADO VICTORY DISTRICT PHASE 3 – PARCEL 3A AND A RE-PLAT OF TRACT A1 PER VERRADO VICTORY DISTRICT – PHASE 1 RECORDED IN BOOK 1172, PAGE 11, MARICOPA COUNTY RECORDS, AND A RE-PLAT OF A PART OF TRACT E3 PER VERRADO VICTORY DISTRICT – PHASE 2 RECORDED IN BOOK 1249, PAGE 19, MARICOPA COUNTY RECORDS’ BEING RECORDED IN BOOK 1290, PAGE 35, ACCORDING TO BOOK 1300 OF MAPS, PAGE 14, RECORDS OF MARICOPA COUNTY, ARIZONA.

AND EXCEPTING THEREFROM

A PORTION OF SECTIONS 18 AND 19, TOWNSHIP 2 NORTH, RANGE 2 WEST OF THE GILA AND SALT RIVER MERIDIAN, MARICOPA COUNTY, ARIZONA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

TRACTS “A2” AND “X1” OF THE FINAL PLAT FOR “VERRADO VICTORY DISTRICT – PHASE 2,” RECORDED IN BOOK 1249, PAGE 19, MARICOPA COUNTY RECORDS.

AREA "B"

THAT PORTION OF SECTION 18, TOWNSHIP 2 NORTH, RANGE 2 WEST, OF THE GIL.A AND SALT RIVER MERIDIAN, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT A MARICOPA COUNTY BRASS CAP FOUND AT THE EAST QUARTER CORNER OF SAID SECTION 19 FROM WHENCE A 3" BRASS CAP FOUND AT THE NORTHEAST CORNER OF SAID SECTION 19, BEARING NORTH 00°27'16" EAST, A DISTANCE OF 2,622.91 FEET (BASIS OF BEARING);

THENCE NORTHERLY ALONG THE EAST LINE OF THE NORTHEAST QUARTER OF SAID SECTION 19, NORTH 00°27'16" EAST, A DISTANCE OF 2,622.91 FEET, TO THE NORTHEAST CORNER OF SAID SECTION 19;

THENCE DEPARTING THE NORTHEAST CORNER OF SAID SECTION 19, NORTHERLY ALONG THE EAST LINE OF THE SOUTHEAST QUARTER OF SECTION 18, NORTH 00°05'39" EAST, A DISTANCE OF 1,740.41 FEET;

THENCE DEPARTING SAID EAST LINE OF THE SOUTHEAST QUARTER OF SECTION 18, NORTH 89°54'21" WEST, A DISTANCE OF 1,981.95 FEET, TO THE TRUE POINT OF BEGINNING;

THENCE SOUTH 08°41'12" EAST, A DISTANCE OF 66.00 FEET, TO THE BEGINNING OF NON-TANGENT CURVE, HAVING A RADIUS POINT BEARING NORTH 08°41'12" WEST, A DISTANCE OF 538.00 FEET;

THENCE WESTERLY, A DISTANCE OF 11.00 FEET, ALONG SAID CURVE, CONCAVE NORTHWESTERLY, THROUGH A CENTRAL ANGLE OF 01°10'18";

THENCE NORTH 07°30'54" WEST, A DISTANCE OF 52.00 FEET, TO THE BEGINNING OF A NON-TANGENT CURVE, HAVING A RADIUS POINT BEARING NORTH 07°30'54" WEST, A DISTANCE OF 486.00 FEET;

THENCE WESTERLY, A DISTANCE OF 165.50 FEET, ALONG SAID CURVE, CONCAVE NORTHERLY, THROUGH A CENTRAL ANGLE OF 19°30'39";

THENCE NORTH 11°59'44" EAST, A DISTANCE OF 14.00 FEET, TO THE BEGINNING OF A NON-TANGENT CURVE HAVING A RADIUS POINT BEARING NORTH 11°59'44" EAST, A DISTANCE OF 472.00 FEET;

THENCE EASTERLY, A DISTANCE OF 170.38 FEET, ALONG SAID CURVE, CONCAVE NORTHERLY, THROUGH A CENTRAL ANGLE OF 20°40'57", TO THE **TRUE POINT OF BEGINNING.**

AREA "C"

TRACTS A THROUGH I, INCLUSIVE, AND TRACTS M1 THROUGH M10, INCLUSIVE, AS SHOWN ON THE MAP OF DEDICATION FOR VERRADO VICTORY DISTRICT – PHASE 1: VERRADO WAY AND INDIAN SCHOOL ROAD RECORDED ON JANUARY 2, 2014, IN BOOK 1171 OF MAPS, PAGE 7 OF RECORDS OF THE COUNTY RECORDER OF MARICOPA COUNTY, ARIZONA.

PARCEL NO. 2:

LOTS 900 THROUGH 955, INCLUSIVE, VERRADO VICTORY DISTRICT – A REPLAT OF PHASE 2 RECORDED IN BOOK 1249, PAGE 19, MARICOPA COUNTY RECORDS, EXCEPT TRACTS B1, P1, Q3 AND A PART OF H4, AND A REPLAT OF A PORTION OF TRACT "T" OF THE 'FINAL PLAT FOR VERRADO VICTORY DISTRICT PHASE 3 – PARCEL 3A AND A RE-PLAT OF TRACT A1 PER VERRADO VICTORY DISTRICT – PHASE 1 RECORDED IN BOOK 1172, PAGE 11, MARICOPA COUNTY RECORDS, AND A RE-PLAT OF A PART OF TRACT E3 PER VERRADO VICTORY DISTRICT – PHASE 2 RECORDED IN BOOK 1249, PAGE 19, MARICOPA COUNTY RECORDS' BEING RECORDED IN BOOK 1290, PAGE 35, ACCORDING TO BOOK 1300 OF MAPS, PAGE 14, RECORDS OF MARICOPA COUNTY, ARIZONA.

PARCEL NO. 3:

LOTS 100 THROUGH 119, INCLUSIVE, AND 300 THROUGH 351, INCLUSIVE, VERRADO VICTORY DISTRICT – A REPLAT OF PHASE 2 RECORDED IN BOOK 1249, PAGE 19, MARICOPA COUNTY RECORDS, EXCEPT TRACTS B1, P1, Q3 AND A PART OF H4, AND A REPLAT OF A PORTION OF TRACT "T" OF THE 'FINAL PLAT FOR VERRADO VICTORY DISTRICT PHASE 3 – PARCEL 3A AND A RE-PLAT OF TRACT A1 PER VERRADO VICTORY DISTRICT – PHASE 1 RECORDED IN BOOK 1172, PAGE 11, MARICOPA COUNTY RECORDS, AND A RE-PLAT OF A PART OF TRACT E3 PER VERRADO VICTORY DISTRICT – PHASE 2 RECORDED IN BOOK 1249, PAGE 19, MARICOPA COUNTY RECORDS' BEING RECORDED IN BOOK 1290, PAGE 35, ACCORDING TO BOOK 1300 OF MAPS, PAGE 14, RECORDS OF MARICOPA COUNTY, ARIZONA.

PARCEL NO. 4:

LOTS 800 THROUGH 835, INCLUSIVE, VERRADO VICTORY DISTRICT – A REPLAT OF PHASE 2 RECORDED IN BOOK 1249, PAGE 19, MARICOPA COUNTY RECORDS, EXCEPT TRACTS B1, P1, Q3 AND A PART OF H4, AND A REPLAT OF A PORTION OF TRACT "T" OF THE 'FINAL PLAT FOR VERRADO VICTORY DISTRICT

PHASE 3 – PARCEL 3A AND A RE-PLAT OF TRACT A1 PER VERRADO VICTORY DISTRICT – PHASE 1 RECORDED IN BOOK 1172, PAGE 11, MARICOPA COUNTY RECORDS, AND A RE-PLAT OF A PART OF TRACT E3 PER VERRADO VICTORY DISTRICT – PHASE 2 RECORDED IN BOOK 1249, PAGE 19, MARICOPA COUNTY RECORDS' BEING RECORDED IN BOOK 1290, PAGE 35, ACCORDING TO BOOK 1300 OF MAPS, PAGE 14, RECORDS OF MARICOPA COUNTY, ARIZONA.

PARCEL NO. 5:

LOTS 214 THROUGH 249, INCLUSIVE, VERRADO VICTORY DISTRICT – A REPLAT OF PHASE 2 RECORDED IN BOOK 1249, PAGE 19, MARICOPA COUNTY RECORDS, EXCEPT TRACTS B1, P1, Q3 AND A PART OF H4, AND A REPLAT OF A PORTION OF TRACT "T" OF THE 'FINAL PLAT FOR VERRADO VICTORY DISTRICT PHASE 3 – PARCEL 3A AND A RE-PLAT OF TRACT A1 PER VERRADO VICTORY DISTRICT – PHASE 1 RECORDED IN BOOK 1172, PAGE 11, MARICOPA COUNTY RECORDS, AND A RE-PLAT OF A PART OF TRACT E3 PER VERRADO VICTORY DISTRICT – PHASE 2 RECORDED IN BOOK 1249, PAGE 19, MARICOPA COUNTY RECORDS' BEING RECORDED IN BOOK 1290, PAGE 35, ACCORDING TO BOOK 1300 OF MAPS, PAGE 14, RECORDS OF MARICOPA COUNTY, ARIZONA.

EXHIBIT B

A PORTION OF SECTIONS 18 AND 19, TOWNSHIP 2 NORTH, RANGE 2 WEST OF THE GILA AND SALT RIVER MERIDIAN, MARICOPA COUNTY, ARIZONA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

TRACTS "A2" AND "X1" OF THE FINAL PLAT FOR "VERRADO VICTORY DISTRICT – PHASE 2," RECORDED IN BOOK 1249, PAGE 19, MARICOPA COUNTY RECORDS.