

**ASSURANCE AGREEMENT
FOR COMPLETION OF SUBDIVISION IMPROVEMENTS**

THIS AGREEMENT made and entered as of this 25th day of July, 2017, between Pioneer Title Agency, Inc, as Trustee under Trust no 70100206., hereinafter referred to as "Trustee", Inde Motorsport Ranch, LLC, as Beneficiary(ies) of Trust no. 70100206, hereinafter referred to as "Beneficiary", and COCHISE COUNTY, Arizona, hereafter referred to as "County."

RECITALS:

1. Trustee is owner of a certain parcel of property located in Cochise County, Arizona, and described in paragraph 1 below.
2. Beneficiary has established Trust no. 70100206 for the purpose of developing a subdivision of Cochise County and has conveyed legal title to the Trustee.
3. The parties hereto wish to establish specific terms, conditions and guidelines for compliance with the provision of A.R.S. Section 11-821 and the Cochise County Subdivision Regulations.

AGREEMENT:

In consideration of the County approving a final plat for the property which is the subject matter of this Agreement, the parties mutually agree that:

1. Property Description. The property which is the subject matter of this agreement is described in that attached Exhibit "A".
2. Assurances. This Agreement is submitted as a means of assuring the completion of the subdivision improvements required by A.R.S. Section 11-821, the Cochise County Subdivision Regulations, all Plans and Specifications approved and on file with the County, and any special conditions, if applicable, on Exhibit "B" attached hereto and made a part hereof. These subdivision improvements include but are not limited to,

streets, water supply, water distribution lines, utilities, and drainage and flood control improvements, as applicable.

3. Conveyances and Transfers of Title. The Trustee shall not transfer title to or in any way convey, in whole or in part, any of the property described in paragraph 1 without obtaining prior written approval from the County, except as authorized in the Agreement. A Release of Assurances shall only be given by the County upon satisfactory completion as verified by County inspections of the required improvements.
4. Bulk Sales. Notwithstanding paragraph 3, the Trustee may sell or convey all of the property described in paragraph 1 in one transaction to a single successor to the beneficiary's interests, provided that such successor, prior to the conveyance, shall have entered into an appropriate agreement with the County to assure completion of the improvements, and the County has approved, in writing, the transfer.
5. Contracts for Sale. Trustee may enter into an agreement or deposit receipt agreement for the sale of the property or any portion of the Property if the contract or agreement clearly states that no portion of the property shall be conveyed until Trustee's obligations under this agreement are fully performed.
6. Conveyance Out of Trust for the Purpose of Encumbrance; Condition on Other Interests. Notwithstanding paragraph 3, the Trustee may convey the property described in paragraph 1 to the Beneficiary of the Trust for the limited purposes of allowing any obligations secured by the Trust, other than those which are the subject of this Agreement with Cochise County, to be subordinated to subsequent loans for the purpose of constructing improvements on the subject land or to create security for additional loans for the purchase or improvement of this land. In such event, the property shall immediately thereafter be reconveyed to the Trustee. This Agreement shall be deemed to be a condition on and restriction on the rights and

interests of any third party whose interest in the property arises after the date of this Agreement, however such interest is created, the same as if such party were included as a signatory of this Agreement.

7. Substitution of Assurances. Subdivider or Beneficiary may offer substitute assurances at any time during the term of this Agreement in accordance with the provisions of the Cochise County Subdivision Regulations. The Assurance shall be in a form and amount acceptable to the County, and shall to the extent applicable, partially or wholly replace the Assurances in this Agreement.
8. Completion of Improvements. The required improvements shall be completed by the Subdivider within three (3) years from the date of this Agreement. This date for completion of improvements may be extended by separate agreement of the parties where Subdivider or Beneficiary is prevented from completing the improvements by act of God, strike or similar event or circumstances beyond its control, or at the discretion of the County.
9. Inspection and Approval of Improvements. The Subdivider shall arrange for the inspection of all improvements required for this project, to ensure satisfactory completion. Satisfactory completion of all such improvements, in conformance with the required standards and specifications, shall be confirmed by a written statement, signed and sealed by the project engineer. Until these improvements have been satisfactorily completed, the County will not release the property
10. Payment of Applicable Property Taxes. The County shall not release, in whole or in part, any of the property described in paragraph 1 until all property taxes and assessments due and owing on the subject property have been paid in full.
11. Partial Release of Assurances.

11.1 Notwithstanding any other provision in this agreement, the County shall execute and provide to Trustee a Release of Assurances for up to four (4) Lots created by the subdivision plat described in paragraph 1 upon Beneficiary's request (copied to Trustee). Beneficiary acknowledges and agrees, however, that the partial release would not allow any party to obtain permits for the construction of any improvement on the released lots, nor shall any construction commence, other than the improvements listed on Exhibit B, until the assurances are released in accordance with Section 11.2 or 12.

11.2 The County, in its discretion, and upon receipt of a written request from Trustee, further may give the Trustee a Release of Assurances for a portion of the Lots created by the subdivision plat described in paragraph 1, provided that all of the improvements required in connection with such lots have been satisfactorily completed and accepted, and provided further that the lots released and improvements associated with such lots can function independently on a permanent basis in the event the remaining portion of the subdivision is never developed.

12. Release of Assurances. Upon completion of all improvements required under this Agreement or upon receipt of acceptable substitute assurances replacing this Agreement, the County shall release the Assurances in this Agreement.
13. Failure to Complete Improvements. Trustee and Beneficiary hereby agree that in the event that the required improvements are not completed within the time period provided by paragraph 7, the County may replat that portion of the property described in paragraph 1 for which a release of assurances has not been given. The purpose of the new plat will be to abandon the subdivision and return the property to approximately the same boundary configurations of record as existed before the subdivision plat was recorded. Prior to initiating any action to replat, the County shall provide

Trustee and Beneficiary with thirty (30) days written notice of the intent to replat.

The County, by this Agreement, is expressly authorized to replat this property after the required notice has been provided. All expenses by the County, including legal costs if applicable, in executing a replat shall be paid for by Beneficiary, and shall, if unpaid, become a lien on the property.

- 14. Effect on Trust Agreement. Trustee and Beneficiary agree that any provision of Trust no. 70100206 that is incompatible or inconsistent with this Agreement shall be null and void and not enforceable. The Trust shall not be revoked prior to a full Release of Assurances without prior written consent of Cochise County. Nor shall any amendment which would alter this Assurance Agreement be effective until the County has approved such amendment.
- 15. Incorporation or Annexation. In the event the property which is the subject matter of this Agreement is incorporated into or annexed by a city or town, the city or town shall automatically become the successor in interest to all of the County's rights and obligations under this Agreement.
- 16. Purpose of Agreement. The purpose and intent of this Agreement is to prohibit the sale of individual subdivision lots to the public prior to the completion of the subdivision improvements that are associated with such lots. The sale or conveyance of such lots without the necessary improvements is harmful to the public and places excessive burdens on the County. The terms and conditions of this Agreement shall be construed and interpreted as broadly as necessary to accomplish this purpose.

IN WITNESS WHEREOF, the parties have executed this Assurance Agreement this _____ day of _____, _____.

COCHISE COUNTY:

Chairman, Cochise County Board of Supervisors

ATTEST:

Clerk of the Board

APPROVED AS TO FORM:

Deputy County Attorney

TRUSTEE:

PIONEER TITLE AGENCY INC. An Arizona corporation

Susan K. Tawney

(Title Company)

An Arizona corporation, as Trustee under
Trust no. 70100206 only and not in its
Capacity.

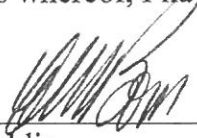
By: See above _____
Trust Officer

STATE OF ARIZONA)
) ss.
COUNTY OF COCHISE)

On this the 30 day of August 2017, _____, before me, the undersigned
officer, personally appeared Susan K. Tawney, who
acknowledged ~~himself~~/herself to be the Trust Officer of
Pioneer Title Agency Inc., an Arizona corporation, and that
he/she as such officer being authorized so to do, executed the foregoing instrument
for the purposes therein contained by signing the name of the corporation by
himself/herself as such officer.

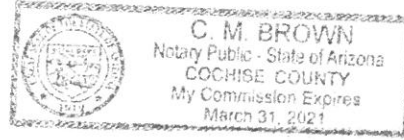
ASSURANCE AGREEMENT

In witness whereof, I have hereunto set my hand and official seal.



Notary Public

My Commission Expires: 3/31/2021



OWNER/BENEFICIARY

Owner/Beneficiary

STATE OF ARIZONA)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, _____, by _____ as _____.

Notary Public

My Commission Expires:

ASSURANCE AGREEMENT

In witness whereof, I have hereunto set my hand and official seal.

Notary Public

My Commission Expires:

OWNER/BENEFICIARY

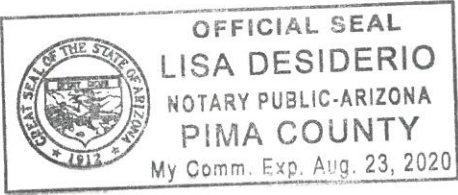
[Signature]
Owner/Beneficiary

STATE OF ARIZONA)
)
COUNTY OF Pima) ss.

The foregoing instrument was acknowledged before me this 30 day of August, 2017, by Christopher Dorland as owner/beneficiary.

[Signature]
Notary Public

My Commission Expires:





ALTA LAND SURVEY, INC.
Surveying ~ Drafting ~ Construction Staking
5930 E. Pima St., Suite 130, Tucson, AZ 85712 Ph. (520) 398-6651

JOB: 16-041
DATE: 9/16/2016

EXHIBIT "A"

LEGAL DESCRIPTION

THE HIGHLANDS AT INDE PROPERTY:

ALL THAT PORTION OF PARCELS 1 AND 3 AS SHOWN IN BOOK 3 OF SURVEY MAPS AT PAGE 6 IN THE RECORDS OF THE COCHISE COUNTY RECORDER, SITUATE IN SECTION 10, TOWNSHIP 14 SOUTH RANGE 23 EAST, GILA AND SALT RIVER MERIDIAN, COCHISE COUNTY, ARIZONA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT A G.L.O. BRASS CAP MONUMENTING THE NORTHWEST CORNER OF SECTION 10, FROM WHICH A G.L.O. BRASS CAP MONUMENTING THE NORTH QUARTER CORNER OF SECTION 10 BEARS SOUTH 89° 43' 47" EAST, 2637.82 FEET DISTANT;

THENCE SOUTH 00° 09' 01" WEST, A DISTANCE OF 40.07 FEET TO A ½" REBAR TAGGED "RLS 13187" ON THE SOUTH RIGHT OF WAY LINE OF AIRPORT ROAD AND THE **POINT OF BEGINNING**;

THENCE SOUTH 89° 45' 22" EAST UPON SAID SOUTH RIGHT OF WAY LINE, A DISTANCE OF 121.49 FEET TO A ½" REBAR TAGGED "RLS 13187";

THENCE SOUTH 00° 03' 08" EAST, A DISTANCE OF 118.46 FEET TO A ½" REBAR TAGGED "RLS 13187";

THENCE SOUTH 13° 26' 39" WEST, A DISTANCE OF 302.60 FEET TO A ½" REBAR TAGGED "RLS 13187";

THENCE SOUTH 07° 07' 22" WEST, A DISTANCE OF 208.76 FEET TO A ½" REBAR TAGGED "RLS 13187";

THENCE SOUTH 89° 43' 35" EAST, A DISTANCE OF 634.44 FEET TO A ½" REBAR TAGGED "RLS 13187";

THENCE NORTH 00° 02' 14" WEST, A DISTANCE OF 620.32 FEET TO A ½" REBAR TAGGED "RLS 13187" ON THE SOUTH RIGHT OF WAY LINE OF AIRPORT ROAD;

THENCE SOUTH 89° 44' 12" EAST UPON SAID SOUTH RIGHT OF WAY LINE, A DISTANCE OF 659.60 FEET TO A 1" PLASTIC CAP STAMPED "RLS 23379" AND THE EAST LINE OF SAID PARCEL 1;

THENCE SOUTH 00° 01' 51" EAST, A DISTANCE OF 1280.64 FEET TO A ½" REBAR TAGGED "RLS 13187" MONUMENTING THE SOUTHEAST CORNER OF SAID PARCEL 1 AND THE NORTHEAST CORNER OF SAID PARCEL 3;

THENCE SOUTH 00° 01' 09" EAST UPON THE EAST LINE OF SAID PARCEL 3, A DISTANCE OF 330.75 FEET TO A ½" REBAR TAGGED "RLS 13187";

THENCE NORTH 89° 43' 21" WEST, A DISTANCE OF 849.98 FEET TO A ½" REBAR TAGGED "RLS 13187";

THENCE NORTH 00° 36' 08" EAST, A DISTANCE OF 30.18 FEET;



ALTA LAND SURVEY, INC.
Surveying ~ Drafting ~ Construction Staking
5930 E. Pima St., Suite 130, Tucson, AZ 85712 Ph. (520) 398-6651

JOB: 16-041
DATE: 9/16/2016

LEGAL DESCRIPTION

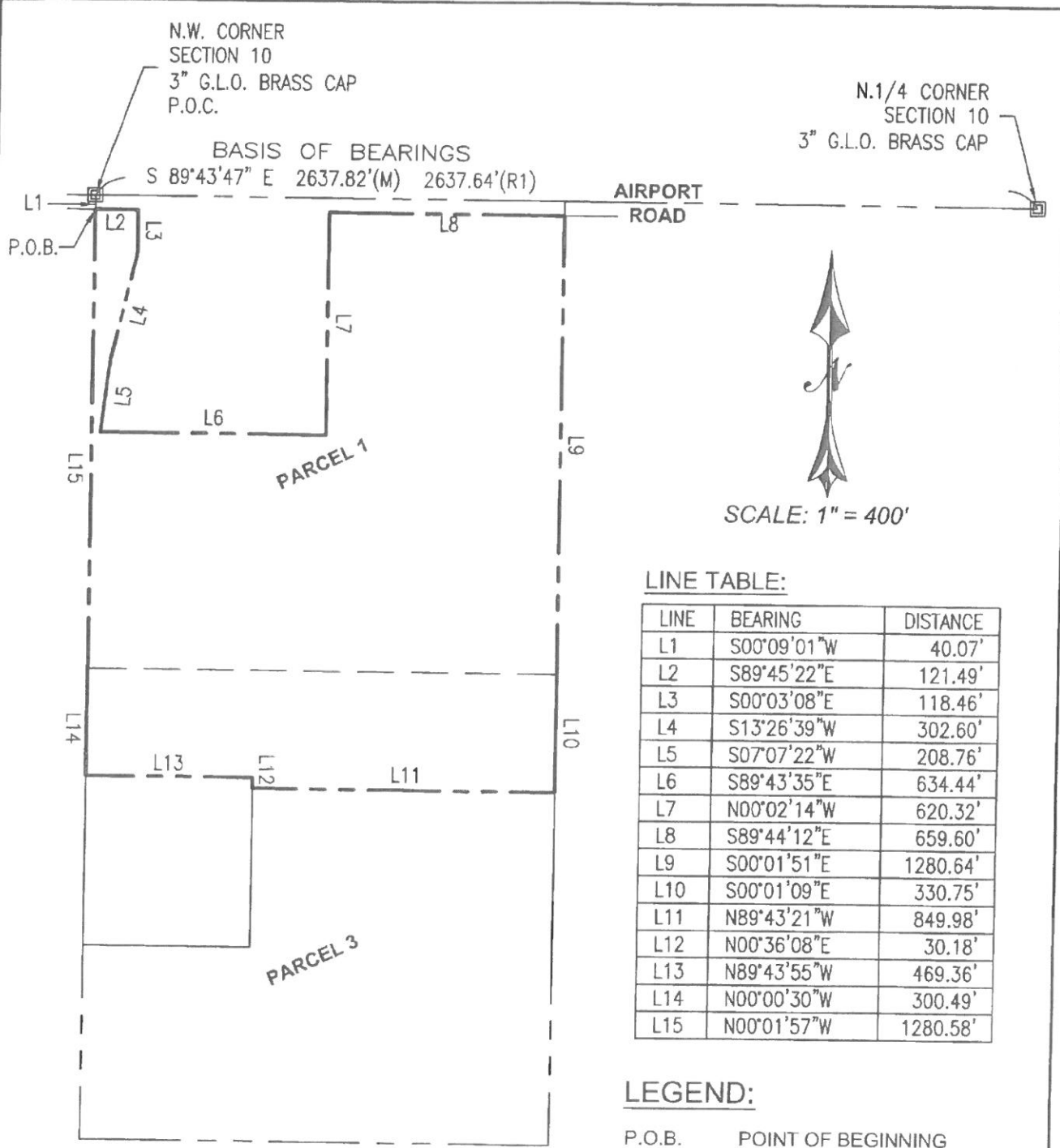
THENCE NORTH 89° 43' 55" WEST, A DISTANCE OF 469.36 FEET TO THE WEST LINE OF SAID PARCEL 3;

THENCE NORTH 00° 00' 30" WEST, A DISTANCE OF 300.49 FEET TO A ½" REBAR TAGGED "RLS 13187" MONUMENTING THE NORTHWEST CORNER OF SAID PARCEL 3 AND THE SOUTHWEST CORNER OF SAID PARCEL 1;

THENCE NORTH 00° 01' 57" WEST, A DISTANCE OF 1280.58 FEET TO THE **POINT OF BEGINNING**.

CONTAINING 1,749,685 SQUARE FEET, OR 40.17 ACRES MORE OR LESS.





LINE TABLE:

LINE	BEARING	DISTANCE
L1	S00°09'01"W	40.07'
L2	S89°45'22"E	121.49'
L3	S00°03'08"E	118.46'
L4	S13°26'39"W	302.60'
L5	S07°07'22"W	208.76'
L6	S89°43'35"E	634.44'
L7	N00°02'14"W	620.32'
L8	S89°44'12"E	659.60'
L9	S00°01'51"E	1280.64'
L10	S00°01'09"E	330.75'
L11	N89°43'21"W	849.98'
L12	N00°36'08"E	30.18'
L13	N89°43'55"W	469.36'
L14	N00°00'30"W	300.49'
L15	N00°01'57"W	1280.58'

LEGEND:

- P.O.B. POINT OF BEGINNING
- P.O.C. POINT OF COMMENCEMENT
- L1 LINE TABLE

ALTA LAND SURVEY, INC.

SURVEYING, CONSTRUCTION STAKING & DRAFTING
5930 E. PIMA STREET, SUITE 130
TUCSON, ARIZONA 85712
(520) 398-6651

THE HIGHLANDS AT INDE PROPERTY
PART OF PARCELS 1 & 3, BK. 3 PG. SURVEY MAPS
SEC. 10, T. 14S., R. 23E., G.#5.R.M.
COCHISE COUNTY, ARIZONA

Project No. 16-041	Drawn By: GWM	Date: 9/16/16
	Checked By: DL	Sheet: 3 of 3

EXHIBIT "B"



August 29, 2017

Cochise County Community Development
1415 Melody Lane, Building E
Bisbee, Arizona 85603

**RE: INFRASTRUCTURE ITEMS FOR THE INDE AT HIGHLANDS
LOTS 1-10 AND COMMON AREA "A" SUBDIVISION**

Items required for the infrastructure of the Highlands at Inde Subdivision which are to be covered by the Assurance Agreement include:

Water System – Four inch water main distribution from the well site through the private subdivision streets and easements. Each lot to receive a one inch service. Fenced well site which will include well, pump, booster tank, controls, etc. per the water plans once approved by the Arizona Dept. of Environmental Quality (ADEQ).

Roadways – Roadways serving the subdivision and providing legal access to the lots are to be improved with double shot chip seal and provided with concrete cut off walls for erosion protection at wash crossings. Roads are to be signed and striped, and constructed per the roadway plans approved by Cochise County. Roadways are within Common Area A and will be maintained by the Homeowners Association (HOA)

Electric Service – Electrical service is to be provided by Sulphur Springs Valley Electric Co-op (SSVEC). Service will originate from the existing overhead power lines that traverse the subdivision, and lines will be constructed through the subdivision culminating with service pedestals at each lot line. There will also be a service pedestal provided at the well site.

Sincerely,

Perry Engineering, LLC

A handwritten signature in black ink, appearing to read "Ken Perry", with a long horizontal flourish extending to the right.

Ken Perry, PE, LEED AP
Principal