When recorded, return to:
Clerk of the Board
P.O. Box 827
Florence AZ 85132

RESOLUTION NO. _____

A RESOLUTION OF THE PINAL COUNTY, ARIZONA, BOARD OF SUPERVISORS ACCEPTING A THIRD PARTY TRUST ASSURANCE AGREEMENT (TRUST NO. 2401) FOR THE COMPLETION OF PUBLIC SUBDIVISION IMPROVEMENTS IN CONNECTION WITH SKYLINE VILLAGE – PARCEL 5, LOCATED IN SECTION 11, TOWNSHIP 3 SOUTH, RANGE 8 EAST SUPERVISOR DISTRICT 2.

WHEREAS, this matter has been brought before the Pinal County Board of Supervisors by a request by the subdivider and recommended by the Director of Public Works; and

WHEREAS, provision has been made by law and ordinance whereby a subdivider shall provide financial security to assure completion of construction of all required public subdivision improvements in conformance with Pinal County standards and requirements; and

WHEREAS, Landmark Title Assurance Agency of Arizona, LLC, the subdivider of Skyline Village – Parcel 5, has provided the Third Party Trust Assurance Agreement attached hereto as Exhibit A as such financial security.

NOW, THEREFORE, BE IT RESOLVED, by the Pinal County Board of Supervisors that the Third Party Trust Assurance Agreement attached hereto as Exhibit A is hereby approved and accepted.

BE IT FURTHER RESOLVED, that this Resolution shall become effective upon recording of said Resolution with the Office of the County Recorder, Pinal County, Arizona.

PASSED AND ADOPTED this _____ day of _____, 2024, by the PINAL COUNTY BOARD OF SUPERVISORS.

_____
Chair of the Board

ATTEST:

_____
Clerk/Deputy Clerk of the Board

APPROVED AS TO FORM:

_____
Deputy County Attorney

EXHIBIT A
TO
RESOLUTION NO. _____

[Third Party Trust Assurance Agreement No. 2401]

When recorded return to:

Clerk of the Board
P.O. Box 827
Florence, Arizona 85132

THIRD PARTY TRUST ASSURANCE AGREEMENT FOR CONSTRUCTION OF SUBDIVISION IMPROVEMENTS

THIS THIRD PARTY TRUST ASSURANCE AGREEMENT FOR CONSTRUCTION OF SUBDIVISION IMPROVEMENTS (this "Agreement") is made and entered into by, between and among KB Home Phoenix Inc., an Arizona corporation ("Subdivider"); Landmark Title Assurance Agency of Arizona, LLC, an Arizona limited liability company, as Trustee under Trust No. 2401 ("Trustee"); and PINAL COUNTY, ARIZONA ("County").

RECITALS

1.1. Subdivider is the beneficiary, and Trustee is the trustee, of Trust, No. 2401, which is the legal owner of the land located in Pinal County, Arizona and identified in Exhibit A of this Agreement. (the "Land"). Exhibit B is a true and correct copy of Special Warranty Deed dated October 15, 2024, conveying the Land into Trust No. 2401.

1.2 County, Subdivider and Trustee wish to establish specific terms, conditions and guidelines relating to the subdivision of the Land (the "Subdivision") and construction of related improvements to comply with A.R.S. § 11-821 and the Pinal County Subdivision Regulations, as amended from time to time ("Code").

1.3 Trustee and Subdivider have executed, as required by Trustee, a trust agreement separate from this Agreement intended to establish the subdivision trust that is referenced in this Agreement in a form reasonably satisfactory to County ("Trust Agreement").

AGREEMENT

Based on the foregoing Recitals and attached Exhibits, which are incorporated and made a part of this Agreement as if set forth in their entirety below and in consideration of County's approval of a final plat for the Land, County, Subdivider and Trustee agree as follows:

2.1. Property Description. The Land is all of the real property identified in Exhibit A attached hereto which is the subject of a subdivision plat identified as Skyline Village – Parcel 5 (the "Subdivision Plat").

2.2. Construction of Subdivision Improvements. As a condition of approval of the Subdivision Plat, Subdivider hereby agrees to construct all improvements contemplated by the Subdivision Plat and/or by the improvement plans for the Subdivision as heretofore, or as may be

hereafter, provided by Subdivider to County, including, but not limited to: streets; sanitary sewers (if necessary); water and electric utilities; drainage and flood control improvements; parks, trails or other recreational facilities; and any other improvement noted on the Subdivision Plat or required by the Code (collectively, the "Subdivision Improvements"). Once commenced, Subdivider will diligently work toward completing the Subdivision Improvements. Subdivider's obligation to complete the Subdivision Improvements arises as of the date of this Agreement, is independent of any obligations of County and is not conditioned upon the sale of any lots or improvements within the Subdivision. Nothing in this Agreement shall be construed as an undertaking by County or Trustee to install, to guarantee the installation of, or to indemnify any other party for or relating to the installation (or failure to install) of any of the Subdivision Improvements.

2.3. Existing Utilities. Any relocation or modification of existing utilities or public improvements required in order to construct the Subdivision Improvements shall be done at no expense to the public or County. Subdivider's performance of this requirement shall be considered in determining whether to release assurances under Paragraphs 2.5 and 2.6.

2.4. Assurance of Construction. This Agreement is submitted as an assurance that Subdivider will construct the Subdivision Improvements, as required by A.R.S. §11-821 and the Code, as amended from time to time. If not previously done, Trustee and Subdivider shall also execute the Trust Agreement separate herefrom, intended to more fully implement the provisions hereof.

2.5. Limitation on Transfer of Title; Contracts for Sale. Except as otherwise provided in Paragraphs 2.7 and 2.8 hereof, Trustee shall not convey title to any of the Land without obtaining prior written approval from County in the form of a Release of Assurance or Subdivider posting a substitute form of assurance acceptable to County. A Release of Assurance by the Board of Supervisors shall not be provided by County until the Subdivision Improvements are completed in accordance with this Agreement, the Code and particularly Paragraphs 2.10 and 2.11 (if applicable) hereof or Subdivider posts a substitute form of assurance acceptable to County for all Subdivision Improvements that have not then been completed. Either Trustee or Subdivider may enter into contracts for sale of portions of the Land, so long as such contracts clearly state that the conveyance of title to the real property involved is subject to obtaining a Release of Assurance as contemplated herein, and that no such contract can be consummated without obtaining such Release of Assurance. Trustee or Subdivider shall provide County with a copy of the form of the contract containing the disclosure referenced above.

2.6. Partial Release of Assurances. County shall issue up to three Releases of Assurance if both of the following have occurred:

A. All of the Subdivision Improvements required in connection with the released lots have been completed in accordance with Paragraph 2.10; and

B. County finds that the released lots and the Subdivision Improvements required in connection with them can be used and maintained separately from the Subdivision Improvements not yet completed in accordance with Paragraphs 2.10 and 2.11 (if applicable).

2.7. Bulk Sales. For the purpose of this Paragraph 2.7, "Permitted Portion" means a discrete unit within the Subdivision which is contemplated to be sold in bulk sale to a single builder or other third-party developer prior to completion of on-site and off-site improvements thereon. Notwithstanding Paragraph 2.5, Trustee may sell and convey all or any Permitted Portion of the Land in one transaction to a single purchaser subject to all of the terms of this Agreement, the Code and the Subdivision Plat. Said purchaser shall, as to each such sale, enter into a new third-party trust assurance agreement with County that mirrors this Agreement not later than sixty (60) days after the bulk sale purchase, assuring completion of:

A. All of the Subdivision Improvements, if the sale involves all of the Land; or

B. The Subdivision Improvements relating to and located on the Permitted Portion so sold, together with any of the other Subdivision Improvements which, in County's judgment, are necessary to be completed so that the Permitted Portion can be used and maintained separately from the Subdivision Improvements not yet completed in accordance with Paragraphs 2.10 and 2.11 (if applicable), if the sale involves a Permitted Portion.

2.8. Conveyance Out of Trust for the Purpose of Encumbrance. Notwithstanding Paragraph 2.5, Trustee may convey all or part of the Land to Subdivider for the sole purpose of encumbering the Land by the recording of mortgages or deeds of trust; provided that the Land is thereafter immediately reconveyed into trust, and the only liens attaching by virtue of such deeding process are the third party mortgages or deeds of trust described above; provided further that such mortgagee or beneficiary holding an encumbrance against all or any portion of the Land shall be subject to this Agreement (although such lienholder shall not be obligated to perform any of Subdivider's obligations, but such lien holder's rights shall be subordinated to all rights of County under this Agreement, including, but not limited to, the rights of abandonment, replat and all restrictions on the sale of lots). Except as otherwise set forth herein, nothing shall preclude any lender from enforcing the terms of its loan documents as against Subdivider and or against the Trust Agreement established by Subdivider pursuant to this Agreement.

2.9. Substitution of Assurances. Subdivider may submit substitute assurances as provided in a form and amount satisfactory to County and in compliance with the Code at any time during which Subdivider is not in default under this Agreement or under any other agreement with County related to the Land or its improvements.

2.10. Completion of the Subdivision Improvements. The Subdivision Improvements shall be completed by Subdivider and accepted by County where appropriate in accordance with the terms hereof not more than two (2) years after the effective date of this Agreement unless there is an extension granted by the Board of Supervisors. The Subdivision Improvements shall not be considered completed until after they have been constructed in accordance with all applicable and approved plans and after County has inspected them and finds them to be in compliance with the plans and applicable county ordinances and regulations, and the Subdivision Improvements are found acceptable in accordance with the terms of Paragraph 2.11 immediately below.

2.11. Acceptance of the Subdivision Improvements. County shall not accept maintenance responsibility for any of the Subdivision Improvements unless and until all of the following have occurred:

A. They have been completed in accordance with Paragraph 2.10;

B. The dedication has been accepted by the Board of Supervisors as evidenced by subsequent approval by the Board of Supervisors of the dedication on the Subdivision Plat or by some other formal action; and

C. All fees, including, without limitation, guarantee bonds and pavement finishing fees are paid, and all other necessary bonds or warranty assurances are posted.

2.12. County's Option to Abandon or Re-Plat Upon Default. At County's sole option, if Subdivider defaults in its obligations under this Agreement by failing to cause the Subdivision Improvements to be completed by Subdivider and accepted by County where appropriate in accordance with the terms hereof not more than two (2) years after the effective date of this Agreement unless there is an extension granted by the Board of Supervisors, County may abandon or re-plat all or a portion of the Land for the purpose of returning the portions of Land which are the subject of the abandonment or re-plat to approximately the same boundary configurations of record which existed before the recording of the Subdivision Plat. Subdivider hereby authorizes County to execute on behalf of Subdivider the abandonment or re-plat described in this Paragraph 2.12. The abandonment or re-plat may exclude any dedications to the public which were made on the Subdivision Plat and/or which are further deemed necessary to serve either portions of the Land which are not re-platted or which serve the public. County agrees that it shall not abandon the portion of the Subdivision Plat for which a Partial Release or Permitted Portion has been completed pursuant to Paragraph 2.6 or Paragraph 2.7 of this Agreement. Subdivider shall pay the reasonable costs incurred in the abandonment or re-platting. Notice mailed first class to the last known address of Subdivider, Trustee and/or any mortgagee or deed of trust beneficiary of which Subdivider has heretofore provided County written notice shall be given not less than thirty (30) days before County exercises its option to abandon or re-plat under this Paragraph 2.12.

2.13. Incorporation and Annexation.

A. Annexation. If the Land or any portion of the Land is annexed by a city or town, the city or town shall execute a consent to accept this Agreement in a form reasonably satisfactory to County within sixty (60) days of the annexation in order to succeed to all benefits and duties of County under this Agreement. If the consent to accept this Agreement is not signed within sixty (60) days of the annexation date, this Agreement shall terminate.

B. Incorporation. If the Land or any portion of the Land lies within a newly incorporated city or town, this Agreement shall remain in effect until sixty (60) days after County fulfills its statutory responsibilities prescribed under A.R.S. § 9-104. The city or town shall execute a consent to accept the Agreement in form reasonably satisfactory to County within sixty (60) days after County fulfills its statutory responsibilities under A.R.S. §9-104 in order to succeed

to all benefits and duties of County under this Agreement. If the consent to accept this Agreement is not signed within the prescribed timeframe, this Agreement shall terminate.

2.14. Termination. This Agreement shall remain in full force and effect until one of the following has occurred:

A. The Subdivision Improvements have been completed and accepted by County in accordance with Paragraph 2.11 and a Release of Assurances with respect to all the Land has been recorded in the Office of the County Recorder in accordance with Paragraph 2.5;

B. A new subdivision plat has been recorded for the Land in compliance with any and all applicable laws and regulations;

C. The Land has been annexed or incorporated and the consent to accept the Agreement is not executed by the relevant city or town within the timeframes outlined in Paragraph 2.13 above;

D. County records the map of abandonment or replat of the Subdivision Plat referenced in Paragraph 2.12 above; or

E. A substitute assurance agreement has been executed by and between Subdivider and County in accordance with Paragraph 2.9.

2.15 Subdivider's Notice of Changes. Subdivider agrees to provide written notice to County at least ten (10) calendar days before the occurrence of: a) a change of name, corporate identity or address of Subdivider or Trustee; b) intent to transfer, or a transfer of, title to the Subdivision by deed, contract or operation of law; c) the foreclosure of a lien against the Subdivision or any portion of the Subdivision; d) filing of a voluntary or involuntary petition of bankruptcy respecting Subdivider or affecting the Subdivision; or e) any other event that may materially and adversely affect the performance of Subdivider hereunder.

2.16 Sole Discretion. Unless otherwise provided specifically in the Code or this Agreement, County may act in its sole discretion and judgment in all particulars regarding this Agreement, the Land, the Subdivision Plat or any other item contemplated hereby.

2.17 Governing Law. Notwithstanding A.R.S. § 12-408, venue for any suit or action arising under this Agreement shall be commenced and remain in the Superior Court of the State of Arizona in and around the County of Pinal, Florence, Arizona. The parties hereby waive all provisions of law providing for a change of venue in such proceeding to any other county.

2.18 Cancellation. This Agreement is subject to cancellation by County in accordance with, and under the conditions set forth in, the provisions of A.R.S. §38-511.

2.19 Effective Date. This Agreement is effective on this ____ day of _____, 20__, which is the date of approval of this Agreement by the Pinal County Board of Supervisors.

PINAL COUNTY, ARIZONA

_____
Chairman of the Board

ATTEST:

_____
Clerk of the Board

APPROVED AS TO FORM:

_____
Deputy County Attorney

STATE OF ARIZONA)
) ss.
COUNTY OF PINAL)

The foregoing Agreement was acknowledged before me this _____ day of _____, 20__, by _____ and _____, Chairman and Clerk/Deputy Clerk, respectively of the Pinal County Board of Supervisors, for Pinal County, a political subdivision of the State of Arizona, who being authorized to do so, executed the foregoing instrument on behalf of said entity for the purposes stated therein.

_____
Notary Public

My Commission Expires:_____

TRUSTEE:

TRUSTEE: Landmark Title Assurance Agency of Arizona, LLC, as Trustee under **Trust No. 2401**, and not in its corporate capacity

By: _____
Its: Trust Officer

STATE OF ARIZONA)
) ss.
COUNTY OF MARICOPA)

The foregoing instrument was acknowledged before me this 16th day of October, 2024 by SHAUN TESSENSOHN, TRUST OFFICER of Landmark Title Assurance Agency of Arizona, LLC ("Trustee"), an Arizona limited liability company, on behalf of the company, as trustee under Trust No. 2401.

_____
Notary Public

My Commission Expires: June 19, 2028

JUSTINA DENDAUW
Notary Public - State of Arizona
MARICOPA COUNTY
Commission # 667744
Expires June 19, 2028

SUBDIVIDER:

KB Home Phoenix Inc., an Arizona corporation

By: _____
Name: Paul Dionne
Its: Director of Land Acquisition

STATE OF ARIZONA)
) ss.
COUNTY OF MARICOPA)

The foregoing instrument was acknowledged before me this 16TH day of OCTOBER, 2024, by PAUL DIONNE, as DIR. LAND ACQUISITION of KB Home Phoenix Inc., an Arizona corporation, on behalf of the corporation.

_____
Notary Public

My Commission Expires: 6.14.2028

David Matthew Corley
Notary Public - ARIZONA
MARICOPA COUNTY
Commission No. 669156
My Commission Expires June 14, 2028

Exhibit "A"

Property Description

THE LAND REFERRED TO HEREIN BELOW IS SITUATED SAN TAN VALLEY, IN THE COUNTY OF PINAL, STATE OF ARIZONA, AND IS DESCRIBED AS FOLLOWS:

Parcel 5, of SKYLINE VILLAGE, according to the plat of record in the office of the County Recorder of Pinal County, Arizona, recorded in Document No. 2022-060330.

Exhibit "B"

Special Warranty Deed

FIDELITY NATIONAL TITLE

FM5524 0001 (10 & 10)

When Recorded Return To:

Landmark Title Assurance Agency
2555 E. Camelback Road, Suite 275
Phoenix, AZ 85016
Attn: Shawn Tessensohn

OFFICIAL RECORDS OF
PINAL COUNTY RECORDER
Dana Lewis
Electronically Recorded

DATE/TIME: 10/15/2024 1339
FEE: $30.00
PAGES: 4
FEE NUMBER: 2024-078756

SPECIAL WARRANTY DEED

Exempt from Affidavit per A.R.S. 11-1134 B-8

For the consideration of Ten Dollars, and other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the undersigned, **KB HOME PHOENIX INC.**, an Arizona corporation, the Grantor, does hereby convey to **LANDMARK TITLE ASSURANCE AGENCY OF ARIZONA, LLC**, an Arizona limited liability company, as Trustee under Trust No. 2401, the Grantee, the following real property situated in Pinal County, Arizona ("**Property**"), together with all rights and privileges appurtenant thereto and any improvements located thereon:

SEE **EXHIBIT "A"** ATTACHED HERETO AND INCORPORATED HEREIN BY THIS REFERENCE

SUBJECT TO all general and special real property taxes and other assessments; reservations in patents; easements, rights-of-way, encumbrances, liens, covenants, conditions, restrictions, obligations, liabilities and other matters as may appear of record; all matters that would be disclosed by an accurate ALTA/NSPS survey or inspection of the Property, and the applicable zoning and use regulations of any municipality, county, state or the United States affecting the Property.

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

Trust Disclosure pursuant to A.R.S. §33-404(A): See EXHIBIT "B" attached hereto and incorporated herein.

DATED: October 15, 2024.

[Balance of the Page Intentionally Left Blank; Signature Page Follows]

GRANTOR:

KB HOME PHOENIX INC.,
an Arizona corporation

By: _____

Name: Kevin McAndrews

Its: Division President

STATE OF ARIZONA)
) ss.
County of Maricopa)

The foregoing instrument was acknowledged before me this 10th day of October, 2024, by Kevin McAndrews, the Division President of **KB HOME PHOENIX INC.**, an Arizona corporation, on behalf of such company.

_____
Notary Public

My Commission Expires:
05/15/2026

AMBER LEE BARELA
Notary Public - Arizona
Maricopa County
Commission # 628151
My Commission Expires 05/15/2026

Exhibit A

Legal Description of the Property

Parcel 5 of Skyline Village, according to the Block Plat of record in the office of the County Recorder of Pinal County, Arizona, recorded on 05/23/2022 under Fee No. 2022-060330.

Exhibit B

Trust Disclosure under A.R.S. §33-404

Name and address of all beneficiaries for whom Grantee holds title:

KB Home Phoenix Inc.
58 S. River Drive, Suite 250
Tempe, AZ 85288

Trust agreement under which Grantee is acting:

Trust Agreement (Trust No. 2401), between Landmark Title Assurance Agency of Arizona, LLC, an Arizona limited liability company, as Trustee under Trust No. 2401, and KB Home Phoenix Inc., an Arizona corporation, dated as of February 5, 2024.