

ISSUED BY

Hioneer Title Agency, Inc. as agent for: First American Title Insurance Company

Owner's Policy

POLICY NUMBER

5011400-2186861

Any notice of claim and any other notice or statement in writing required to be given to the Company under this policy must be given to the Company at the address shown in Section 18 of the Conditions.

COVERED RISKS

SUBJECT TO THE EXCLUSIONS FROM COVERAGE, THE EXCEPTIONS FROM COVERAGE CONTAINED IN SCHEDULE B, AND THE CONDITIONS, FIRST AMERICAN TITLE INSURANCE COMPANY, a Nebraska corporation (the "Company") insures, as of Date of Policy and, to the extent stated in Covered Risks 9 and 10, after Date of Policy, against loss or damage, not exceeding the Amount of Insurance, sustained or incurred by the Insured by reason of:

- 1. Title being vested other than as stated in Schedule A.
- 2. Any defect in or lien or encumbrance on the Title. This Covered Risk includes but is not limited to insurance against loss from
 - (a) A defect in the Title caused by
 - (i) forgery, fraud, undue influence, duress, incompetency, incapacity, or impersonation;
 - (ii) failure of any person or Entity to have authorized a transfer or conveyance;
 - (iii) a document affecting Title not properly created, executed, witnessed, sealed, acknowledged, notarized, or delivered;
 - (iv) failure to perform those acts necessary to create a document by electronic means authorized by law;
 - (v) a document executed under a falsified, expired, or otherwise invalid power of attorney;
 - (vi) a document not properly filed, recorded, or indexed in the Public Records including failure to perform those acts by electronic means authorized by law; or
 - (vii) a defective judicial or administrative proceeding.
 - (b) The lien of real estate taxes or assessments imposed on the Title by a governmental authority due or payable, but unpaid.
 - (c) Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land. The term "encroachment" includes encroachments of existing improvements located on the Land onto adjoining land, and encroachments onto the Land of existing improvements located on adjoining land.
- 3. Unmarketable Title.
- 4. No right of access to and from the Land.

(Covered Risks Continued on Page 2)

In Witness Whereof, First American Title Insurance Company has caused its corporate name to be hereunto affixed by its authorized officers as of Date of Policy shown in Schedule A.

First American Title Insurance Company

Kenneth D. DeGiorgio

President

Pioneer Citle Agency Inc.

580 E. Wilcox Dr., Sierra Vista, AZ 85635 (520) 458-3500

Greg L. Smith Secretary

(This Policy is valid only when Schedules A and B are attached)

This Jacket was created electronically and constitutes an original document

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COVERED RISKS (Continued)

- 5. The violation or enforcement of any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to-
 - (a) the occupancy, use, or enjoyment of the Land;
 - (b) the character, dimensions, or location of any improvement erected on the Land;
 - (c) the subdivision of land; or
 - (d) environmental protection
 - if a notice, describing any part of the Land, is recorded in the Public Records setting forth the violation or intention to enforce, but only to the extent of the violation or enforcement referred to in that notice.
- 6. An enforcement action based on the exercise of a governmental police power not covered by Covered Risk 5 if a notice of the enforcement action, describing any part of the Land, is recorded in the Public Records, but only to the extent of the enforcement referred to in that notice.
- 7. The exercise of the rights of eminent domain if a notice of the exercise, describing any part of the Land, is recorded in the Public Records.
- 8. Any taking by a governmental body that has occurred and is binding on the rights of a purchaser for value without Knowledge.
- 9. Title being vested other than as stated in Schedule A or being defective
 - (a) as a result of the avoidance in whole or in part, or from a court order providing an alternative remedy, of a transfer of all or any part of the title to or any interest in the Land occurring prior to the transaction vesting Title as shown in Schedule A because that prior transfer constituted a fraudulent or preferential transfer under federal bankruptcy, state insolvency, or similar creditors' rights laws; or
 - (b) because the instrument of transfer vesting Title as shown in Schedule A constitutes a preferential transfer under federal bankruptcy, state insolvency, or similar creditors' rights laws by reason of the failure of its recording in the Public Records
 - (i) to be timely, or
 - (ii) to impart notice of its existence to a purchaser for value or to a judgment or lien creditor.
- 10. Any defect in or lien or encumbrance on the Title or other matter included in Covered Risks 1 through 9 that has been created or attached or has been filed or recorded in the Public Records subsequent to Date of Policy and prior to the recording of the deed or other instrument of transfer in the Public Records that vests Title as shown in Schedule A.

The Company will also pay the costs, attorneys' fees, and expenses incurred in defense of any matter insured against by this Policy, but only to the extent provided in the Conditions.

EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy, and the Company will not pay loss or damage, costs, attorneys' fees, or expenses that arise by reason of:

- (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
 - (i) the occupancy, use, or enjoyment of the Land;
 - (ii) the character, dimensions, or location of any improvement erected on the Land;
 - (iii) the subdivision of land; or
 - (iv) environmental protection;
 - or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5.
 - (b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 6.
- Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
- 3. Defects, liens, encumbrances, adverse claims, or other matters
 - (a) created, suffered, assumed, or agreed to by the Insured Claimant;

- (b) not Known to the Company, not recorded in the Public Records at Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy.
- (c) resulting in no loss or damage to the Insured Claimant;
- (d) attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risk 9 and 10); or
- (e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Title.
- 4. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction vesting the Title as shown in Schedule A, is
 - (a) a fraudulent conveyance or fraudulent transfer; or
 - (b) a preferential transfer for any reason not stated in Covered Risk 9 of this policy.
- Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the deed or other instrument of transfer in the Public Records that vests Title as shown in Schedule A.

CONDITIONS

1. DEFINITION OF TERMS

The following terms when used in this policy mean:

- (a) "Amount of Insurance": The amount stated in Schedule A, as may be increased or decreased by endorsement to this policy, increased by Section 8(b), or decreased by Sections 10 and 11 of these Conditions.
- (b) "Date of Policy": The date designated as "Date of Policy" in Schedule A.
- (c) "Entity": A corporation, partnership, trust, limited liability company, or other similar legal entity.
- (d) "Insured": The Insured named in Schedule A.
 - (i) The term "Insured" also includes
 - (A) successors to the Title of the Insured by operation of law as distinguished from purchase, including heirs, devisees, survivors, personal representatives, or next of kin;
 - (B) successors to an Insured by dissolution, merger, consolidation, distribution, or reorganization;
 - (C) successors to an Insured by its conversion to another kind of Entity:
 - (D) a grantee of an Insured under a deed delivered without payment of actual valuable consideration conveying the Title
 - if the stock, shares, memberships, or other equity interests of the grantee are whollyowned by the named Insured,
 - (2) if the grantee wholly owns the named Insured,
 - (3) if the grantee is wholly-owned by an affiliated Entity of the named Insured, provided the affiliated Entity and the named Insured are both wholly-owned by the same person or Entity, or
 - (4) if the grantee is a trustee or beneficiary of a trust created by a written instrument established by the Insured named in Schedule A for estate planning purposes.
 - (ii) With regard to (A), (B), (C), and (D) reserving, however, all rights and defenses as to any successor that the Company would have had against any predecessor Insured.
- (e) "Insured Claimant": An Insured claiming loss or damage.
- (f) "Knowledge" or "Known": Actual knowledge, not constructive knowledge or notice that may be imputed to an Insured by reason of the Public Records or any other records that impart constructive notice of matters affecting the Title.
- (g) "Land": The land described in Schedule A, and affixed improvements that by law constitute real property. The term "Land" does not include any property beyond the lines of the area described in Schedule A, nor any right, title, interest, estate, or easement in abutting streets, roads, avenues, alleys, lanes, ways, or waterways, but this does not modify or limit the extent that a right of access to and from the Land is insured by this policy.
- (h) "Mortgage": Mortgage, deed of trust, trust deed, or other security instrument, including one evidenced by electronic means authorized by law.
- (i) "Public Records": Records established under state statutes at Date of Policy for the purpose of imparting constructive notice of matters relating to real property to purchasers for value and without Knowledge. With respect to Covered Risk 5(d),

- "Public Records" shall also include environmental protection liens filed in the records of the clerk of the United States District Court for the district where the Land is located.
- (i) "Title": The estate or interest described in Schedule A.
- (k) "Unmarketable Title": Title affected by an alleged or apparent matter that would permit a prospective purchaser or lessee of the Title or lender on the Title to be released from the obligation to purchase, lease, or lend if there is a contractual condition requiring the delivery of marketable title.-

2. CONTINUATION OF INSURANCE

The coverage of this policy shall continue in force as of Date of Policy in favor of an Insured, but only so long as the Insured retains an estate or interest in the Land, or holds an obligation secured by a purchase money Mortgage given by a purchaser from the Insured, or only so long as the Insured shall have liability by reason of warranties in any transfer or conveyance of the Title. This policy shall not continue in force in favor of any purchaser from the Insured of either (i) an estate or interest in the Land, or (ii) an obligation secured by a purchase money Mortgage given to the Insured.

3. NOTICE OF CLAIM TO BE GIVEN BY INSURED CLAIMANT

The Insured shall notify the Company promptly in writing (i) in case of any litigation as set forth in Section 5(a) of these Conditions, (ii) in case Knowledge shall come to an Insured hereunder of any claim of title or interest that is adverse to the Title, as insured, and that might cause loss or damage for which the Company may be liable by virtue of this policy, or (iii) if the Title, as insured, is rejected as Unmarketable Title. If the Company is prejudiced by the failure of the Insured Claimant to provide prompt notice, the Company's liability to the Insured Claimant under the policy shall be reduced to the extent of the prejudice.

4. PROOF OF LOSS

In the event the Company is unable to determine the amount of loss or damage, the Company may, at its option, require as a condition of payment that the Insured Claimant furnish a signed proof of loss. The proof of loss must describe the defect, lien, encumbrance, or other matter insured against by this policy that constitutes the basis of loss or damage and shall state, to the extent possible, the basis of calculating the amount of the loss or damage.

5. DEFENSE AND PROSECUTION OF ACTIONS

(a) Upon written request by the Insured, and subject to the options contained in Section 7 of these Conditions, the Company, at its own cost and without unreasonable delay, shall provide for the defense of an Insured in litigation in which any third party asserts a claim covered by this policy adverse to the Insured. This obligation is limited to only those stated causes of action alleging matters insured against by this policy. The Company shall have the right to select counsel of its choice (subject to the right of the Insured to object for reasonable cause) to represent the Insured as to those stated causes of action. It shall not be liable for and will not pay the fees of any other counsel. The Company will not pay any fees, costs, or expenses incurred by the Insured in the defense of those causes of action that allege matters not insured against by this policy.

CONDITIONS (Continued)

- (b) The Company shall have the right, in addition to the options contained in Section 7 of these Conditions, at its own cost, to institute and prosecute any action or proceeding or to do any other act that in its opinion may be necessary or desirable to establish the Title, as insured, or to prevent or reduce loss or damage to the Insured. The Company may take any appropriate action under the terms of this policy, whether or not it shall be liable to the Insured. The exercise of these rights shall not be an admission of liability or waiver of any provision of this policy. If the Company exercises its rights under this subsection, it must do so diligently.
- (c) Whenever the Company brings an action or asserts a defense as required or permitted by this policy, the Company may pursue the litigation to a final determination by a court of competent jurisdiction, and it expressly reserves the right, in its sole discretion, to appeal any adverse judgment or order.

6. DUTY OF INSURED CLAIMANT TO COOPERATE

- (a) In all cases where this policy permits or requires the Company to prosecute or provide for the defense of any action or proceeding and any appeals, the Insured shall secure to the Company the right to so prosecute or provide defense in the action or proceeding, including the right to use, at its option, the name of the Insured for this purpose. Whenever requested by the Company, the Insured, at the Company's expense, shall give the Company all reasonable aid (i) in securing evidence, obtaining witnesses, prosecuting or defending the action or proceeding, or effecting settlement, and (ii) in any other lawful act that in the opinion of the Company may be necessary or desirable to establish the Title or any other matter as insured. If the Company is prejudiced by the failure of the Insured to furnish the required cooperation, the Company's obligations to the Insured under the policy shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation, with regard to the matter or matters requiring such cooperation.
- (b) The Company may reasonably require the Insured Claimant to submit to examination under oath by any authorized representative of the Company and to produce for examination, inspection, and copying, at such reasonable times and places as may be designated by the authorized representative of the Company, all records, in whatever medium maintained, including books, ledgers, checks, memoranda, correspondence, reports, e-mails, disks, tapes, and videos whether bearing a date before or after Date of Policy, that reasonably pertain to the loss or damage. Further, if requested by any authorized representative of the Company, the Insured Claimant shall grant its permission, in writing, for any authorized representative of the Company to examine, inspect, and copy all of these records in the custody or control of a third party that reasonably pertain to the loss or damage. All information designated as confidential by the Insured Claimant provided to the Company pursuant to this Section shall not be disclosed to others unless, in the reasonable judgment of the Company, it is necessary in the administration of the claim. Failure of the Insured Claimant to submit for examination under oath, produce any reasonably requested information, or grant permission to secure reasonably necessary information from third parties as required in this subsection, unless prohibited by law or governmental regulation, shall terminate any liability of the Company under this policy as to that claim.

7. OPTIONS TO PAY OR OTHERWISE SETTLE CLAIMS; TERMINATION OF LIABILITY

In case of a claim under this policy, the Company shall have the following additional options:

- (a) To Pay or Tender Payment of the Amount of Insurance. To pay or tender payment of the Amount of Insurance under this policy together with any costs, attorneys' fees, and expenses incurred by the Insured Claimant that were authorized by the Company up to the time of payment or tender of payment and that the Company is obligated to pay. Upon the exercise by the Company of this option, all liability and obligations of the Company to the Insured under this policy, other than to make the payment required in this subsection, shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation.
- (b) To Pay or Otherwise Settle With Parties Other Than the Insured or With the Insured Claimant.
 - (i) To pay or otherwise settle with other parties for or in the name of an Insured Claimant any claim insured against under this policy. In addition, the Company will pay any costs, attorneys' fees, and expenses incurred by the Insured Claimant that were authorized by the Company up to the time of payment and that the Company is obligated to pay; or
 - (ii) To pay or otherwise settle with the Insured Claimant the loss or damage provided for under this policy, together with any costs, attorneys' fees, and expenses incurred by the Insured Claimant that were authorized by the Company up to the time of payment and that the Company is obligated to pay.

Upon the exercise by the Company of either of the options provided for in subsections (b)(i) or (ii), the Company's obligations to the Insured under this policy for the claimed loss or damage, other than the payments required to be made, shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation.

8. DETERMINATION AND EXTENT OF LIABILITY

This policy is a contract of indemnity against actual monetary loss or damage sustained or incurred by the Insured Claimant who has suffered loss or damage by reason of matters insured against by this policy.

- (a) The extent of liability of the Company for loss or damage under this policy shall not exceed the lesser of
 - (i) the Amount of Insurance: or
 - (ii) the difference between the value of the Title as insured and the value of the Title subject to the risk insured against by this policy.
- (b) If the Company pursues its rights under Section 5 of these Conditions and is unsuccessful in establishing the Title, as insured.
 - (i) the Amount of Insurance shall be increased by 10%, and
 - (ii) the Insured Claimant shall have the right to have the loss or damage determined either as of the date the claim was made by the Insured Claimant or as of the date it is settled and paid.
- (c) In addition to the extent of liability under (a) and (b), the Company will also pay those costs, attorneys' fees, and expenses incurred in accordance with Sections 5 and 7 of these Conditions.

9. LIMITATION OF LIABILITY

(a) If the Company establishes the Title, or removes the alleged defect, lien, or encumbrance, or cures the lack of a right of access to or from the Land, or cures the claim of

CONDITIONS (Continued)

Unmarketable Title, all as insured, in a reasonably diligent manner by any method, including litigation and the completion of any appeals, it shall have fully performed its obligations with respect to that matter and shall not be liable for any loss or damage caused to the Insured.

- (b) In the event of any litigation, including litigation by the Company or with the Company's consent, the Company shall have no liability for loss or damage until there has been a final determination by a court of competent jurisdiction, and disposition of all appeals, adverse to the Title, as insured.
- (c) The Company shall not be liable for loss or damage to the Insured for liability voluntarily assumed by the Insured in settling any claim or suit without the prior written consent of the Company.

10. REDUCTION OF INSURANCE; REDUCTION OR TERMINATION OF LIABILITY

All payments under this policy, except payments made for costs, attorneys' fees, and expenses, shall reduce the Amount of Insurance by the amount of the payment.

11. LIABILITY NONCUMULATIVE

The Amount of Insurance shall be reduced by any amount the Company pays under any policy insuring a Mortgage to which exception is taken in Schedule B or to which the Insured has agreed, assumed, or taken subject, or which is executed by an Insured after Date of Policy and which is a charge or lien on the Title, and the amount so paid shall be deemed a payment to the Insured under this policy.

12. PAYMENT OF LOSS

When liability and the extent of loss or damage have been definitely fixed in accordance with these Conditions, the payment shall be made within 30 days.

13. RIGHTS OF RECOVERY UPON PAYMENT OR SETTLEMENT

- (a) Whenever the Company shall have settled and paid a claim under this policy, it shall be subrogated and entitled to the rights of the Insured Claimant in the Title and all other rights and remedies in respect to the claim that the Insured Claimant has against any person or property, to the extent of the amount of any loss, costs, attorneys' fees, and expenses paid by the Company. If requested by the Company, the Insured Claimant shall execute documents to evidence the transfer to the Company of these rights and remedies. The Insured Claimant shall permit the Company to sue, compromise, or settle in the name of the Insured Claimant and to use the name of the Insured Claimant in any transaction or litigation involving these rights and remedies. If a payment on account of a claim does not fully cover the loss of the Insured Claimant, the Company shall defer the exercise of its right to recover until after the Insured Claimant shall have recovered its loss.
- (b) The Company's right of subrogation includes the rights of the Insured to indemnities, guaranties, other policies of insurance, or bonds, notwithstanding any terms or conditions contained in those instruments that address subrogation rights.

14. ARBITRATION

Either the Company or the Insured may demand that the claim or controversy shall be submitted to arbitration pursuant to the Title Insurance Arbitration Rules of the American Land Title Association ("Rules"). Except as provided in the Rules, there shall be no

joinder or consolidation with claims or controversies of other persons. Arbitrable matters may include, but are not limited to, any controversy or claim between the Company and the Insured arising out of or relating to this policy, any service in connection with its issuance or the breach of a policy provision, or to any other controversy or claim arising out of the transaction giving rise to this policy. All arbitrable matters when the Amount of Insurance is \$2,000,000 or less shall be arbitrated at the option of either the Company or the Insured. All arbitrable matters when the Amount of Insurance is in excess of \$2,000,000 shall be arbitrated only when agreed to by both the Company and the Insured. Arbitration pursuant to this policy and under the Rules shall be binding upon the parties. Judgment upon the award rendered by the Arbitrator(s) may be entered in any court of competent jurisdiction.

15. LIABILITY LIMITED TO THIS POLICY; POLICY ENTIRE CONTRACT

- (a) This policy together with all endorsements, if any, attached to it by the Company is the entire policy and contract between the Insured and the Company. In interpreting any provision of this policy, this policy shall be construed as a whole.
- (b) Any claim of loss or damage that arises out of the status of the Title or by any action asserting such claim shall be restricted to this policy.
- (c) Any amendment of or endorsement to this policy must be in writing and authenticated by an authorized person, or expressly incorporated by Schedule A of this policy.
- (d) Each endorsement to this policy issued at any time is made a part of this policy and is subject to all of its terms and provisions. Except as the endorsement expressly states, it does not (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsement, (iii) extend the Date of Policy, or (iv) increase the Amount of Insurance.

16. SEVERABILITY

In the event any provision of this policy, in whole or in part, is held invalid or unenforceable under applicable law, the policy shall be deemed not to include that provision or such part held to be invalid, but all other provisions shall remain in full force and effect.

17. CHOICE OF LAW; FORUM

- (a) Choice of Law: The Insured acknowledges the Company has underwritten the risks covered by this policy and determined the premium charged therefor in reliance upon the law affecting interests in real property and applicable to the interpretation, rights, remedies, or enforcement of policies of title insurance of the jurisdiction where the Land is located. Therefore, the court or an arbitrator shall apply the law of the jurisdiction where the Land is located to determine the validity of claims against the Title that are adverse to the Insured and to interpret and enforce the terms of this policy. In neither case shall the court or arbitrator apply its conflicts of law principles to determine the applicable law.
- (b) Choice of Forum: Any litigation or other proceeding brought by the Insured against the Company must be filed only in a state or federal court within the United States of America or its territories having appropriate jurisdiction.

18. NOTICES, WHERE SENT

Any notice of claim and any other notice or statement in writing required to be given to the Company under this policy must be given to the Company at First American Title Insurance Company, Attn: Claims National Intake Center, 1 First American Way; Santa Ana, CA 92707. Phone: 888-632-1642.



ISSUED BY

Hinneer Title Agency, Inc. as agent for: First American Title Insurance Company

POLICY NUMBER

5011400-2186861

Name and Address of Title Insurance Company: FIRST AMERICAN TITLE INSURANCE COMPANY, 1 First American Way, Santa Ana, California 92707

Order No.: 90204234-902-CHA

Schedule A

Address Reference Purportedly Known As: VACANT LAND, Bisbee, AZ 85603

Amount of Insurance: \$51,900.00 Premium: \$495.00

Date of Policy: May 4, 2022 at 2:17 pm

Rate Code: E.1

1. Name of Insured:

Triumph Property, LLC, an Arizona Limited Liability Company

2. The estate or interest in the Land that is insured by this policy is:

Fee Simple

3. Title is vested in:

Triumph Property, LLC,, An Arizona Limited Liability Company

4. The Land referred to in this policy is described as follows:

See Exhibit A attached hereto and made a part hereof.

By:

Authorized Countersignature

(This Schedule A valid only when Schedule B is attached)

Form 5011400-A (7-1-14) Page 1 ALTA Owner's Policy (6-17-06)



ISSUED BY

Pioneer Title Agency, Inc. as agent for: First American Title Insurance Company

POLICY NUMBER

5011400-2186861

Exhibit A

Order No.: 90204234-902-CHA

LEGAL DESCRIPTION

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE COUNTY OF COCHISE, STATE OF ARIZONA, AND IS DESCRIBED AS FOLLOWS:

PARCEL I:

Lots 5 and 7 of Section 5, Township 24 South, Range 25 East of the Gila and Salt River Base and Meridian, Cochise County, Arizona;

EXCEPT all coal and other minerals, as reserved unto the United States of America, in the Patent of said land.

PARCEL II:

The Southeast guarter of the Northwest guarter;

The East half of the Southwest quarter of Section 5, Township 24 South, Range 25 East of the Gila and Salt River Base and Meridian, Cochise County Arizona;

EXCEPT all coal and other minerals as reserved in Patent from United States of America.

Form 5011400-A (7-1-14) Page 2 ALTA Owner's Policy (6-17-06)



ISSUED BY

Hioneer Citle Agency, Inc. as agent for: First American Title Insurance Company

POLICY NUMBER

Schedule B

5011400-2186861

Order No.: 90204234-902-CHA

EXCEPTIONS FROM COVERAGE

This policy does not insure against loss or damage and the Company will not pay costs, attorneys' fees or expenses which arise by reason of:

- a) Taxes or assessments that are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the Public Records; (b) proceedings by a public agency that may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the Public Records.
- 2. Any facts, rights, interests, or claims that are not shown by the Public Records but that could be ascertained by an inspection of the Land or that may be asserted by persons in possession thereof.
- 3. Easements, liens or encumbrances, or claims thereof, not shown by the Public Records.
- 4. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, or any other facts which a correct survey would disclose, and which are not shown by the Public Records.
- 5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b), or (c) are shown by the Public Records.
- 6. Any lien or right to a lien for services, labor or material not shown by the Public Records.
- 7. TAXES AND ASSESSMENTS collectible by the County Treasurer, a lien not yet due and payable for the following vear:

2022

- 8. RIGHT OF ENTRY to prospect for, mine and remove the minerals in said land as reserved in Patent to said land.
- 9. MATTERS SHOWN ON SURVEY:

Recorded in Book 33 of Surveys

Page 5

10. TERMS, CONDITIONS, LIABILITIES AND OBLIGATIONS contained in instrument entitled "Zoning Ordinance 19-07: To Adopt Cochise County Zoning Regulations, Article 17 Minor Land Divisions", according to the terms and conditions contained therein:

Recorded in Document No. 2019-16538

12. The lack of a legal right of access recorded in insurable form to and from said land to a public street.

Notwithstanding the affirmative assurance of paragraph 4, the Company is unwilling to insure access.

Form 5011400-B (7-1-14) Page 3 ALTA Owner's Policy (6-17-06)



DELETION OF NATURAL PERSON LIMITATION ENDORSEMENT

Issued by

First American Title Insurance Company

Attached to Policy No.: 5011400-2186861

Order No.: 90204234-902-CHA

The limitation contained in the Owner's Coverage Statement that "each insured named in Schedule A is a Natural Person" is hereby deleted and Section 2.b. of the Conditions, with the heading "This Policy also insures:", is hereby amended to add the following: "(5) those who succeed to the interest of the named insured by operation of law as distinguished from purchase including corporate or fiduciary successors."

This endorsement is issued as part of the policy. Except as it expressly states, it does not (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsements, (iii) extend the Date of Policy, or (iv) increase the Amount of Insurance. To the extent a provision of the policy or a previous endorsement is inconsistent with an express provision of this endorsement, this endorsement controls. Otherwise, this endorsement is subject to all of the terms and provisions of the policy and of any prior endorsements.

Date: May 4, 2022 at 2:17 pm

First American Title Insurance Company

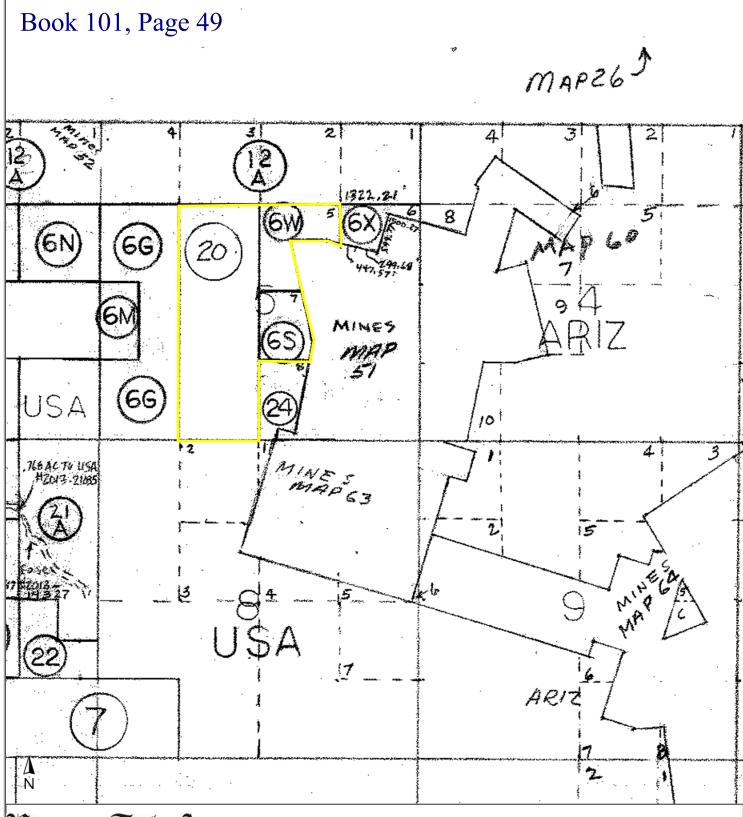
Kenneth D. DeGiorgio, President

Greg L. Smith, Secretary

Issuing Agent

Pioneer Title Agency Inc.

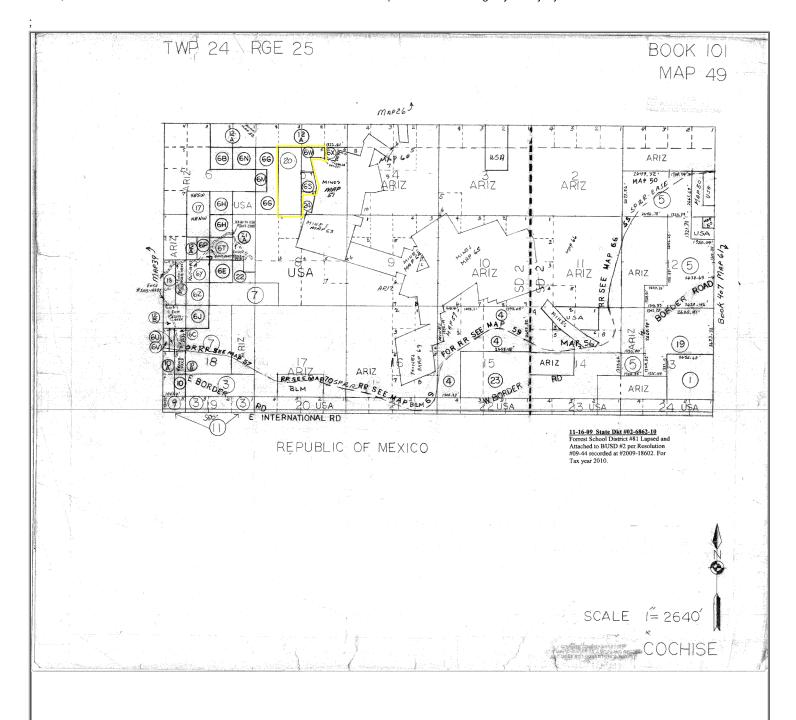
580 E. Wilcox Dr., Sierra Vista, AZ 85635 (520) 458-3500



Hioneer Title Agency, Bisbee AZ 85603

COMMITMENT TO SERVICE

This map/plat is being furnished as an aid in locating the herein described land in relation to adjoining streets, natural boundaries and other land, and is not a survey of the land depicted. Except to the extent a policy of title insurance is expressly modified by endorsement, if any, the company does not insure dimensions, distances, location of easements, acreage or other matters shown thereon.

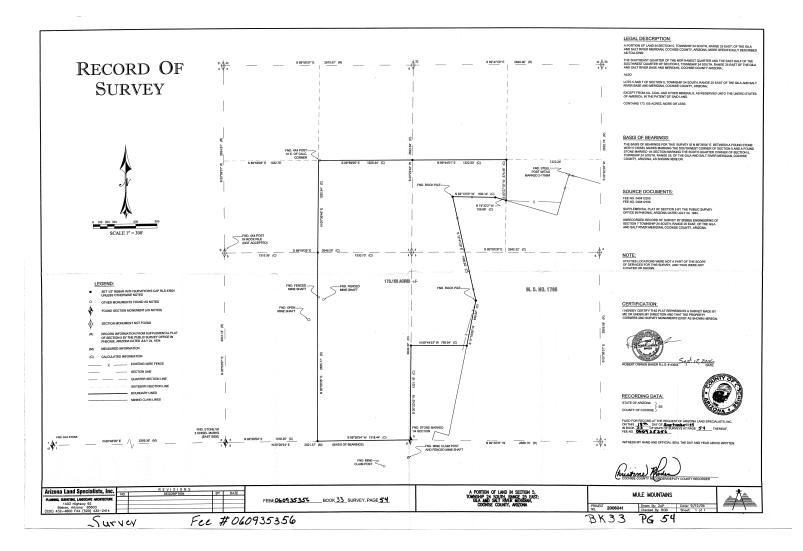


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Pioneer Title Agency, ParcellD: 101-49-0068

COMMITMENT TO SERVICE

This map/plat is being furnished as an aid in locating the herein described land in relation to adjoining streets, natural boundaries and other land, and is not a survey of the land depicted. Except to the extent a policy of title insurance is expressly modified by endorsement, if any, the company does not insure dimensions, distances, location of easements, acreage or other matters shown thereon.



2019-16538
Page 1 of 7
Requested By: BOARD OF SUPERVISORS
David W. Stevens - Recorder
Cochise County , AZ
08-28-2019 08:35 AM Recording Fee \$0.00

ZONING ORDINANCE 19-07

TO ADOPT COCHISE COUNTY ZONING REGULATIONS ARTICLE 17 MINOR LAND DIVISIONS

WHEREAS, A.R.S. 11-821 et. seq. gives the County Board of Supervisors the authority to adopt zoning regulations to address land use; and

WHEREAS, the Cochise County Board of Supervisors originally adopted Zoning Regulations in Cochise County pursuant to that authority in 1975, and has with periodic modification, maintained them in effect since that time; and

WHEREAS, the Cochise County Board of Supervisors recognizes that amendment to the Zoning Regulations can affect countywide land use patterns and therefore warrants careful consideration of regional impacts; and

WHEREAS, A.R.S. 11-831 et. seq. gives the County Board of Supervisors the authority to adopt ordinances and regulations to allow staff review and approval of land divisions of five or fewer lots, parcels, or fractional interests, any of which is ten acres or smaller in size; and

WHEREAS, the Cochise County Board of Supervisors recognizes the purpose of this ordinance is to provide a minor land division process, which ensures the division of land in compliance with zoning ordinances, has recorded legal access, and does not constitute a subdivision as defined by A.R.S. 11-831.

WHEREAS, on August 27, 2019, the Board of Supervisors held a duly noticed public hearing of the proposed amendments to the Zoning Regulations, hereby known as Docket R-19-04, and attached hereto as "Exhibit A", which amends Article 17 and found them to be in the public interest.

NOW, THEREFORE, BE IT RESOLVED THAT the Cochise County Zoning Regulations shall be amended as contained in "Exhibit A", Article 17 Minor Land Divisions, and is hereby adopted;

ZONING ORDINANCE 19-07 To Adopt Cochise County Zoning Regulations Article 17 Minor Land Divisions P a g e \mid 2

ADOPTED by the Cochise County Board of Supervisors this 27 day of Augus + , 2019.

Peggy Juda, Chairman

Cochise County Board of Supervisors

ATTEST:

APPROVED AS TO FORM:

Arlethe G Morrison

Clerk of the Board

Christine J. Roberts

Liffishine J. Roberts

Civil Deputy County Attorney

8/8/2019

EXHIBIT "A"

1721 Minor Land Divisions

1721.01 Intent

The intent of this Ordinance is to provide for the orderly growth and harmonious development of Cochise County by prescribing certain minimum requirements regulating the conditions under which minor divisions of land within Cochise County may be permitted and by establishing a review procedure for minor divisions of land within Cochise County.

1721.02 Purpose

The purpose of this ordinance is to provide a process to divide land into five (5) or fewer lots, tracts, parcels, sites or divisions, any of which is ten (10) acres or smaller in size, with a level of review to ensure the division of land complies with zoning regulations and does not constitute a subdivision of six or more lots as defined by Arizona Revised Statutes (A.R.S.). This ordinance is not intended to prohibit or prevent the division of land as otherwise authorized and permitted by the A.R.S. and Cochise County Zoning Regulations and Subdivision Regulations, but to allow for staff review and approval of minor land divisions.

1721.03 Permit Required

- A. No land may be divided into five or fewer lots, parcels, or fractional interests, any of which is ten acres or smaller, unless a minor land division permit has been issued by Cochise County.
- B. The lots, parcels or fractural interests may not be a part of a County-approved subdivision plat.
- C. Payment of an applicable minor land division fee, in accordance with the adopted fee schedule, is required as a condition of obtaining a minor land division permit.

1721.04 Jurisdiction

The provisions of this ordinance shall apply to all divisions of land located within the unincorporated territory of Cochise County, excluding lands outside the authority of Cochise County.

1721.05 Application Submittals

- A. The applicant must submit a properly completed and filled out minor land division application to the Cochise County Development Services Department along with the associated processing fee and any required supporting documentation for staff review as set forth below.
 - 1. Names, addresses, and telephone numbers of all parties of interest to the division

- 2. A statement from a registered land surveyor, or other evidence acceptable to the county, stating whether each lot, parcel or fractional interests has physical access that is traversable by a two-wheel drive passenger motor vehicle.
- 3. Survey Map: The legal descriptions and map shall be prepared by a Registered Land Surveyor (R.L.S) and comply with all state and County standards in a format acceptable to the County Recorder and shall include:
 - a. A standard engineering scale not to exceed 1" = 200' (one-inch equals 200 feet). Scale used must be indicated.
 - b. A north arrow.
 - c. Area and dimensions of all proposed lots, parcels or fractional interests.
 - d. The current zoning of the parcels proposed to be divided.
 - e. A public or private road, or a private driveway easement, as defined by the Cochise County Road Design & Construction Standards & Specifications for Public Improvements shall provide legal access to each parcel.
 - 1) A private easement with a minimum width of twenty-four (24) feet. A private easement will be considered legal access only if it runs with the land and expressly allows ingress and egress by any utility company providing services to the new lot or parcel, any provider of emergency services (fire, police, ambulance, etc.) to the new lot or parcel, and any public official (building inspector, health inspector, etc.) requiring ingress and egress to the new lot or parcel in connection with the official's lawful duties.
 - 2) Public roads, to be maintained by Cochise County, shall be constructed to the standards included in the *Road Design & Construction Standards & Specifications* for Public Improvements and then adopted or accepted by the County Board of Supervisors prior to sale of any of the divided lots.
 - f. Location and width of all easements within and bordering the minor land division.
 - g. Location, width and designation of roads bordering the property indicating whether they are public or private.

1721.06 Definitions

- A. "Minor Land Division" means land or lands that are proposed to be divided for purposes of sale or lease into five (5) or fewer lots or parcels.
- B. "Subdivision" or "subdivided lands":
 - Means improved, or unimproved land or lands divided or proposed to be divided for the purpose of sale or lease, whether immediate or future, into six or more lots, parcels or fractional interests.

- 2. Includes a stock cooperative, lands divided or proposed to be divided as part of a common promotional plan and residential condominiums as defined by ARS.
- C. "Legal access" means a public right of vehicular ingress and egress between the lots, parcels or fractional interests being created.
- D. "Minimum applicable county zoning requirements" means the minimum acreage and dimensions of the resulting lot, parcel or fractional interest as required by the County's zoning ordinance.
- E. "Utility easement" means an easement of a minimum of eight (8) feet in width dedicated to the general public to install, maintain and access sewer, electric, gas and water utilities.

1721.07 Review Criteria

- A. An application to split a parcel of land shall be approved if the following items are submitted for review by the Development Services Department and found to be complete:
 - 1. Each newly-created parcel must meet the minimum zoning requirements of the applicable zoning designation.
 - 2. The applicant demonstrates legal access to the lots, parcels or fractional interests.
 - 3. The applicant provides a statement from a licensed surveyor or engineer, or other evidence acceptable to the county, stating whether each lot, parcel or fractional interest has legal and physical access that is traversable by a two-wheel drive passenger motor vehicle.
 - 4. The applicant reserves the necessary and appropriate utility easements to serve each lot, parcel or fractional interest created by the land division.

1721.08 Action by the Development Services Department

Upon receipt of the submitted documents, the Development Services Department shall review to determine their completeness. If the application is complete, it shall be date-stamped showing the day it arrived complete. If the submitted documents and information are found to be incomplete or insufficient, the applicant shall be notified of the deficiencies. The application will not be formally accepted for processing until the missing items are submitted.

Upon receipt of the completed application, the Development Services Department shall:

A. Distribute the submitted application for review and comment to the appropriate departments as deemed necessary by the Development Services Director.

- B. Review the submitted survey map and supplemental information to determine compliance with the Zoning and Subdivision Regulations and prepare its report, which shall include comments received from other departments.
- C. Based on the above findings, the Development Services Director shall then approve, conditionally approve, or deny the application within thirty (30) business days from the date a completed application was filed unless the applicant consents to an extension of the review period in writing. If review of the request is not completed within thirty business days from receipt of the request, the land division shall be deemed approved.
- D. The County may not deny approval of any land division that meets the requirements of this section or where the deficiencies are noticed in the deed. If an applicant chooses to record a minor land division survey without an approved permit, any-and-all deficiencies shall be noticed in the deed including noncompliance with the requirement for legal access and/or noncompliance with applicable zoning regulations.
- E. The County may not require a public hearing on a minor land division request.

1721.09 Permit Recordation

- A. Recordation with Approval After approval of a Minor Land Division Permit, it shall be recorded at the County Recorder's Office along with any attached supplementary information. Recordation must occur within six (6) months of the approval by the Development Services Department, or the approval shall lapse and become void. If the minor land division permit is approved, the Development Services Director shall enter the following certification on the approved permit:
 - "Notice is hereby given that the parcels of real estate created by the division recorded pursuant to this document is in conformance with all the provisions of the Minor Land Division Ordinance of Cochise County and meets all statutory requirements for recording."
- B. Recordation without Approval Pursuant to the provisions of Arizona Revised Statutes, Section 11-831.C, recordation of a division of land may not be denied for non-compliance with the requirement for legal access or compliance with applicable zoning regulations, however, all such deficiencies are required to be noticed in full, detailed description in all deeds. Should an applicant choose to record a Minor Land Division survey without a permit approved by the Development Services Director, any deficiencies are required to be noticed in full, detailed description in all deeds.
 - "Notice is hereby given that the parcels of real estate created by the division recorded pursuant to this document either does not conform to the zoning regulations in force at the time of recordation, does not have adequate provision for access to public utilities, or that no legal access exists in accordance with the provisions of the Minor Land Division Ordinance of Cochise County. In consequence, any and all Cochise County Development permits may be denied until such time as deficiencies relative to this parcel are corrected."

1721.10 Removal of Deficiencies from the Deed

Where access or zoning deficiencies are corrected, through zoning change, variance or acquisition of property for access, it shall be the responsibility of the property owner to remove the deficiencies. All removal of deficiencies shall be subject to the approval of the Development Services Director prior to recording.

1721.11 Acting in Concert

It shall be unlawful for a person or group of persons acting in concert to divide a parcel of land into six (6) or more lots or sell or lease six (6) or more lots by using a series of owners or conveyances in an attempt to avoid the provisions of this ordinance. This provision may be enforced by the County Attorney's Office or the Arizona Department of Real Estate, or both, pursuant to the laws of the State of Arizona.

1721.12 Penalties

Any deficiencies related to legal access or minimum County zoning will not prevent the approval of a Minor Land Division Permit but shall result in the withholding of any Cochise County permits for development until such time as deficiencies relative to the parcels created by the Minor Land Division are corrected. All such deficiencies are required to be noticed in full, detailed description in all deeds.

This instrument was duly acknowledged before me this 8 day of Jan. 1940, by Ernest B. Escapule and Mildred Escapule for thepurpose and consideration therein contained

John L. Larrieu, Notary Public

Tombstone, Arizona

(SEAL)

My Commission Expires: Oct. 23. 1940.

Filed and recorded at request of State Highway Dept., Phoenix, Ariz., JAN. 16, 1940, at

By Frances Lippert, Deputy

P. W. NEWBURY, County Recorder

4-1007 Phoenix 039774 130 dre 22

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THE UNITED STATES OF AMERICA

TO ALL TO WHOM THESE PRESENTS SHALL COME CREETING:

WHEREAS, a Certificate of the Register of the Land Office at Phoenix, arizona, has been deposited in the General Land Office, whereby it appears that, pursuant to the act of Congress of May 20, 1862, "To Secure Homesteads to Actual Settlers on the Public Domain," and the acts supplemental thereto, the claim, of the heirs of MARY F.

STEPP has been established and duly consumnated, in conformity to law, for the Lotsone,
Two, Three, Four, Five, Six, Seven, and eight, the south half of the northwest quarter,
and the southwest quarter of Section five and the Lot one of Section six in Township
twenty-four south of kange twenty-five east of the Cila and Salt River Meridian, arizona,
containing five hundred thirty-one acres and thirty-one hundredths of an acre,
according to the Official Plat of the Survey of the said Land, on file in the General Land

NOW, KNOW YE, That there is, therefore, granted by the United States unto the said claimants the tract of Land above described; TO HAVE AND TO HOLD the said tract of Land, with the appurtenances thereof, sunto the said claimants and to the hairs, and assigns of the said claimants forever; subject to any vested and accrued water rights for mining, agricultural, manufacturing, or other purposes, and rights to ditches and reservoirs used in connection with such water rights, as may be recognized and acknowledges

by the local custome, laws, and decisions of courts; Mind there, is reserved from the lands

hereby granted, a right of way thereon for ditches or canals constructed by the authority of the United States. Excepting and reserving, however, to the United States all the coal and other minerals in the lands so entered and patented, together with the right to prospect for, mine and remove the same pursuant to the progisions and limitations of the Act of December 29, 1916 (39 Stat., 862), Reserving unite the United States, its permittee or licensee, the right to enter upon, occupy and use, any part or all of that portion of said lot one of Section five lying within 50 feet of the center line of the transmission line right of way of the Phelps Dodge Corporation, for the purposes provided in the Act of June 10, 1920 (41 Stat. 1063), and subject to the conditions and limitations of Section 24 of said Act.

IN TEST IMONY WHEREOF, I, FRANKLIN D. ROOSEVELT,

President of the United States of America, have caused these letters to be made Patent, and the seal of the General Land Office to be her cunto affixed.

day of May in the year of our Lord One Thousand Nine hundred and Thirty-five and of the Independence of the United States the one hundred Mid Fifty-ninth.

By the President: FRANKLIN D. ROOSEVELT,
By LOUISE POLK WILSON, Secretary,

RUTH LOCKETT, Recorder of the General Land Office

(U.S.GENERAL LAND OFFICE SEAL)
RECORDED: Patent Number 1075594

Filed and secorded at request of Pioneer Abstract Co., Bisbee, Ariz., JAN. 17, 1940,

By Frances Lippert, Deputy

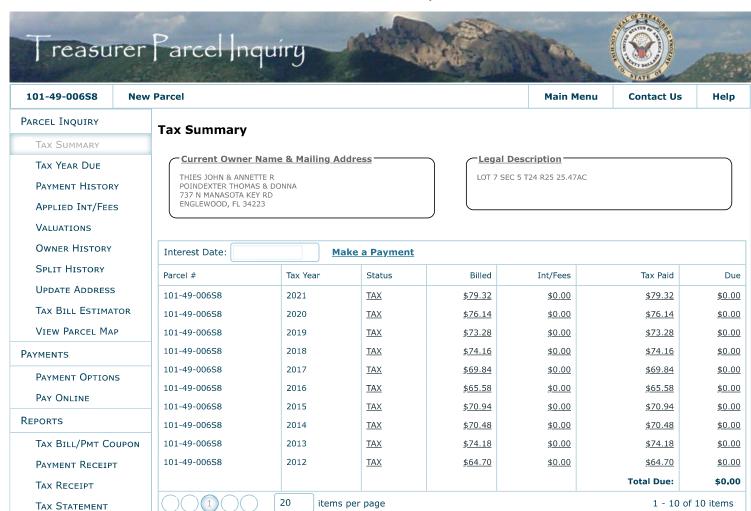
P. W. NEWBURY, County Recorder

END

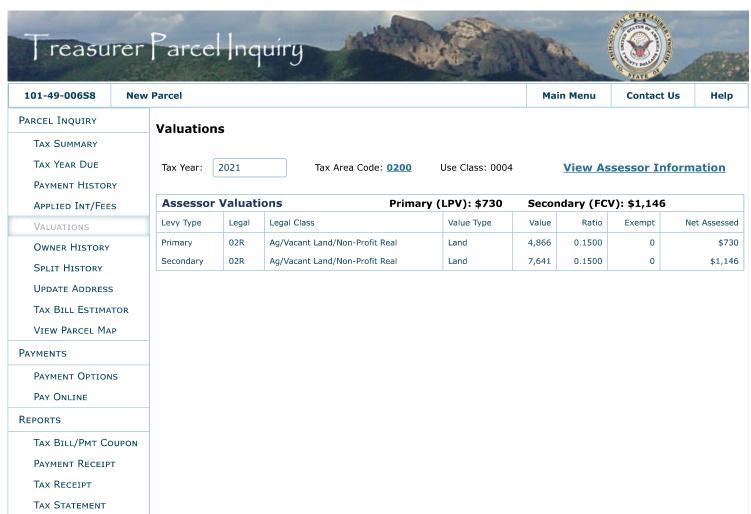
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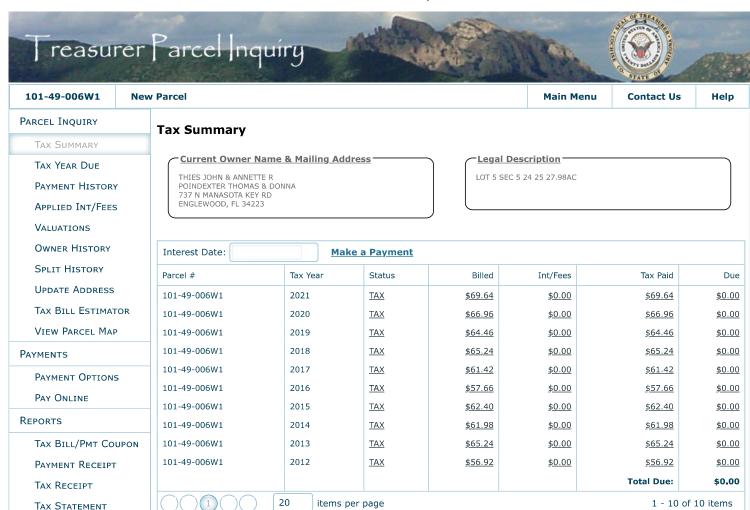
THES INTENTIFIE. Made the Twenty sixth day of June in the years of our Lord one Thousand Nine Hundred and Three (1903). Between M. J. BROPHY and SABINA BROPHY; his wife, of the City of Bisbee, County of Cochise, Torritory of crizona, the parties of the first part, and THE DOUGLAS IMPROVEMENT COMPARY of corporation or unized and existing under and by virtue of the laws of the Territory of Arizona, the party of the second part,

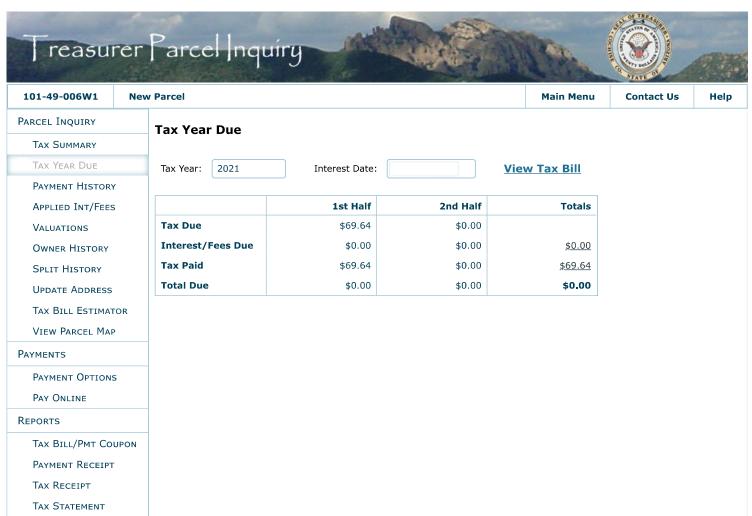
WITHESSETH: That the said parties of the first part, for and in considera-



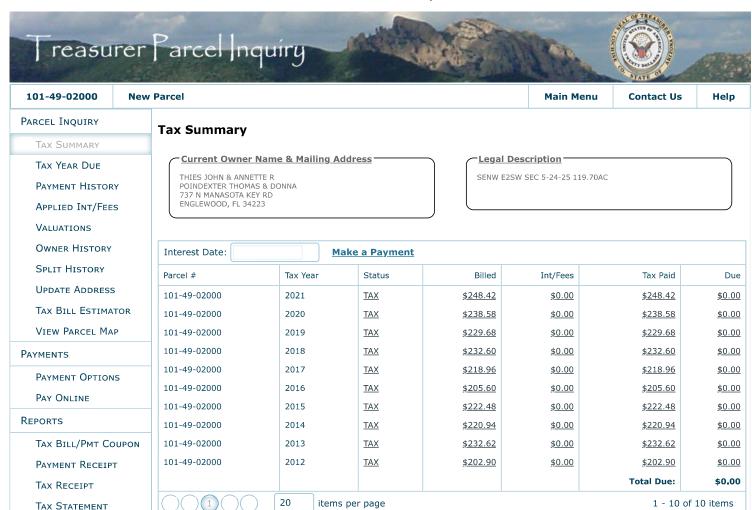


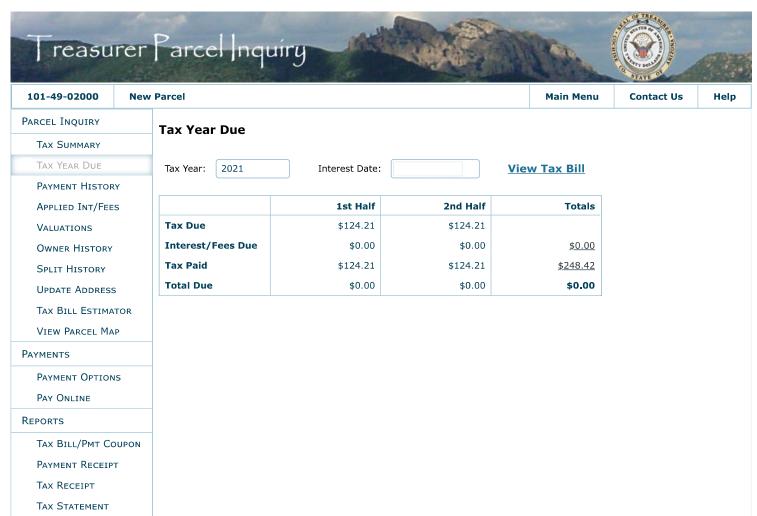












TAX STATEMENT

