



DOUGLAS A. DUCEY
Governor

THOMAS BUSCHATZKE
Director

ARIZONA DEPARTMENT of WATER RESOURCES
3550 North Central Avenue, Second Floor
Phoenix, Arizona 85012-2105
602.771.8500
azwater.gov

November 12, 2015

VIA CERTIFIED MAIL

Nathan Miller
Southwest Ground-water Consultants Inc.
3033 N. 44th St, Suite 120
Phoenix AZ 85018

**Re: Certificate of Assured Water Supply
Mountain Shadows Resort, DWR File No. 27-700839.0000**

Dear Mr. Miller:

The Arizona Department of Water Resources (Department) has determined that the criteria for an Assured Water Supply pursuant to A.R.S. § 45-576 and A.A.C. R12-15-701 *et seq.* have been met, and therefore the Director has decided to issue Assured Water Supply Certificate No. 27-700839.0000. EPCOR - Paradise Valley will provide the water supply to the lots. The source of supply will be groundwater. Based on current information, the Department has determined that the subdivision's total projected demand is 51.86 acre-feet per year for 280 lots, and the groundwater allowance for the 100-year period is 103.72 acre-feet. The Certificate is attached. The Department suggests you record your Certificate of Assured Water Supply in the appropriate county recorder's office. This will provide you with a permanent public record of the Certificate.

This determination is applicable only to the person or entity specified on the Certificate and for the plat reviewed by the Department. Information used in evaluating this application is available for review in the Department's files. Please contact us if questions arise.

Pursuant to A.R.S. § 41-1092.03, the Department is notifying you that the Director's determination and decision to issue the Certificate is an appealable agency action. You are entitled to appeal this action. If you wish to appeal this action, you must file a written appeal within thirty (30) days from receipt of this letter. I am providing you with a summary of the appeal process and an appeal form, should you elect to pursue this option.

Sincerely,

Richard B. Obenshain, Manager
Recharge, Assured & Adequate Water Supply Programs

Enclosures

Page 2

Subdivision Name: Mountain Shadows Resort

File Number: 27-700839.0000

Cc via electronic mail:

Candi Cox, CAGR

Carla Randolph, Arizona Department of Real Estate

Thomas Broderick, Arizona Corporation Commission

Linda Taunt, Arizona Department of Environmental Quality

Heide A. Kocsis, Az. State Land Department

Kris Harman, Woodbine Development

Rick Carpinelli, Crown Realty & Development

Maggie Gallogly, Fennemore Craig P.C.

ARIZONA DEPARTMENT OF WATER RESOURCES

NOTICE OF RIGHT TO APPEAL AGENCY ACTION

I. Right to Request Hearing

You have the right to request a hearing on the agency action described in the enclosed document. To request a hearing, you must file a notice of appeal with the Docket Supervisor, Arizona Department of Water Resources, 3550 North Central Avenue, Phoenix, Arizona 85012 within thirty (30) days from the date of your receipt of the enclosed document. A Notice of Appeal form is enclosed. Pursuant to A.R.S. § 41-1092.03(B), the grounds for appeal by a party who will be adversely affected by the agency action and who exercised a right provided by law to comment on the action is limited to the issues raised in the party's comments.

If you file a timely notice of appeal, a hearing will be scheduled and you will be given written notice of the time and place for the hearing at least thirty (30) days before the hearing date. The date scheduled for the hearing may be advanced or delayed on the agreement of the Department and the parties to the action or on a showing of good cause. **If no party files a notice of appeal within thirty days from the date of receipt of the enclosed letter, the agency action described in the letter will become final and will not be subject to judicial review.**

II. Right to Request Informal Settlement Conference

If you file a timely notice of appeal as described above, you will have the right to request an informal settlement conference. A request for an informal settlement conference must be in writing and must be filed with the Docket Supervisor, Arizona Department of Water Resources, 3550 North Central Avenue, Phoenix, Arizona 85012 not later than twenty (20) days before the hearing date. The enclosed Notice of Appeal form includes a place for you to request an informal settlement conference. If you file a timely request for an informal settlement conference, the Department will give you written notice of the time and place for the settlement conference. An informal settlement conference must be held within fifteen (15) days after the request is filed.

If an informal settlement conference is held, a person with the authority to act on behalf of the Department will represent the Department at the conference. The parties participating in the settlement conference will waive their right to object to the participation of the Department's representative in the final administrative decision. Statements, either written or oral, made by the appellant at the conference, including a written document, created or expressed solely for the purpose of settlement negotiations, are inadmissible in any subsequent administrative hearing.

III. Agency Contact Person

If you have any questions regarding the appeals process, or the process for requesting an informal settlement conference, please contact the Docket Supervisor at (602) 771-8472.

**STATE OF ARIZONA
DEPARTMENT OF WATER RESOURCES
CERTIFICATE OF ASSURED WATER SUPPLY**

This is to certify that

**MTS Land, LLC, a Delaware limited liability company, as to Lots 132, 133 and 134;
Mountain Shadows Master Association, Inc., an Arizona corporation, owner as to Tract A;
and MS Condo-Hotel Owner, LLC, a Delaware limited liability company,
owner as to Lot 131,**

have met the requirements of A.R.S. §§ 45-576 and the applicable regulations, and

By powers vested in the Director of the Arizona Department of Water Resources by the
State of Arizona, and subject to the conditions contained in the applicable regulations,

Are issued this Certificate of Assured Water Supply for

**Mountain Shadows Resort
Township 2 North, Range 4 East, Section 8
GSRB&M Maricopa County, PHOENIX Active Management Area**

Sufficient water of adequate quality will be continuously available to satisfy the water demand of
the referenced subdivision for at least one hundred years. The referenced subdivision consists of
280 lots as described in the preliminary plat on file with the Department, and has an estimated
water demand of **51.86 acre-feet per year**. The subdivision will be served **groundwater** by
EPCOR - Paradise Valley.

This Certificate is invalid as to any entity not named above.
This Certificate may be assigned pursuant to A.A.C. R12-15-705.

Certificate Number: 27-700839.0000



ARIZONA DEPARTMENT OF WATER RESOURCES

Richard B. Abenchen

Program Manager

Nov. 12, 2015

Date

TYPE A CERTIFICATE



City Of Phoenix
Water Services Department
Resource and Development Planning

July 23, 2015

MS Resort Owner, LLC
2525 E Arizona Biltmore Circle, Ste. B-220
Phoenix, Arizona 85016

RE: Sewer Capacity for Mountain Shadows Redevelopment, Southwest corner of 56th Street and Lincoln Drive, Paradise Valley, Q.S. 21-40

The request for sewer capacity and availability for the proposed re-development project has been reviewed. Based on the conceptual site plan it depicts the following:

1. 59 existing single family units in the original Mountain Shadows West[®] development
2. 28 proposed single family townhouse units
3. 40 proposed multi-unit condominiums
4. 45 proposed condominium hotel units
5. 100 room hotel with a 60,000 square foot resort
6. A proposed 10,000 square foot restaurant

City of Phoenix affirms that sewer capacity is available to serve the proposed development. There is an 8-inch tap connection available at City of Phoenix manhole #406 in Lincoln Dr. The sewer shall remain as private but will connect to the City's 12-inch sewer main in Lincoln Drive.

Please call me at 602-534-4198 if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Nazario Prieto".

Nazario Prieto, P.E.
Civil Engineer III
Water Services Department
Water Resources & Development Planning

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cc: Gary Griffith
Lucy Graham



4612 E BELL RD
PHOENIX, AZ 85032

10-15-15

Mr. Kris Harman
Woodbine Southwest Corporation
2525 East Arizona Biltmore Circle, Suite B-220
Phoenix, AZ 85016

Re: SWC of Lincoln Drive and 56th Street in Paradise Valley, AZ 85253 (Parcels:
169-30-101 & 169-30-102).

Dear Kris,

The above referenced project is located in Arizona Public Service Company's electric service area. The Company extends its lines in accordance with the "Conditions Governing Extensions of Electric Distribution Lines and Services," Schedule 3, and the "Terms and Conditions for the Sale of Electric Service," Schedule 1, on file with the Arizona Corporation Commission at the time we begin installation of the electric facilities.

Application for the Company's electric service often involves construction of new facilities for various distances and costs depending upon customer's location, load size and load characteristics. With such variations, it is necessary to establish conditions under which Arizona Public Service will extend its facilities.

The enclosed policy governs the extension of overhead and underground electric facilities to customers whose requirements are deemed by Arizona Public Service to be usual and reasonable in nature.

Please give me a call at 602-493-4470 so that we may set up an appointment to discuss the details necessary for your project.

Sincerely,

Harry O'Neill

Harry O'Neill
Customer Project Manager
Customer Construction East



CenturyLink™

CenturyLink Engineering
135 W. Orion St. 1st Floor
Tempe, AZ 85283
BICS@Centurylink.com

October 14, 2015

Mr. Kris Harman
Woodbine Southwest Corporation
2525 East Arizona Biltmore Circle, Suite B-22
Phoenix, Arizona 85016

RE: Mountain Shadows Condos

Mr. Harman,

The above mentioned project is located in a parcel of land located in Section 8, Township 2N and Range 4E in Maricopa County.

In response to your "Service Availability" request for the above mentioned development located at the southwest corner of Lincoln Drive and 56th Street, Paradise Valley, AZ, this letter is to acknowledge that this subject property is within CenturyLink serving territory.

The tariff Rates and Regulations prescribed for service for this area are on file with your State Utilities Commission, and may be examined at your local CenturyLink Business Office.

Sincerely,

Roni Jean Grant-Sloan
CenturyLink Supervisor Construction/Engineering Permits/Joint Use/Developer Administration
135 W Orion Street, 1st Floor
Tempe, AZ 85283
480/768-4294 (Office)
480/748-1352 (Cell)



1550 W Deer Valley Rd
Phoenix, AZ 85027

October 14th, 2014

Mr. Kris Harman
Woodbine Southwest Corporation
2525 East Arizona Biltmore Circle, Suite B-220
Phoenix, AZ 85016

Re: Mountain Shadows Condos

Dear Mr. Harman,

Per your request, this is to advise you that Cox Communications has facilities to provide broadband cable and other telecommunication services to the City of Paradise Valley, as per our franchise agreement.

Since this is a private multifamily development, a service agreement will be required and in addition, a capital contribution may be required in order to receive services.

Please contact me at your earliest convenience so that we may discuss this project in more detail. I can be reached at (623) 328-3810.

I look forward to working with you and your company on this project.

Sincerely,

Andrea Cabon

Andrea Cabon
Account Executive
Cox Communications
New Business Development



SOUTHWEST GAS CORPORATION

October 28, 2015

**Woodbine Southwest Corporation
Attn: Mr Kris Harman
2525 E Arizona Biltmore Circle Suite B220
Phoenix AZ 85016**

RE: Natural Gas Service: Mountain Shadows Condos (56th St & Lincoln)

In response to your recent inquiry concerning the availability of natural gas to the above location, Southwest Gas Corporation is the natural gas supplier for this area. Gas can be extended to this subdivision from our gas main along Lincoln Dr.

Natural gas is available to serve this project in accordance with our Rule Six as filed with the Arizona Corporation Commission. We extend our facilities based on economic justification. Without reviewing a preliminary engineering plan for this project, we cannot, at this time, determine what fees would be required from the developer. We are interested in serving this project with the preferred fuel, natural gas, and look forward to hearing from you as plans progress.

If you have any questions regarding our policies or procedures, please contact me at 602-818-1891.

Sincerely,

Jeff Shelton
Energy Advisor
Central Arizona Division



2355 West Pinnacle Peak Road, Suite 300
Phoenix, AZ 85027 USA
epcor.com

October 9, 2015

MS Resort Owner LLC
1900 N Akard Street
Dallas, TX 75201

Sent via e-mail to: Fef_cvlci.com; jpappas@cvlci.com

Re: Will-Serve Letter for Water Service
Mountain Shadows Resort Condominium Hotel

To whom it may concern;

This letter is in response to Coe & Van Loo's request to EPCOR Water Arizona Inc. ("EPCOR") regarding EPCOR's willingness to provide water service to the Mountain Shadows Resort Condominium Hotel (the "Development"). The Development is a residential project that encompasses approximately 1.34 acres and is located in the Town of Paradise Valley as shown in Exhibit A. EPCOR provides the following information for your consideration:

1. EPCOR has confirmed that the Development is located within the area encompassed by EPCOR's Certificate of Convenience & Necessity ("CC&N") as issued by the Arizona Corporation Commission.
2. Where new waterlines will be required to serve the Development, such water service to the Development by EPCOR will be conditioned upon the developer entering into a Main Extension Agreement (an "MXA") with EPCOR in a form acceptable to EPCOR, and upon the developer fully performing its obligations under the MXA. The MXA will provide, among other things, that the developer will be responsible for the cost to construct all water main extensions necessary to distribute water from EPCOR's existing system to the individual service line connections in the Development. The design and construction of all such main extensions will be subject to EPCOR's approval, and ownership of the main extensions, together with related real property easement rights, must be transferred to EPCOR prior to the initiation of water service in the Development.
3. Based on water service currently provided by EPCOR in the CC&N, EPCOR will have adequate water capacity for normal use in the Development upon developer's fulfillment of its obligations under the MXA. Please note that EPCOR does not guarantee the adequacy of its water capacity for fire protection.
4. Developer will be required, as a condition to EPCOR providing water service to the Development, to pay all required fees pursuant to EPCOR's then-current tariffs and as may be provided in the MXA.

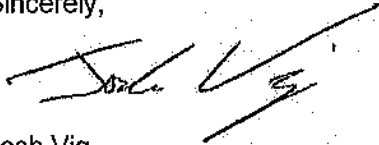
This letter assumes that construction of the main extensions within the Development will begin within one (1) year after the date of this letter.

If developer begins construction of any water mains in the Development or any other water service infrastructure intended to serve the Development without, in each instance, the prior written approval of such construction by EPCOR, developer will be proceeding with such construction at its own risk.

This letter does not independently create any rights or obligations in either developer or EPCOR, and is provided to developer for information only. Any agreement between developer and EPCOR for water service in the Development must be memorialized in a written agreement executed and delivered by their respective authorized representatives.

For additional information, please contact me at (623) 445-2495 or at jvig@epcor.com

Sincerely,

A handwritten signature in black ink, appearing to read "Josh Vig", written over a horizontal line.

Josh Vig
Project Manager

EXHIBIT A

