



To provide a better understanding of the State Land sale process, the following is a summary of the process with timing estimates:

The sale application is electronic and filed online through our website: land.az.gov.

The applicant will need to register for a username and password (at no charge) in order to access the sale application. There will be several pages to navigate for the application, along with support documents such as maps and related exhibits to upload with the application. When the application is submitted, the application fee (\$2000) is due. It is nonrefundable. The fee can be paid with a credit card or debit card.

The application will go to our Title and Contracts Section. They will verify various items associated with the application including the legal description, the underlying title, whether there are any improvements within the property, the classification of the land and the name of the entity on the application. The entity needs to be registered with the Arizona Corporation Commission, assuming it is a corporation or LLC. This part of the process takes 3-4 weeks, then the application is forwarded to the Sales and Leasing section. An administrator will be assigned to the application who will be the point of contact through the approval and sale process.

The due diligence requirements for the application include the following:

- Phase 1 environmental report
- ALTA survey
- Title report
- Cultural Resources survey, if necessary—to be determined
- Appraisal—this is required by State statute and establishes the opening price at the auction.

The applicant will arrange for the first four items, we will order the appraisal from our list of state-approved appraisers. We will send the applicant an invoice for the appraisal, prior to ordering the appraisal, which must be paid before the appraiser is retained. We will also send a letter specifying the completion of these due diligence requirements authorizing the applicant to proceed and giving the applicant access to the property. The letter will also state that the due diligence expenses including the appraisal fee, but not the application fee, will be refundable in the event the applicant is not the successful bidder at the auction. If the applicant is the winner bidder at the auction, the expenses are not refundable.

Assuming the appraisal is accepted and approved, the application will go to the Board of Appeals for approval. They meet once a month. After the Board approval, the auction can be scheduled. Pursuant to State statute, we must publicly notice the sale through print media for a minimum of 10 weeks prior to the auction date. The advertising fee is \$5000. The applicant pays this prior to the commencement of the advertising. This fee is also part of the reimbursable expenses.

There may be other issues that could add time to the process including a drainage assessment, and infrastructure report, neighborhood modifications and any required City approvals. The entire process from application submittal to auction for the property is usually 9-12 months.