

integral
PROPERTY TAX SERVICES

4900 North Scottsdale Road, Suite 3400
Scottsdale, Arizona 85251
ph | 480.423.3550 fx | 480.423.2387
web | www.integralpts.com

May 17, 2013

Cochise County Board of Equalization
Clerk of the County Board of Supervisors
1415 Melody Lane, Bldg G
Bisbee, AZ 85603

RECEIVED
COCHISE COUNTY
BOARD OF SUPERVISORS
2013 MAY 20 P 3 42

Dear Sir or Madam:

Please find enclosed The Petition for Review of Taxpayer Notice of Claim for the following lead parcel:

1. 202-01-009E TY09-12

If you have any questions, please contact me at 480-423-3550 x 107 or jlane@integralpts.com

Regards,

Jessica Lane
Administrator

CERTIFIED MAIL Tracking # 7012 2210 0002 2344 5537

PETITION FOR REVIEW OF TAXPAYER NOTICE OF CLAIM

Pursuant to A.R.S. § 42-16254

FOR PETITIONS FILED IN MARICOPA OR PIMA COUNTY, SUBMIT TO THE STATE BOARD OF EQUALIZATION (SBOE). IF FILED IN ANY OTHER COUNTY, SUBMIT TO THE COUNTY BOARD OF EQUALIZATION.

- File this petition within 150 DAYS after the original filing date of the taxpayer notice of claim if dissatisfied with the Assessor's decision.
- **Keep a copy for your records** and mail or hand deliver one copy to either the County or State Board of Equalization.
- Deliver one copy to the Tax Officer. If mailed, send **certified mail**.
- Include an Agency Authorization form with this petition if the agent has not represented the taxpayer at the Assessor level.
- Complete Items 1 through 8 where applicable.

1. COUNTY Cochise BOOK/MAP/PARCEL 202 01 009E ACCOUNT NUMBER _____

2. PROPERTY ADDRESS OR LEGAL DESCRIPTION _____

3. TYPE OR PRINT OWNER'S NAME AS LISTED ON TAX ROLL
Madison Diversified 882 Corp
4900 N Scottsdale Road, #3400
Scottsdale, AZ 85251 STATE _____ ZIP _____

4. MAIL DECISION TO:
Integral Property Tax Services Attn: Jessica Lane
4900 N Scottsdale Rd, Suite 3400
Scottsdale, AZ 85251 STATE _____ ZIP _____

5. COMPLETED BY: (Owner, Agent, or Attorney) Agent
Integral Property Tax Services
4900 N Scottsdale Rd, Suite 3400 Scottsdale, AZ 85251

AGENTS ONLY: State Board of Appraisal # : 2009003; 200038; 2009084 SBOE # 846 (Pima and Maricopa Counties Only)

6. **BASIS FOR THIS PETITION:** Additional documents submitted must contain the book, map and parcel number or tax roll number and be attached to the petition. Evidence contained in this appeal could be the basis for either increasing or decreasing the valuation, changing the classification, or no change. THIS PETITION IS BASED ON THE FOLLOWING METHOD(S) OF VALUATION: MARKET COST INCOME
 Property has been used for agricultural purposes for the past 10 years. County has refused to give it agricultural status.

7. TAX OFFICER'S PROPOSED CORRECTION

2012	LEGAL CLASS	LAND FCV:	
TAX YEAR	ASSMT. RATIO	IMPS. FCV:	
		TOTAL FCV:	
		TOTAL LPV:	
	LEGAL CLASS	LAND FCV:	
TAX YEAR	ASSMT. RATIO	IMPS. FCV:	
		TOTAL FCV:	
		TOTAL LPV:	
	LEGAL CLASS	LAND FCV:	
TAX YEAR	ASSMT. RATIO	IMPS. FCV:	
		TOTAL FCV:	
		TOTAL LPV:	

OWNER'S OPINION OF VALUE

2012	LEGAL CLASS	2	LAND FCV:	37,000
TAX YEAR	ASSMT. RATIO	16	IMPS. FCV:	
			TOTAL FCV:	37,000
			TOTAL LPV:	
	LEGAL CLASS		LAND FCV:	
TAX YEAR	ASSMT. RATIO		IMPS. FCV:	
			TOTAL FCV:	
			TOTAL LPV:	
	LEGAL CLASS		LAND FCV:	
TAX YEAR	ASSMT. RATIO		IMPS. FCV:	
			TOTAL FCV:	
			TOTAL LPV:	

8. I hereby request that the proposed correction described above be reviewed by the County or State Board of Equalization and that the Board consider the provided information in making its determination. I hereby affirm that the information included or attached is true and correct.

IN PIMA AND MARICOPA COUNTIES ONLY:
 Check here if you want this appeal to be heard on the record and submit any additional written or typed information with this form. This means that neither you nor the assessor will appear in person before the State Board of Equalization to offer oral testimony.

X [Signature] 05/17/13
 SIGNATURE OF PROPERTY OWNER OR REPRESENTATIVE DATE

BOARD OF EQUALIZATION DECISION	FULL CASH VALUE \$ _____	LIMITED PROPERTY VALUE \$ _____	LEGAL CLASS _____	ASMT RATIO _____
--------------------------------	--------------------------	---------------------------------	-------------------	------------------

BASIS FOR DECISION: _____

DATE RECEIVED _____ DATE DECISION MAILED _____ CHAIRMAN OR CLERK OF THE BOARD _____

FOR OFFICIAL USE ONLY

FOR OFFICIAL USE ONLY

PETITION FOR REVIEW OF TAXPAYER NOTICE OF CLAIM

Pursuant to A.R.S. § 42-16254

**FOR PETITIONS FILED IN MARICOPA OR PIMA COUNTY, SUBMIT TO THE STATE BOARD OF EQUALIZATION (SBOE).
IF FILED IN ANY OTHER COUNTY, SUBMIT TO THE COUNTY BOARD OF EQUALIZATION.**

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- **Keep a copy for your records** and mail or hand deliver one copy to either the County or State Board of Equalization.
- Deliver one copy to the Tax Officer. If mailed, send **certified mail**.
- Include an Agency Authorization form with this petition if the agent has not represented the taxpayer at the Assessor level.
- Complete Items 1 through 8 where applicable.

1. COUNTY Cochise BOOK/MAP/PARCEL 202 - 01 - 009E ACCOUNT NUMBER _____

2. PROPERTY ADDRESS OR LEGAL DESCRIPTION _____

3. TYPE OR PRINT OWNER'S NAME AS LISTED ON TAX ROLL
Madison Diversified 882 Corp
4900 N Scottsdale Road, #3400
Scottsdale, AZ 85251 STATE _____ ZIP _____

4. MAIL DECISION TO:
Integral Property Tax Services Attn: Jessica Lane
4900 N Scottsdale Rd, Suite 3400
Scottsdale, AZ 85251 STATE _____ ZIP _____

5. COMPLETED BY: (Owner, Agent, or Attorney) Agent
Integral Property Tax Services
4900 N Scottsdale Rd, Suite 3400 Scottsdale, AZ 85251

AGENTS ONLY: State Board of Appraisal # 2009003; 200038; 2009084 SBOE # 846 (Pima and Maricopa Counties Only)

6. **BASIS FOR THIS PETITION:** Additional documents submitted must contain the book, map and parcel number or tax roll number and be attached to the petition. Evidence contained in this appeal could be the basis for either increasing or decreasing the valuation, changing the classification, or no change.
 THIS PETITION IS BASED ON THE FOLLOWING METHOD(S) OF VALUATION: MARKET COST INCOME
Property has been used for agricultural purposes for the past 10 years. County has refused to give it agricultural status.

7. TAX OFFICER'S PROPOSED CORRECTION

OWNER'S OPINION OF VALUE

2009	LEGAL CLASS	LAND FCV:	
		IMPS. FCV:	
TAX YEAR	ASSMT. RATIO	TOTAL FCV:	
		TOTAL LPV:	
2010	LEGAL CLASS	LAND FCV:	
		IMPS. FCV:	
TAX YEAR	ASSMT. RATIO	TOTAL FCV:	
		TOTAL LPV:	
2011	LEGAL CLASS	LAND FCV:	
		IMPS. FCV:	
TAX YEAR	ASSMT. RATIO	TOTAL FCV:	
		TOTAL LPV:	

2009	LEGAL CLASS	2	LAND FCV:	37,000
			IMPS. FCV:	
TAX YEAR	ASSMT. RATIO	16	TOTAL FCV:	37,000
			TOTAL LPV:	
2010	LEGAL CLASS		LAND FCV:	37,000
			IMPS. FCV:	
TAX YEAR	ASSMT. RATIO		TOTAL FCV:	37,000
			TOTAL LPV:	
2011	LEGAL CLASS		LAND FCV:	37,000
			IMPS. FCV:	
TAX YEAR	ASSMT. RATIO		TOTAL FCV:	37,000
			TOTAL LPV:	

8. I hereby request that the proposed correction described above be reviewed by the County or State Board of Equalization and that the Board consider the provided information in making its determination. I hereby affirm that the information included or attached is true and correct.

IN PIMA AND MARICOPA COUNTIES ONLY:
 Check here if you want this appeal to be heard on the record and submit any additional written or typed information with this form. This means that neither you nor the assessor will appear in person before the State Board of Equalization to offer oral testimony.

X [Signature] 05/17/13
 SIGNATURE OF PROPERTY OWNER OR REPRESENTATIVE DATE

BOARD OF EQUALIZATION DECISION	FULL CASH VALUE \$ _____	LIMITED PROPERTY VALUE \$ _____	LEGAL CLASS _____	ASMT RATIO _____
BASIS FOR DECISION: _____				
DATE RECEIVED _____	DATE DECISION MAILED _____	CHAIRMAN OR CLERK OF THE BOARD _____		

FOR OFFICIAL USE ONLY

FOR OFFICIAL USE ONLY

202-01-009E

202-01-009C

202-01-009D

202-32-004

202-35-002A

202-35-002B

202-35-005

TAXPAYER NOTICE OF CLAIM

Pursuant to A.R.S. § 42-16254

FOR OFFICIAL USE ONLY

COCHISE COUNTY ASSESSOR

DATE RECEIVED

NUMBER 20130103001

2013 JAN -3 AM 10:39

Filed with the following tax officer:

- COUNTY ASSESSOR based on valuation or classification.
- DEPARTMENT OF REVENUE based on valuation or classification.
- COUNTY BOARD OF SUPERVISORS based on error of tax rate.

DATE FILED: 12/20/12 NOTE: IF MAILED, SEND CERTIFIED

1. COUNTY Cochise BOOK/MAP/PARCEL: 202 - 01 - 009E
2. IF THIS IS A MULTIPLE PARCEL CLAIM, CHECK HERE AND ATTACH A TAXPAYER NOTICE OF CLAIM MULTIPLE PARCEL FORM (82179BB).
3. PROPERTY ADDRESS OR LEGAL DESCRIPTION: _____

4A. OWNER'S NAME AND ADDRESS AS SHOWN ON TAX ROLL:

Madison Diversified 882 Corp
4900 N Scottsdale Road, #3400
Scottsdale, AZ 85251

4B. MAIL DECISION TO:

Integral Property Tax Services Attn: T. Sokolowska
4900 N Scottsdale Rd Suite 3400
Scottsdale, AZ 85251

5. BASIS FOR CLAIM AND REQUESTED CORRECTION:

Property had been used for agricultural purposes for the past 10 years. County has refused to give it agricultural status.

2009 TAX YEAR	LEGAL CLASS <u>2</u>	LAND FCV: <u>37,000</u>
	ASSMT. RATIO <u>16.00</u>	IMPS. FCV:
2010 TAX YEAR	LEGAL CLASS <u>2</u>	TOTAL FCV: <u>37,000</u>
	ASSMT. RATIO <u>16.00</u>	TOTAL LPV:
2011 TAX YEAR	LEGAL CLASS <u>2</u>	LAND FCV: <u>37,000</u>
	ASSMT. RATIO <u>16.00</u>	IMPS. FCV:
		TOTAL FCV: <u>37,000</u>
		TOTAL LPV:

6. COMPLETED BY: (Owner, Agent, or Attorney)

Robert Fish: Integral Property Tax Services
4900 N Scottsdale Rd Suite 3400
Scottsdale, AZ 85251
(480) 423-3550

AGENTS ONLY:

STATE BOARD OF APPRAISAL # 2009003; 200038; 2009084 SBOE # 846
 Include a current Agency Authorization Form (82130AA) with this notice. (PIMA AND MARICOPA COUNTIES ONLY)

7. Notice is hereby given to the Tax Officer that an error has occurred in the assessment of the property identified by parcel number in this claim. A description of the claim and evidence to support the claim is provided.

[Signature]
 SIGNATURE OF OWNER OR REPRESENTATIVE

12/20/12
 DATE

480-423-3550 x 103
 TELEPHONE

DO NOT WRITE BELOW THIS LINE - FOR TAX OFFICER'S USE ONLY

- TAX OFFICER CONSENTS TO CLAIM OF ERROR.
- TAX OFFICER DISPUTES CLAIM OF ERROR BASED ON THE FOLLOWING:

see Attached

NOTICE OF MEETING: A meeting to discuss your claim has been scheduled as follows. If you do not plan to attend the meeting, please notify the Tax Officer. (See instructions)

2/14/13 10:00AM Telephonic - Robert Fish Integral Property Tax Services
 Date Time Location

Signature of Tax Officer's Representative

Pamela Blake Deputy Assessor
 Name and title of Tax Officer's Representative (Please Print or Type)

1/23/12
 Date

Telephone

**NOTICE OF CLAIM #20130103001
MADISON DIVERSIFIED 882 CORP
202-01-009E
3/1/2013**

TAX OFFICER DISPUTES CLAIM OF ERROR BASED ON THE FOLLOWING:

Assessor disputes claim of error. Pursuant to ARS 42-16255(B) a claim of error cannot be used to initiate the review of the overall valuation or legal classification of the property that could have been reviewed under appeal via the administrative or judicial appeal process. An "Agricultural Land Use Application" was filed in September 2008 on this property. After review, the assessor denied the agricultural land use application. The decision to deny agricultural classification on the 2008 "Agricultural Land Use Application" was a discretionary decision based on a review of the property by Assessor staff at that time. The property owner received legal "Notice of Value" notification of the non-agricultural land value and classification each of the years identified on this Notice of Claim. No administrative or judicial appeal was filed by the property owner to challenge the value or classification for any of the years identified on the Notice of Claim.

MEETING WITH TAXPAYER 2/14/2013:

A telephonic meeting was arranged on 2/14/2013 with Mr. Robert Fish, Integral Property Tax Services, to discuss the merits of this Taxpayer Notice of Claim. Mr. Fish acknowledged the property owner is from Canada and has not understood the property tax valuation appeal process in Arizona. He acknowledges there have been no administrative or judicial appeals challenging the land valuation or non-agricultural status of the subject properties in question. Assessor acknowledges prior applications for agricultural land use had been submitted by the property owner. In both instances agricultural land use status was denied by the assessor after review by assessor staff. The assessor acknowledges a new agricultural land use application was submitted along with this notice of claim. The assessor will review this application and a decision will be made relevant to tax year 2014.

Mr. Fish raised the issue that the decision to deny agricultural classification was incorrect and documentation could be provided to affirm agricultural use during this period of time. Mr. Fish also argues an incorrect agricultural land use classification qualifies as a correctible error.

The assessor's position is the property classification defined in ARS 42-16251(3)(b) is property classification relating to the legal classification which defines the assessment ratio, not a land use status. The tax roll correction statute further clarifies that a correctible error must involve issues exclusively factual in nature and not subject to discretion, judgment or opinion. The responsibility and authority of the county assessor to approve or disapprove agricultural land use applications involves discretion, judgment and opinion. The assessor rejects Mr. Fish's argument agricultural land use status constitutes a correctible property classification issue.

CONCLUSION:

The non-agricultural land use status of these properties was determined by the assessor after receiving an agricultural land use application and properly considering all factors. The property subsequently received proper legal notification each year as to the non agricultural land value. The property owner failed to raise an administrative or judicial challenge for the years in question. The argument the owner resides in Canada and is not familiar with the appeal process is not relevant.

ARS 42-16255(B) precludes the use of the tax roll correction process to authorize an independent review of the overall valuation or legal classification of property which could have been appealed through the administrative or judicial appeal process. **The assessor disputes the merit of this taxpayer claim and concludes no qualifying error exists.**

TAXPAYER NOTICE OF CLAIM

Pursuant to A.R.S. § 42-16254

FOR OFFICIAL USE ONLY

Filed with the following tax officer:

- County Assessor based on valuation or classification.
Department of Revenue based on valuation or classification.
County Board of Supervisors based on error of tax rate.

DATE RECEIVED

NUMBER

DATE FILED: 12/20/12 NOTE: IF MAILED, SEND CERTIFIED

- 1. COUNTY Cochise BOOK/MAP/PARCEL 202 - 01 - 009E
2. IF THIS IS A MULTIPLE PARCEL CLAIM, CHECK HERE AND ATTACH A TAXPAYER NOTICE OF CLAIM MULTIPLE PARCEL FORM (82179BB).
3. PROPERTY ADDRESS OR LEGAL DESCRIPTION:

4A. OWNER'S NAME AND ADDRESS AS SHOWN ON TAX ROLL:

Madison Diversified 882 Corp
4900 N Scottsdale Road, #3400
Scottsdale, AZ 85251

4B. MAIL DECISION TO:

Integral Property Tax Services Attn:T.Sokolowska
4900 N Scottsdale Rd Suite 3400
Scottsdale, AZ 85251

5. BASIS FOR CLAIM AND REQUESTED CORRECTION:

Property had been used for agricultural purposes for the past 10 years. County has refused to give it agricultural status.

Table with 3 columns: TAX YEAR, LEGAL CLASS, ASSMT. RATIO, LAND FCV, IMPS. FCV, TOTAL FCV, TOTAL LPV. Rows for 2009, 2010, and 2011.

6. COMPLETED BY: (Owner, Agent, or Attorney)

Robert Fish: Integral Property Tax Services
4900 N Scottsdale Rd Suite 3400
Scottsdale, AZ 85251
(480) 423-3550

AGENTS ONLY:

STATE BOARD OF APPRAISAL # 2009003; 200038; 2009084

SBOE # 846

Include a current Agency Authorization Form (82130AA) with this notice.

(PIMA AND MARICOPA COUNTIES ONLY)

7. Notice is hereby given to the Tax Officer that an error has occurred in the assessment of the property identified by parcel number in this claim. A description of the claim and evidence to support the claim is provided.

SIGNATURE OF OWNER OR REPRESENTATIVE

12/20/12 DATE

480-423-3550 x 103 TELEPHONE

DO NOT WRITE BELOW THIS LINE - FOR TAX OFFICER'S USE ONLY

- TAX OFFICER CONSENTS TO CLAIM OF ERROR.
TAX OFFICER DISPUTES CLAIM OF ERROR BASED ON THE FOLLOWING:

NOTICE OF MEETING: A meeting to discuss your claim has been scheduled as follows. If you do not plan to attend the meeting, please notify the Tax Officer. (See instructions)

Date Time Location

Signature of Tax Officer's Representative

Name and title of Tax Officer's Representative (Please Print or Type) Date Telephone

FOR OFFICIAL USE ONLY

FOR OFFICIAL USE ONLY

TAXPAYER NOTICE OF CLAIM

Pursuant to A.R.S. § 42-16254

Filed with the following tax officer:

- COUNTY ASSESSOR based on valuation or classification.
- DEPARTMENT OF REVENUE based on valuation or classification.
- COUNTY BOARD OF SUPERVISORS based on error of tax rate.

FOR OFFICIAL USE ONLY	
DATE RECEIVED _____	
NUMBER _____	

DATE FILED: 12/20/12 NOTE: IF MAILED, SEND CERTIFIED

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Madison Diversified 882 Corp
4900 N Scottsdale Road, #3400
Scottsdale, AZ 85251

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2012 TAX YEAR	LEGAL CLASS <u>2</u>	LAND FCV:	37,000
	ASSMT. RATIO <u>16.00</u>	IMPS. FCV:	
		TOTAL FCV:	37,000
		TOTAL LPV:	
TAX YEAR	LEGAL CLASS _____	LAND FCV:	
	ASSMT. RATIO _____	IMPS. FCV:	
		TOTAL FCV:	0
		TOTAL LPV:	
TAX YEAR	LEGAL CLASS _____	LAND FCV:	
	ASSMT. RATIO _____	IMPS. FCV:	
		TOTAL FCV:	0
		TOTAL LPV:	

6. COMPLETED BY: (Owner, Agent, or Attorney)

Robert Fish: Integral Property Tax Services
4900 N Scottsdale Rd Suite 3400
Scottsdale, AZ 85251
(480) 423-3550

AGENTS ONLY:

STATE BOARD OF APPRAISAL # 2009003; 200038; 2009084 SBOE # 846
 Include a current Agency Authorization Form (82130AA) with this notice. (PIMA AND MARICOPA COUNTIES ONLY)

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[Signature] 12/20/12 480-423-3550 x 103
 SIGNATURE OF OWNER OR REPRESENTATIVE DATE TELEPHONE

DO NOT WRITE BELOW THIS LINE - FOR TAX OFFICER'S USE ONLY

- TAX OFFICER CONSENTS TO CLAIM OF ERROR.
- TAX OFFICER DISPUTES CLAIM OF ERROR BASED ON THE FOLLOWING:

NOTICE OF MEETING: A meeting to discuss your claim has been scheduled as follows. If you do not plan to attend the meeting, please notify the Tax Officer. (See instructions)

Date _____ Time _____ Location _____

Signature of Tax Officer's Representative _____

Name and title of Tax Officer's Representative (Please Print or Type) _____ Date _____ Telephone _____

FOR OFFICIAL USE ONLY

FOR OFFICIAL USE ONLY

202-01-009E

202-01-009C

202-01-009D

202-32-004

202-35-002A

202-35-002B

202-35-005

AGENCY AUTHORIZATION FORM

Pursuant to A.R.S. § 42-16001

STATE BOARD OF APPRAISAL REGISTRATION NUMBER _____

STATE BOARD OF EQUALIZATION NUMBER 846

- Persons who own, control, or possess property valued by the County Assessor may each year designate an agent to act on their behalf on any matter relating to the review of the valuation of the property before the Assessor or the County or State Board of Equalization.
- This designation of an agent expires at the end of the calendar / valuation year.
- This form or a copy must accompany any petition, Taxpayer Notice of Claim, or response to a Notice of Proposed Correction filed with the Assessor or either Board of Equalization. The original form shall be provided for inspection by the agent on request of the County Assessor, either Board of Equalization, or the Department of Revenue.
- Notices issued by the Assessor or either Board of Equalization relating to the review of the valuation of that property shall be sent to the agent of record.
- A petition for Review of Real Property or Personal Property, a Notice of Proposed Correction, or a Taxpayer Notice of Claim will not be accepted unless the Agency Authorization for accompanying the petition is signed by the person who owns, controls, or possesses the property.

DESIGNATION OF AGENT (Type or Print)

Integral Property Tax Services Attn: Taliana Sokolowska

AGENT / FIRM NAME
Robert Fish

480-423-3550 x 103

CONTACT PERSON
4900 N Scottsdale Rd Suite #3400

TELEPHONE

MAILING ADDRESS
Scottsdale

AZ

85251

CITY

STATE

ZIP

DESIGNATION MADE BY (Type or Print)

Madison Diversified 882 Corp

COMPANY NAME
Jim Lee

PRESIDENT

NAME OF PERSON OWNING, CONTROLLING OR POSSESSING PROPERTY OR CONTACT PERSON
115-988 Beach Avenue

TITLE

ADDRESS
Vancouver

BC

Canada

V6Z 2N9

604-669-9515

CITY

STATE

ZIP

TELEPHONE

I, the undersigned, hereby designate the above name agent to act on my behalf in all matters pertaining to the review and appeal of real or personal property valuation and classification with the Assessor or the Boards of Equalization. This authorization is limited to the properties listed below and on the attached continuation form(s).

Signature of Person Owning, Controlling or Possessing Property

DEC 17, 2012
Date

COUNTY	BOOK-MAP-PARCEL	COUNTY	BOOK-MAP-PARCEL	COUNTY	BOOK-MAP-PARCEL	PERSONAL PROPERTY ASSESSMENT ACCOUNT
2	202-01-009E	#		#		
2	202-01-009C	#		#		
2	202-01-009D	#		#		
2	202-82-004	#		#		
2	202-35-002A	#		#		
2	202-35-002B	#		#		
2	202-35-005	#		#		
#		#		#		
#		#		#		
#		#		#		
#		#		6		

County Name and Number: (1) Apache (2) Cochise (3) Coconino (4) Gila (5) Graham (6) Greenlee (7) Maricopa (8) Mohave (9) Navajo (10) Pima (11) Pinal (12) Santa Cruz (13) Yavapai (14) Yuma (15) La Paz

NOTE: USE CONTINUATION FORM DOR 82130AAA TO LIST ADDITIONAL PARCELS
DOR 82130AAA (3/04)

AGRICULTURAL LAND USE APPLICATION

Pursuant to A.R.S. § 42-12151 - 42-12158

- See page two (Instructions) for complete filing requirements and definitions.
- Complete Sections A through F.
- Attach a copy of all lease agreements pertaining to any land you own or lease.
- File with the County Assessor in the county in which the property is located.
- **Keep a copy of all information that is submitted for your records.**

ASSESSOR'S USE ONLY
Agricultural Operation # _____

A FILE DATE <u>12/18/12</u>	COUNTY <u>Cochise</u>
------------------------------------	-----------------------

B PLEASE PRINT TAXPAYER'S NAME AND ADDRESS

Madison Diversified 882 Corp

4900 N Scottsdale Road, #3400

Scottsdale, AZ 85251

C If the land has not been in production for at least seven of the last ten years and/or if the unit contains less acreage or animal units than the minimum requirements, provide explanation or attach separate documentation, if necessary.

D AGRICULTURAL USE PARCELS					ASSESSOR'S USE ONLY		
No.	Book - Map - Parcel	Acres	Land Use	PUC	Approved	Denied	Reason
1	202-01-009E	380	GRAZING				
2	202-01-009C	321	GRAZING				
3	202-01-009D	100	GRAZING				
4	202-32-004	320	GRAZING				
5	202-35-002A	40	GRAZING				
6	202-35-002B	40	GRAZING				
7	202-35-005	40	GRAZING				
8							
9							
10							
11							
12							

E	LAND LEASED TO YOU List name and address of owner(s) and any government leases.	Number of Acres	Length of Lease		Book-Map-Parcel
			From	To	

F I hereby affirm that this is a full, true and complete statement, to the best of my knowledge, of the property that is owned, claimed by, or in the possession or control of the undersigned.

_____ Signature of Owner (Lessor) or Representative	<u>Robert Fish</u> Name Printed and Title (if applicable)	<u>480-423-3550 x 103</u> Contact Number
Date <u>12/18/12</u>	State Board of Appraisal # 85255 <u>200038</u> (For Tax Consultants only) Include a current Agency Authorization (82130AA)	

STATEMENT OF AGRICULTURAL LAND LEASE

PURSUANT TO A.R.S. § 42-13102

This Document Is Not Open To Public Inspection

ASSESSOR'S USE ONLY

Agricultural Operation # _____

COUNTY Cochise

- See page two (Instructions) for complete filing requirements and definitions.
- Complete Items 1 through 10, where applicable.
- File with the County Assessor's Office in the county in which the leased property is located.
- **Keep a copy of all information submitted for your records.**

NOTE: To assist the Assessor in the valuation of your agricultural property include a copy of your lease agreement.

1. NAME AND ADDRESS OF OWNER / LESSOR
Madison Diversified 882 Corp
4900 N Scottsdale Road, #3400
Scottsdale, AZ 85251

2. NAME AND ADDRESS OF TENANT
Tom and Heidi Todd Ranch
6644 W. Airport Rd.
Wilcox, AZ 85643

3. ASSESSOR PARCEL NUMBER (Attach separate sheet if additional space is needed.) The Assessor will provide the PUC.

Book	Map	Parcel	Acres Used	PUC	Book	Map	Parcel	Acres Used	PUC	Book	Map	Parcel	Acres Used	PUC
202	01	009E	380		202	32	004	320		202	35	005	40	
202	01	009C	321		202	35	002A	40						
202	01	009D	100		202	35	002B	40						

4. FIELD CROPS:

Crop Type _____

Water Source

Well

Irrigation District

Name of District _____

Other _____

Annual Gross Rent
 \$ _____

Gross Acres Leased

Owner's Expenses
 \$ _____

Water Costs
 \$ _____

5. PERMANENT CROPS

Crop Type _____

Water Source

Well

Irrigation District

Name of District _____

Other _____

Annual Gross Rent
 \$ _____

Gross Acres Leased

Owner's Expenses
 \$ _____

Water Costs
 \$ _____

6. GRAZING LAND

Natural Grazing Only

Water Source

Well

Other _____

Annual Gross Rent
 \$ 530

Gross Acres Leased
1,240

Owner's Expenses
 \$ _____

Water Costs
 \$ _____

7. HIGH DENSITY

(Check Type)

Wholesale Nursery

Feed Lot

Dairy

Cotton Gin

Commodity Processing

Other _____

Water Source

Well

Irrigation District

Name of District _____

Other _____

Annual Gross Rent
 \$ _____

Gross Acres Leased

Owner's Expenses
 \$ _____

Water Expenses
 \$ _____

8. RESIDENTIAL IMPROVEMENT(S)

Number of Acres _____

Check Occupancy

Owner

Family Member

Non-ag Tenant

Farm Worker

9. CONDITIONS OF LEASE:

Length of Lease: FROM 12/01/12 TO 12/31/13

Relationship, if any (i.e. spouse, family member, etc.) _____

Unusual Conditions (share crop, maintenance, improvements, etc.) _____

Cash Equivalency of Unusual Conditions _____

10. I hereby affirm that this is a full, true and complete statement, to the best of my knowledge, of the property that is owned, claimed by, or in the possession or control of the undersigned.

Robert Fish
 Signature of Owner (Lessor) or Representative

Date 12/18/12

Robert Fish
 Name Printed and Title (if applicable)

State Board of Appraisal # 85238 20038
 (For Tax Consultants only)
 Include a current Agency Authorization (DOR 82130AA)

480-423-3550 x 103
 Contact Number

GRAZING LEASE AGREEMENT

This Grazing Lease Agreement (the "Lease") is made and entered into at Willcox, Arizona this 1st day of December 2012 by and between Madison Diversified 882 Corp. (lessor) and the Tom and Heidi Todd Ranch (lessee)

WITNESSETH:

That for and in consideration of the mutual promises, covenants and agreements to each other hereinbelow made and by each to be fully paid, kept and performed, Lesser does hereby lease and demise unto Lessee, for the purpose of conducting livestock grazing operations thereon in a good and farmer-like manner, and for no other purpose, the real property described as South ½ of Sections 29 & 30 & all of Section 32 Except the Southeast ¼ of the Southwest ¼ all in township 13 S, Range 24 E.

TO HAVE AND TO HOLD the Property and improvements unto the said Lessee from and after the 1 day of December, up to and including the 30 day of December 2013 (subject to extensions described below).

That the foregoing Lease shall be upon the following terms, provisions and conditions, to-wit:

1. RENT. The rent shall equal \$ 5. 00 per animal unit month (AUM).
2. PURPOSE. The property shall be used for grazing of livestock and no other purpose without prior written consent of the Landlord first had and obtained. This property is to be used in conjunction with the larger livestock grazing operation that is adjacent to this property and includes tens of thousands of acres known as the Todd Ranch.
EXPENSES. Lessee shall be responsible for all expenses incurred or to be incurred in connection with Lessee's use, possession and grazing of the Property during the term of this Lease.
3. ASSIGNMENT AND SUBLETTING. Lessee shall not let or underlet the whole or any part of the Property without the written consent of Lesser first had and obtained.

5. RETURN OF POSSESSION. Lessee further agrees that upon the expiration of the term of this Lease, peaceable possession of the Property shall be returned to Lesser in as good a condition as when leased, usual use and damage by fire, act of God or the elements excepted.
6. GOVERNMENTAL REGULATIONS. The Lessee shall conform to and observe all federal and state laws, including but not limited to those pertaining to environmental concerns and toxic/hazardous materials handling and disposal, during the term of this lease.
7. RENEWAL Providing Lessee has fully kept and observed its covenants and agreements to lesser hereinabove made, Lesser does hereby grant unto Lessee an automatic renewal of this Lease for one (2) additional one-year term beyond the term of this Lease with the same terms and conditions.
8. INSPECTION. Landlord shall at all times during the Term have access to the Property for the purpose of inspecting the same or for any other reasonable purpose that will not interfere with the operations of Lessee. It is the intent of this Lease that the leased premises shall be operated in a reasonable and businesslike manner.
9. TERMINATION. In the event either party desires to terminate this Lease, he, she or it shall provide a 90-day notice in writing to the other.
10. TAXES AND INSURANCE. It will be the responsibility of the Lesser to pay all real estate taxes and assessments due on the Property.
11. INDEMNIFICATION. Lessee shall hold Lesser harmless from any and all claims for damages of every nature and description arising out of or in any way connected with its use, possession and farming of the Property during the term of this Lease. Lessee will adequately insure himself against such liability with a Liability Insurance policy with limits of not less than \$500,000.00 property damage and \$500,000.00 per person or per incident. Lessee further agrees to hold Lesser harmless from any and all claims for damages of every nature and description arising out of or in any

way connected with its use, possession and grazing of the Property during the term of this Lease.

12. GOVERNING LAW. This Lease shall be governed by and construed in accordance with laws of the State of Arizona.

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands the day and year first above written.

Lesser

 12/6/12

Lesser

Lessee

Lessee

Tommy F. Todd 12/4/12
Heidi Todd