

# **SUBDIVISION DISCLOSURE REPORT**

(Public Report)

FOR

## **CONTESSA BELLA CONDOMINIUMS**

Registration No. **DM08-054689**

### **SUBDIVIDER**

Midpoint Properties, LLC  
1541 East Lark Street  
Gilbert, AZ 85296

Effective Date: SEPTEMBER 3, 2008

### **DISCLAIMER**

This report is NOT A RECOMMENDATION NOR AN ENDORSEMENT by the State of Arizona of this land. The Department has not subjected the application and public report to a detailed examination. The subdivider prepared the report and the Department has verified none of the information in this report; the Department has accepted all the information as true and accurate based on attestation of the subdivider/or the subdivider's agents. The purchaser should verify all facts before signing any documents. The Department assumes no responsibility for the quality or quantity of any improvement in this development.

### **ARIZONA DEPARTMENT OF REAL ESTATE**

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Tucson, Arizona 85701  
(520) 628-6940

**THE ARIZONA DEPARTMENT OF REAL ESTATE**

**REQUIRES THAT:**

1. You BE GIVEN this public report;
2. YOU SIGN A RECEIPT indicating that you received this report;

**RECOMMENDS:**

1. You DO NOT SIGN ANY AGREEMENT before you have read this report;
2. You see the EXACT PROPERTY you are interested in BEFORE SIGNING any document for lease or purchase.

**ARIZONA LAW STATES:**

1. THE SALE OR LEASE OF SUBDIVIDED LANDS PRIOR TO ISSUANCE OF THIS REPORT OR FAILURE TO DELIVER THIS REPORT TO YOU SHALL RENDER THE SALE OR LEASE RESCINDABLE BY YOU. ACTION TO RESCIND MUST BE BROUGHT WITHIN 3 YEARS FROM DATE OF EXECUTION OF PURCHASE AGREEMENT.
2. CONTRACTS OR AGREEMENTS FOR THE PURCHASE OF AN UNIMPROVED LOT (WITHOUT A BUILDING)\* MAY BE RESCINDED BY YOU WITHOUT CAUSE BY SENDING OR DELIVERING WRITTEN NOTICE OF RESCISSION BY MIDNIGHT OF THE SEVENTH CALENDAR DAY FOLLOWING THE SIGNING.
3. IF YOU HAVE SIGNED A PURCHASE AGREEMENT FOR THE PURCHASE OF AN UNIMPROVED LOT (WITHOUT A BUILDING)\* PRIOR TO INSPECTING THE LOT, YOU HAVE SIX MONTHS TO INSPECT AND UPON INSPECTION MAY RESCIND THE PURCHASE AGREEMENT.

\*A contract or agreement for purchase of a lot which includes a building or obligates the seller to complete construction of a building within two years from the contract date does not constitute the purchase of an unimproved lot. Therefore, if your purchase includes a lot and a building or a building to be built, you are not entitled to the rescission rights described in paragraphs 2 and 3.

**GENERAL**

**This report includes:** Units 101 through 155, Tract A

**The map of this subdivision** is recorded in Book 1000, Page 30, records of Maricopa County, Arizona.

The subdivision is approximately 4.946 acres in size. It has been divided into 55 Units ( Units 101 through 155) 1 Tract ( Tract A). Lot boundaries will be staked with ½' capped rebar.

**YOU ARE ADVISED TO OBTAIN A COPY OF THE RECORDED MAP AND CORRECTION DOCUMENTS, IF ANY, AND NOTE ALL EASEMENTS, RESTRICTIONS AND STATEMENTS CONTAINED THEREIN.**

**SUBDIVISION LOCATION**

**Location:** Subdivision is located south of Bell Road, east of 20<sup>th</sup> Street, City of Phoenix, Maricopa County, Arizona

**SUBDIVISION CHARACTERISTICS**

**Topography:** Subdivider advises Subdivision is located in a basin (valley) formally a plant nursery.

NOTE: Views and/or scenes that may be visible from particular portions of the community or any of its lots will change over time and may be wholly or partially obstructed as development activity continues and landscape matures. SUBDIVIDER MAKES NO REPRESENTATION OR WARRANTY REGARDING THE FUTURE PROTECTION OF VIEWS THAT MAY BE A FACTOR IN THE BUYER'S DECISION TO PURCHASE IN THIS COMMUNITY.

**Flooding and Drainage:** In a letter dated March 19, 2008 Bennie G. Wheelis Jr., P.E. States in Part:

Federal Emergency Management Administration (FEMA) has identified on FIRM Map 04013C1220J issued on behalf of Maricopa County, Arizona, on September 30, 2005 that the Contessa Bella Condominiums project is situated within Flood Zone "X": Areas of 500 year flood; areas of 100 year flood with average depths of less than one foot or with drainage less than one square mile; and areas protected by levees from 100 year flood".

The Contessa Bella Condominiums finished floor elevations are designed 8 to 18 inches above adjacent low top curb of public 20<sup>th</sup> Street and 21<sup>st</sup> Street and as such are above or protected from the highwater inundation from the 100 year storm.

**Soils:** Subdivider advised the subdivision is not subject to subsidence, or expansive soils.

**Adjacent Lands and Vicinity:**

North:C-2, Commercial; R3-Multi-Family Residential

South:R1-6 Single Family Residential

East:RE-35 Single Family Residential

West:R1-6 Single Family Residential

**The above zoning information was obtained from City of Phoenix on August 20, 2008. Subdivider advises that zoning information and land uses are subject to change. Purchasers should contact City of Phoenix Planning and Zoning for more information.**

- Golf courses
- Parks
- Schools
- Canals
- Phoenix Greyhound Park
- Freeways
- Union Pacific Railroad
- Residential natural gas distribution lines.
- Turf Paradise Racetrack
- Mountains
- Artificial Lakes
- Creeks
- Washes
- Deer Valley Airport

**Due to the subdivision's proximity to freeways, airports, proposed & existing commercial & industrial land uses, purchasers are advised there may be negative affects such as noise, dust, traffic, odors, vibrations, and other nuisances that may be of concern to some individuals.**

**Views and scenes that are visible from particular portions of the subdivision or from particular portions of the subdivision or from particular lots will change over time and may be blocked or partially obstructed as development activity continues and landscaping matures within the subdivision.**

**SUBDIVIDER ADVISES THAT HOMES SITUATED ADJACENT TO OR IN THE VICINITY OF COMMERCIAL & INDUSTRIAL PROPERTY, PUBLIC OR LARGE EVENT-HOSTING FACILITIES, MULTI-FAMILY SITES, WORSHIP SITES, SCHOOL SITES, STREETS & ROADWAYS, PARKS, GOLF COURSES, RECREATIONAL AMENITIES, OPEN SPACE AREAS, CONSTRUCTION-RELATED OPERATIONS, AND OTHER NON-RESIDENTIAL USES MAY EXPERIENCE AN ADDITIONAL AMOUNT OF NOISE, DUST, ODORS, LIGHTING, SIGNAGE, AND/OR PEDESTRIAN & VEHICULAR TRAFFIC TYPICALLY ASSOCIATED WITH THESE TYPES OF FACILITIES.**

**Purchasers are advised that utility providers maintain generating plants throughout the areas that they service. Purchasers should contact the utility provider for further information regarding any changes to existing facilities or any new facilities that might be planned.**

**SUBDIVIDER ADVISES POTENTIAL PURCHASERS TO INVESTIGATE THE SUBDIVISION AND SURROUNDING AREAS PRIOR TO PURCHASE TO DETERMINE IF ANY ELEMENTS, PROPOSED OR EXISTING, THAT IS, DUST, NOISE, TRAFFIC, ODORS, AND/OR OTHER NUISANCES, MAY BE OF CONCERN AND/OR AFFECT THEIR DECISION TO PURCHASE WITHIN THE SUBDIVISION.**

**NOTE: SUBDIVIDER ADVISES THAT NO REPRESENTATION IS MADE REGARDING HOW THE PROPERTY NOT OWNED BY THE SUBDIVIDER WITHIN AND SURROUNDING THE SUBDIVISION WILL BE USED OR DEVELOPED. EXISTING AND/OR PROPOSED USE OF ADJACENT PROPERTY IS SUBJECT TO CHANGE AND IS NOT WITHIN THE SUBDIVIDER'S CONTROL**

### **AIRPORTS**

**Public Airport:** Phoenix- Deer Valley Airport 702 W. Deer Valley Road, Phoenix, AZ 85027, (623) 869-0975 Approx 3 ½ miles northwest of subdivision.

### **UTILITIES**

**Electricity:** Salt River Project (SRP), (602) 236-8888, 1521 Project Drive, Tempe, www.srpnet.com Facilities will be completed to the lot lines by October 31, 2008. Cost to complete the facilities from the lot line to the dwelling is included in the sales price. Costs to purchasers to receive this service are a \$28.00 (plus tax) service establishment fee or \$48.00 (plus tax) same day service establishment fee (Monday - Friday); refundable deposit of \$200.00 may be required. Fees and rates are subject to change. Please contact utility provider for additional information.

**Street Lights:** Subdivider will complete street light facilities within this subdivision by October 31, 2008. Cost for electricity will be included in the Purchasers annual property taxes.

**Telephone:** Qwest, 1-800-244-1111, 3033 N. 3rd Street, Phoenix, www.qwest.com Facilities will be completed to the lot lines by October 31, 2008. Cost to complete the facilities from the lot line to the dwelling is included in the sales price. Costs to purchasers to receive this service are a \$27.50 minimum installation fee; zone connection fee for outlying areas may apply; refundable deposit of \$110.00 for long distance may be required; additional optional features are

available at varying additional costs. Fees and rates are subject to change. Please contact utility provider for additional information.

**NOTE: IT IS POSSIBLE THAT YOU MAY NOT HAVE TELEPHONE SERVICE AT THE TIME OF CLOSING. YOU ARE ADVISED TO CONTACT YOUR SERVICE PROVIDER TO DETERMINE THE STATUS OF TELEPHONE SERVICE. YOU MAY ALSO WANT TO CONSIDER TEMPORARY ALTERNATIVES, I.E., CELLULAR TELEPHONE SERVICE.**

**Cable:** Cox Communications (623) 594-1000 website: [www.cox.com](http://www.cox.com). Facilities will be completed to the lot lines by October 31, 2008. Cost to complete the facilities from the lot line to the dwelling is included in the sales price. Costs to purchasers to receive this service are an installation/service establishment fee varies depending upon promotion being offered at the time the purchaser requests service; \$60.00 deposit may be required; minimum monthly service rate is \$19.95; optional services are available at varying additional costs. Fees and rates are subject to change. Please contact utility provider for additional information.

**Natural Gas:** Southwest Gas Corporation, 10851 N. Black Canyon Highway, Phoenix, (602) 861-1999, 1-800-873-2440, [www.swgas.com](http://www.swgas.com). Facilities will be completed to the lot lines by October 31, 2008. Cost to complete the facilities from the lot line to the dwelling is included in the sales price. Costs to purchasers to receive this service are a 30.00 (plus tax) service establishment fee; minimum refundable deposit of \$80.00 may be required. Fees and rates are subject to change. Please contact utility provider for additional information.

**Water:** City of Phoenix, (602) 262-6251, 200 W. Washington Street, [www.ci.phoenix.az.us](http://www.ci.phoenix.az.us). Facilities will be completed to the lot lines by October 31, 2008. Cost to complete the facilities from the lot line to the dwelling is included in the sales price. Costs to purchasers to receive this service are \$27.00 (plus tax) new water/sewer account establishment fee. Fees and rates are subject to change. Please contact utility provider for additional information.

**Sewage Disposal:** **Sewage Disposal:** City of Phoenix, (602) 262-6251, 200 W. Washington Street, website: [www.ci.phoenix.az.us](http://www.ci.phoenix.az.us) Facilities will be completed to the lot lines by October 31, 2008. Cost to complete the facilities from the lot line to the dwelling is included in the sales price. Costs to purchasers to receive this service are a \$27.00 (plus tax) new water/sewer account establishment fee. Fees and rates are subject to change. Please contact utility provider for additional information.

**THE ABOVE COSTS ARE SUBJECT TO CHANGE BY SERVICE PROVIDERS. YOU SHOULD CONTACT THE ABOVE PROVIDERS REGARDING EXTENSION RULES AND REGULATIONS, SERVICE CONNECTIONS AND COSTS INVOLVED.**

### **STREETS, ROADS AND DRAINAGE**

**Access to the Subdivision:** Asphalt paved public streets have been completed and accepted the City of Phoenix whom will be responsible for continued maintenance, with costs included in the property taxes.

**Access within the Subdivision:** Subdivider will complete asphalt interior paved public streets to the subdivision by October 31, 2008. Once inspected and accepted the City of Phoenix will be responsible for continued maintenance, with costs included in the property taxes

**Arizona State Trust Land:** The Arizona State Land Department administers over 9.3 million acres of State Trust Land. This is not public land. Trust land may be subject to future development and may not be preserved or saved for openspace without compensation.

A person must have prior approval to use State Trust Land. Temporary recreational use is allowed with certain restrictions and conditions through purchase of a recreational permit. Use of State Trust Land without proper approval is a trespass.

MANY ROADS ON RURAL TRUST LANDS ARE NOT LEGAL TRAVEL ROUTES, EXCEPT FOR STATE LESSEES AND HUNTERS, AND DO NOT PROVIDE LEGAL ACCESS TO PRIVATE LAND. STATE TRUST LAND MAY BE SOLD OR LEASED FOR USES WHICH MAY EXCLUDE RECREATION. RECREATION IS A TEMPORARY USE THAT MAY BE TERMINATED AT ANY TIME.

For additional information, visit the State Land Department web page at [www.land.state.az.us](http://www.land.state.az.us), or call (602) 542-4631.

**Flood and Drainage:** Subdivider will complete typical street drainage by October 31, 2008. Upon completion and acceptance, the City of Phoenix will be responsible for continued maintenance, with costs included in the purchaser's property taxes.

### **COMMON, COMMUNITY AND RECREATIONAL FACILITIES**

**Within the Subdivision:** Subdivider will complete a Pool and Volleyball Court by October 31, 2008. Upon completion, the Community Association will be responsible for continued maintenance, with costs included in the Association assessments.

### **ASSURANCES FOR COMPLETION**

**Assurances for Completion of Subdivision Facilities:** Subdivider has entered into and Occupancy Hold Agreement with the City of Phoenix in which no Occupancy Clearances will be issued until all subdivision improvements respective to each phase are completed.

**Assurances for Maintenance of Subdivision Facilities:** Utility providers will maintain their respective facilities. City of Phoenix will maintain the public streets, water and sewer facilities. The Homeowners Association will maintain the common area, Pool, Volleyball Court and facilities as stated in the recorded Declaration of Homeowner Benefits and Covenants, Conditions, and Restrictions (CC&R's) and the Association's Articles of Incorporation and Bylaws.

### **LOCAL SERVICES AND FACILITIES**

**Schools:** Aire Libre Elementary (K-6) 16428 N. 21<sup>st</sup> St. Phoenix 85022 (602)493-6040 approximately ¼ mile south.

Greenway Middle School (7-8) 3002 E. Nisbet Road Phoenix, 85032 (602)493-6300 approximately 1 ½ miles southeast

North Canyon High School (9-12) 1700 E. Union Hills Dr. , Phoenix 85024 (623)780-4200 approximately ½ mile southwest

**NOTE: School assignments and bus service are subject to change. Prospective purchasers should contact individual schools or Paradise Valley Unified School District for verification of schools and bus service. Additional information regarding schools and districts can be found at the following websites: [www.greatschools.net](http://www.greatschools.net) and [www.sfb.state.az.us](http://www.sfb.state.az.us)**

**SUBDIVIDER ADVISES THAT BUYERS CONTACT THE SCHOOLS NOTED ABOVE TO VERIFY INFORMATION (I.E., START DATES, BUS STOPS, ETC.) AT THE NUMBERS LISTED ABOVE PRIOR TO THE START OF THE SCHOOL YEAR AS SCHOOL BOUNDARIES ARE SUBJECT TO CHANGE.**

**Shopping Facilities:** Subdivider advises a strip mall is located at 7<sup>th</sup> street and Bell Road approximately 3 miles east of the subdivision stores include Target, Wal-Mart, Safeway.

**Public Transportation:** A city Bus Stop is located ½ mile north at Bell Road

**Medical Facilities:** Paradise Valley Hospital 40<sup>th</sup> street and Bell Road approximately 2 ½ miles east of subdivision.

**Fire Protection:** City of Phoenix Fire Department, with costs included in purchaser's property taxes.

**Ambulance Service:** Dial 911

**Police Services:** City of Phoenix Police Department

**Garbage Services:** City of Phoenix, (602) 262-6251, with charges to purchasers of \$23.20 per month, included in the monthly water/sewer bill. Fees and rates are subject to change. Please contact service provider for additional information.

**LOCATIONS AND COSTS OF THE ABOVE SERVICES AND FACILITIES MAY CHANGE. YOU SHOULD VERIFY THEIR CURRENT LOCATIONS AND COSTS PRIOR TO PURCHASE.**

### **SUBDIVISION USE AND RESTRICTIONS**

**Use:** This offering is for single family condominium.

**Conditions, Reservations and Restrictions:** Recorded Declaration of Homeowners Benefits and Covenants Conditions, and Restrictions (CC&R's); Articles of Incorporation and Bylaws for the Condominium Association; any guidelines, rules and regulations of the Association and all such other similar documents as pertain to the Subdivision, together with any properly adopted amendments, and zoning laws.

**Note:** Purchasers are advised that this subdivision is subject to a Condominium Association. The operation and business of the association is not regulated by any local, state, or federal governmental agency. In addition, a property manager hired by the association to manage the operation and funds of the association is not required to be licensed by any local, state, or federal agency. Subdivider recommends that purchasers become knowledgeable in association business and the responsibilities of the board of directors and the property manager of the association by reading and understanding the Declarant of Covenants, Conditions, and Restrictions, Articles of Incorporation, Bylaws, and any architectural rules, design guidelines, or other rules adopted by the association.

**Restrictions and Other Matters of Record:** Conditions, reservations and restrictions that may run with the land including City or County zoning restrictions should be investigated by you. Copies of those items which are recorded may be inspected at the Office of the Maricopa County Recorder. Information about zoning may be obtained at the Office of the City of Phoenix Planning and Zoning Department. Restrictions are recorded as cited in the following title exceptions and per the subdivision plat.

### **TITLE**

**Title to this subdivision** Midpoint Properties, LLC

**Subdivider's interest in** this subdivision is evidenced by a fee.

**Title is subject,** among other things, to all taxes, assessments, covenants, conditions, restrictions, limitations, reservations, rights, obligations, powers, easements, rights of way, liens, and charges of record. **YOU SHOULD INVESTIGATE THE TITLE AND SATISFY YOURSELF AS TO WHAT EFFECT, IF ANY, THESE MATTERS MAY HAVE ON THE USE OF THE LAND.** Title exceptions affecting the condition of title are listed in the Preliminary Title Report dated August 14, 2008 issued by Transnation Title Insurance Company. **You should obtain a title report and determine the effect of the listed exceptions.**

**EXCEPTIONS: SEE EXHIBIT "A" ATTACHED**

### **METHOD OF SALE OR LEASE**

**Sales:** Your vested interest/ownership in the property will be evidenced by the Subdivider delivering a recorded deed to you and by your signing a promissory note and mortgage or deed of trust for the unpaid balance, if any. **You should read these documents before signing them.**

**PROSPECTIVE PURCHASERS ARE ADVISED THAT EARNEST MONEY DEPOSITS, DOWN PAYMENTS, AND OTHER ADVANCED MONEY WILL NOT BE PLACED IN A NEUTRAL ESCROW. SUCH MONEY WILL BE PAID DIRECTLY TO THE SELLER AND MAY BE USED BY THE SELLER. THIS MEANS THE PURCHASER ASSUMES A RISK OF LOSING SUCH MONEY IF THE SELLER IS UNABLE OR UNWILLING TO PERFORM UNDER THE TERMS OF THE PURCHASE CONTRACT.**

**Use and Occupancy:** Lot Purchaser will be permitted to use and occupy his/her Lot upon completion of construction, close of escrow and recordation of a Special Warranty Deed

**THE PURCHASE CONTRACT IS A BINDING AGREEMENT. CONTRARY TO THE TERMS AND PROVISIONS OF THE CONTRACT, YOU MAY HAVE ADDITIONAL RIGHTS, REMEDIES AND WARRANTIES PROVIDED BY LAW. READ THOROUGHLY BEFORE SIGNING. IF NOT UNDERSTOOD, SEEK COMPETENT ADVICE PRIOR TO COMMITMENT TO PURCHASE.**

### **TAXES AND ASSESSMENTS**

**Real Property Taxes:** The combined primary and secondary property tax rate for this subdivision for the year 2007 is \$9.5684 per \$100.00 assessed valuation. The estimated property tax for an improved lot (lot with dwelling), based on the above tax rate and average sales price of \$320,000.00, is \$2,602.60.

**Special District Tax or Assessments:** West-MEC: The West MEC public school district was created in 2003 and provides Career and Technical Education Courses. For the year 2007 the tax rate was .0500 per \$100 assessed value and will show as a line item on the purchasers itemized tax bill.

As disclosed in the Community Association documents, there may be other special assessments, taxes or fees to be paid by purchaser. Please refer to the Community Association documents for additional information.

**AMOUNT OF TAXES AND ASSESSMENTS SET FORTH ABOVE ARE APPROXIMATE ONLY AND SUBJECT TO CHANGE.**

### **PROPERTY OWNERS ASSOCIATIONS**

**Name and Assessments:** Contessa Bella Condominium Association. Unit Owners will be required to pay assessments in the amount of \$ 190 per month paid monthly. Fees and assessments are subject to change. Please refer to the Community Association documents for more information.

**Control of Association:** Section 1.1 AA. of the recorded CC&R's states, in part:

“Period of Declarant Control” means the time period commencing on the date this Declaration is recorded in the Official Records of the Maricopa County, Arizona Recorder, and ending on the earlier of:

- (i) Ninety (90) days after the conveyance of eighty-five percent (85%) of the Units which may be created in the Condominium to Unit Owners other than the Declarant; or
- (ii) Four (4) years after all Declarants have ceased to offer Units for sale in the ordinary course of business.

**Title to Common Areas:** Immediately upon conveyance of the first unit.

**Membership:** All unit owners will be members of the Association

**PAYMENTS TO PROPERTY OWNERS ASSOCIATIONS ARE SUBJECT TO CHANGE IN ACCORDANCE WITH RECORDED RESTRICTIONS. SAID ASSOCIATION MAY ALSO IMPOSE SPECIAL ASSESSMENTS.**

YOU ARE ADVISED TO READ THE RECORDED DECLARATION OF (COVENANTS, CONDITIONS AND RESTRICTIONS, ARTICLES OF INCORPORATION, DECLARATION OF CONDOMINIUM, BYLAWS) FOR THIS SUBDIVISION TO DETERMINE THE RIGHTS OF LOT/UNIT OWNERS TO PARTICIPATE IN THE CONTROL OF THE PROPERTY OWNERS’ ASSOCIATION AND TO DETERMINE THE RIGHTS, DUTIES AND LIMITATIONS OF OWNERS IN AND TO USE OF THEIR LOT/UNITS. FURTHER, YOU SHOULD DETERMINE FOR YOURSELF IF SUBDIVIDER’S ARRANGEMENTS AND PLANS FOR THE PAYMENT OF ASSESSMENTS ON UNSOLD LOTS/UNITS WILL BE SUFFICIENT TO FULFILL THE NEEDS, DEMANDS AND FINANCIAL OBLIGATIONS OF THE ASSOCIATION, AS SET FORTH IN THE DECLARATION AND BYLAWS.

**Exhibit A**

(All recording data refer to records in the office of the County Recorder of the County in which the land is situated.)

At the date hereof exceptions to title are:

- .
- A. The exceptions and/or exclusions contained in any form policy that might be requested.
- 1. **TAXES AND ASSESSMENTS** collectible by the County Treasurer, a lien not yet due and payable for the following year:  
2008
- 2. **OBLIGATIONS** imposed upon said land by its inclusion within any district formed pursuant to Title 48, Arizona Revised Statutes, excluding however Municipal or County Improvement Districts.
- 3. **WATER RIGHTS**, claims or title to water, and agreements, covenants, conditions or rights incident thereto, whether or not shown by the public records.  
This exception is not limited by reason of the disclosure of any matter relating to Water Rights as may be set forth elsewhere in Schedule B.
- 4. **RESERVATIONS** contained in the Patent from the United States of America, reading as follows:  
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 acknowledged by the local customs, laws and decisions of courts, and also subject to the right of the proprietor of a vein or lode to extract and remove his ore therefrom, should the same be found to penetrate or intersect the premises hereby granted, as provided by law, and 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 of America.
- 5. **LIABILITIES AND OBLIGATIONS** imposed upon said land by reason of its inclusion within CONTESSA BELLA CONDOMINIUM ASSOCIATION, INC.
- 6. **EASEMENT** and rights incident thereto, as set forth in instrument:

Recorded in Docket	3220
Page	421
Purpose	water line

## 7. EASEMENT and rights incident thereto, as set forth in instrument:

Recorded in Document No.	83-406459
Purpose	electric lines and appurtenant facilities

## 8. ANY ACTION that may be taken by the Flood Control District of Maricopa County to acquire property or rights of way for flood control as disclosed by instruments:

Recorded in Document No.	88-594885
Recorded in Document No.	88-594917
Recorded in Document No.	88-594918
(District)	East Fork Cave Creek

## 9. Waiver of Claims for Diminution in Value of Property under Proposition 207, recorded in Document No. 2007-0754577.

## 10. Notice To Prospective Purchasers of Proximity to Airport (Deer Valley Airport), as set forth in instrument recorded in Document No. 2008-0202302.

## 11. RESTRICTIONS, CONDITIONS, COVENANTS, RESERVATIONS, LIABILITIES AND OBLIGATIONS, including but not limited to any recitals creating easements or party walls, omitting, if any, from the above, any restrictions based on race, color, religion, sex, handicap, familial status or national origin contained in instrument:

Recorded in Document No.	2008-0202303
First Amendment recorded in Document No.	2008-0704632
Confirmatory Declaration of Annexation of Future Annexable Property recorded in Document No.	2008-0704802.

## 12. DEED OF TRUST given to secure the original amount shown below, and any other amount payable under the terms thereof:

Amount	\$5,834,000.00
Dated	November 19, 2007
Recorded	November 26, 2007
Document No.	2007-1249184
Trustor	MIDPOINT PROPERTIES, LLC, an Arizona limited liability company
Trustee	THE BILTMORE BANK OF ARIZONA
Beneficiary	THE BILTMORE BANK OF ARIZONA

## 13. EASEMENT and rights incident thereto, as set forth in instrument:

Recorded in Document No.	2008-560951
Purpose	electric lines and appurtenant facilities

14. All matters as set forth on "Purported" plat of Dedication of Easements for public utility easements, public water, sewer, drainage, refuse collection, emergency and service vehicle access, pedestrian access easements, recorded in Book 994 of Maps, page 44.

NOTE: Permanent Access to this Subdivision as defined and required by ARS 32-2101 (19) and 32-185.02 is via 20<sup>th</sup> Street as set forth on the plat of Nicholas Place 1, recorded in Book 463 of Maps, page 7 and plat of Dedication for Contessa Bella, recorded in Book 994 of Maps, page 44.

NOTE: There are no further matters of record concerning the Subdivision through the date of this report.