

STATE OF ARIZONA
DEPARTMENT OF REAL ESTATE

SUBDIVISION PUBLIC REPORT

FOR

CRESTVIEW AT FOUNTAIN HILLS
A Corrective Replat of the Corrective Plat of Summit Estates

Registration No. DM00-022892

SUBDIVIDER

SUMMIT ESTATES, L.L.C.
dba Crestview at Fountain Hills, L.L.C.
16930 East Palisades Boulevard
Fountain Hills, Arizona 85268

June 12, 2000
Effective Date

First Amendment August 14, 2000
Second Amendment October 2, 2000
Third Amendment December 1, 2000
Fourth Amendment April 4, 2001

PROPERTY REPORT DISCLAIMER

This report is NOT A RECOMMENDATION NOR AN ENDORSEMENT by the State of Arizona of this land but is provided for informational purposes ONLY. The report reflects information provided by the subdivider and obtained by the Department in its review process in accordance with the provisions of Title 32, Chapter 20, Article 4, of the Arizona Revised Statutes, as amended. NOTE that not all of the information in this report has been verified by the Department; certain information has been accepted by the Department as true and accurate based on attestation of the subdivider and/or the subdivider's agents. You should verify all facts before signing any documents. The Department has not passed upon the quality or quantity of any improvement or structure and does not assume responsibility in either event.

PHOENIX OFFICE
2910 North 44th Street
Suite 100
Phoenix, Arizona 85018
(602) 468-1414 Ext. 400

TUCSON OFFICE
400 North Congress
Suite 523
Tucson, Arizona 85701
(520) 628-6941

FEDERAL LAW STATES:

- 1. IF YOU DID NOT RECEIVE THE PUBLIC REPORT PRIOR TO SIGNING A CONTRACT OR AGREEMENT, YOU MAY CANCEL YOUR CONTRACT OR AGREEMENT BY GIVING NOTICE TO THE SELLER ANY TIME BEFORE MIDNIGHT OF THE SEVENTH DAY FOLLOWING THE SIGNING OF THIS CONTRACT OR AGREEMENT.**
- 2. IF YOU HAVE SIGNED A PURCHASE AGREEMENT PRIOR TO INSPECTING THE LOT, YOU HAVE SIX MONTHS TO INSPECT AND UPON INSPECTION MAY RESCIND THE PURCHASE.**
- 3. IF YOU DID NOT RECEIVE THIS PUBLIC REPORT BEFORE YOU SIGNED A CONTRACT OR AGREEMENT, YOU MAY CANCEL THE CONTRACT OR AGREEMENT ANYTIME WITHIN TWO YEARS FROM THE DATE OF SIGNING.**

RISKS OF BUYING LAND:

1. The future value of any land is uncertain and dependent upon many factors. DO NOT expect all land to increase in value.
2. Any value that your lot may have will be affected if the roads, utilities and all proposed improvements are not completed.
3. Resale of your lot may be difficult or impossible, since you may face the competition of our own sales program and local real estate brokers may not be interested in listing your lot.
4. Any subdivision will have an impact on the surrounding environment. Whether or not the impact is adverse and the degree of impact will depend on the location, size, planning and extent of development. Subdivisions that adversely affect the environment may cause environmental agencies to impose restrictions on the use of the land. Changes in plant and animal life, air and water quality and noise levels may affect your use and enjoyment of your lot and your ability to sell it.
5. In the purchase of real estate, many technical requirements must be met to assure that you receive proper title. Since this purchase involves a major expenditure of money, it is recommended that you seek professional advice before you obligate yourself.

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 that 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.

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GENERAL

This report includes Lots 1 through 100, inclusive.

The map of this subdivision is recorded in Book 533 of Maps, Page 01, records of Maricopa County, State of Arizona.

The subdivision is approximately 280 acres in size and has been divided into 100 lots, 8 parcels and 1 tract. Lot boundaries will be staked with ½" rebar at corners prior to sale.

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: Northwest corner of Palisades Boulevard and Shea Boulevard, Town of Fountain Hills, Maricopa County, Arizona. Crestview at Fountain Hills is accessible by Shea Boulevard and Crestview Drive north into the subdivision and by Palisades Boulevard north to Crestview Drive and west into the subdivision.

SUBDIVISION CHARACTERISTICS

Topography: The land within Crestview at Fountain Hills is hilly with soils varying from sandy to clay to rocky.

Flooding and Drainage: Shakir Gushgari, P.E., SKG Enterprises, in a letter, dated July 6, 2000, states the following:

"The above referenced development has been approved by the reviewing agency of Maricopa County under the name of "The Summit Estates" and case number S97-38. The Town of Fountain Hills, Arizona, has since annexed this development and its final plat has since been modified. The modified name is now "Crestview at Fountain Hills" as recorded in Book 533, Page 01, Official Records of Maricopa County Recorder.

Further, this development of Crestview at Fountain Hills lies within a delineated Flood Zone "B" designation (Source: Flood Insurance Rate Map (FIRM), Panel Number 1710 of 4350, Map Number 04013C1710D, Dated April 15, 1988).

The site is not affected by unusual flood conditions and the lots' finish floor elevations, upon development, should be established to be above the 100-year stormwater runoff along adjacent watercourses, as depicted on the site's approved improvement plans."

The Crestview at Fountain Hills plan incorporates a flood control program, which include road culverts where applicable, and other appropriate site preparations. The Town of Fountain Hills approved the program. The developer is required to comply with the program as approved.

Soils: The developer advises that Lot 40 is subject to subsurface expansive soils, which expand when water in excess of its natural content is introduced. The developer is not aware of this condition in any other lot in the subdivision. Such soil will cause damage to home construction if not adequately designed to cope with it. Such soil may prohibit the installation of a standard swimming pool. This soil condition may cause some increased construction costs. It is recommended that purchasers have their property analyzed by a soil engineer.

Adjacent Lands and Vicinity: The lands bordering Crestview at Fountain Hills to the East are single-family residential (R1-10 and R1-18) and lodging (L3) and on the East side of Palisades Boulevard. There are pockets of open space recreational (OSR) land; to the West and North is single family residential environmentally sensitive lands (R1-43ESL); and to the South is commercial (C1) and open space recreational (OSR) and northeast is open space recreational (OSR) land. The land immediately adjacent to the northwest corner of Shea and Palisades Boulevard is multifamily (M-1 PUD).

The residential subdivision of Hidden Hills of Scottsdale I is North of Crestview at Fountain Hills. Westridge Village (R1-10) and Westridge Estates are residential subdivisions to the East; Eagle Mountain is South of Shea Boulevard and this subdivision. Paloma Paseo and El Gran Final of Desert Cove are West of this subdivision.

Shea Boulevard and Palisades Boulevard are adjacent to the South and East of the subdivision.

The Salt River Project Wheeler substation is located approximately 150 feet East of Lot 93 and 200 feet South of Lots 1 and 100. Chaparral City Water Company's water tank is immediately adjacent to Lots 94, 95, 99 and 100. A 69 KV power line crosses Lot 95.

A communications tower is located immediately north and adjacent to Lots 87, 88 and 94. In May 2000, a report was prepared describing radio frequency (RF) electromagnetic field measurements in the vicinity of the tower. Included on the tower is a radio transmitting facility. The Federal Communications Commission (RCC) has determined maximum permissible exposure limits for the general population.

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Parcel G, located adjacent to that certain telecommunications site, designated as "Not a Part Of This Subdivision" on the recorded plat, is to be conveyed and transferred to the Cox Communications Company and used in conjunction with such site.

Based upon the measurements taken, RF electromagnetic field levels on the property do not exceed FCC limits at ground level locations (two to six feet above ground). It is recommended that measurements be repeated following construction on Lots 87, 88, 89, 90 and 91 at rooftop, deck level and any other elevated accessible locations at these homes. If RF electromagnetic field in excess of the limit is encountered at any location in the development, the FCC's Rules require the licensee of the transmitting facility to take corrective action and not the property owner.

AIRPORTS

Airport: Scottsdale Municipal Airport is located approximately 13 miles West of Crestview at Fountain Hills.

UTILITIES

Electricity: Salt River Project, (602) 236-8888. Developer advises facilities are adjacent to the subdivision. Costs for the extension of facilities to individual lot lines are included in the purchase price. Purchasers will be responsible for costs associated in completing the facilities to the dwelling. Estimated costs are \$5.00 to \$20.00 per foot, depending upon terrain and soil composition. Installation of these facilities are included in a common trench with the telephone facilities. Purchaser's estimated cost to receive service is a \$150.00 connection fee.

Street Lights will not be provided in this subdivision.

Telephone: Qwest Communication, (800) 244-1111. Developer advises facilities are adjacent to the subdivision. Costs for the extension of facilities to individual lot lines are included in the purchase price. Purchasers will be responsible for costs associated in completing the facilities to the dwelling. Estimated costs are \$5.00 to \$20.00 per foot, depending upon terrain and soil composition. Purchaser's estimated costs to receive services are \$95.00 hook-up fee and \$120.00 refundable deposit.

Natural Gas: Southwest Gas Corporation, (602) 861-1555. Developer advises facilities are adjacent to the subdivision. Costs for the extension of facilities to individual lot lines are included in the purchase price. Purchasers will be responsible for costs associated in completing the facilities to the dwelling. Estimated costs are \$5.00 to \$20.00 per foot, depending upon terrain and soil composition. Purchaser's estimated cost to receive service is a \$20.00 connection fee.

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Water: Chaparral City Water Company, (480) 837-9522. Developer advises facilities are adjacent to the subdivision. Costs for the extension of facilities to individual lot lines are included in the purchase price. Purchasers will be responsible for costs associated in completing the facilities to the dwelling. Estimated costs are \$5.00 to \$20.00 per foot, depending upon terrain and soil composition. Installation of these facilities are included in a common trench with the electric facilities. Purchaser's estimated costs to receive service are \$370.00 meter (1") deposit, \$500.00 to \$1,000.00 hook-up fee, and \$20.00 establishment fee.

Sewage Disposal: Developer advises facilities are adjacent to the subdivision. Costs for the extension of facilities to individual lot lines are included in the purchase price. Purchasers will be responsible for costs associated in completing the facilities to the dwelling. Estimated costs are \$5.00 to \$20.00 per foot, depending upon terrain and soil composition.

Lots 13 through 19 are serviced by the City of Scottsdale Development Services (City), (480) 312-2500. Purchaser's estimated costs to receive services from the City are approximately \$3,181.00 sewer development fee, Shea Corridor Capacity fee of \$1,100.00, and \$35.00 sewer certificate fee.

All other lots in the subdivision are serviced by the Fountain Hills Sanitary District, (480) 837-9444. Purchaser's estimated costs to receive service are \$2,350.00 capacity fee, \$75.00 availability of service fee, \$150.00 hook-up fee, \$2,500.00 effluent disposal fee, and \$3,500.00 lift pump cost (if applicable).

Continued maintenance of these facilities other than from lot line to dwelling is the responsibility of the City of Scottsdale Development Services or Fountain Hills Sanitary District with costs for maintenance included in the real estate taxes and user fees.

Parcel H, located adjacent to Lots 5 and 6 of Crestview at Fountain Hills, may be conveyed and transferred to the Fountain Hills Sanitary District and utilized as a sanitary sewer lift site.

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 is by asphalt paved public streets that are complete (Tract A). The Town of Fountain Hills is responsible for the continued maintenance of the exterior streets with costs for maintenance included in the real estate taxes.

Access within the Subdivision is by asphalt paved private streets. The developer is responsible for the construction of all private roads within the subdivision covered by this report. The developer has posted documentation assuring completion. Maintenance of such private roads is the responsibility of the Crestview at Fountain Hills Community Association through funds received from annual assessments.

Flood and Drainage: The road system throughout Crestview at Fountain Hills has been designed and constructed to incorporate drainage of water run off, intended to avoid any flood damage to developed lots. Washes, culverts and other drainage devices will be used in this effort. Such drainage may on certain roads, which are constructed in low areas of through washes, cause temporary sheeting or flooding, resulting in traffic delays. Such areas could also be hazardous if crossing is attempted during such periods. Maintenance of such drainage devices is the responsibility of the Crestview at Fountain Hills Community Association through funds received from annual assessments.

COMMON, COMMUNITY AND RECREATIONAL FACILITIES

Within the Subdivision: Parcels A through H are landscaped open space utilized for drainage, signage, utilities, etc. as reflected on the recorded plat of Crestview at Fountain Hills. The maintenance of these parcels is the responsibility of the Crestview at Fountain Hills Community Association through funds received from annual assessments.

Within the Fountain Hills Community: The Town of Fountain Hills, incorporated December 5, 1989, includes many social, civic and recreational groups and facilities available to all its residents, including three 18 hole golf courses and club houses, private athletic club with tennis courts, pool, and exercise facilities. Other recreational facilities are available at the local schools. All of these are available on a voluntary basis with any costs reflected by posted fees at each facility.

Fountain Park is a day use facility comprised of approximately 65 acres including a 30 acre lake and fountain, children's playground and exercise facilities. It is owned, operated, and maintained by the Town of Fountain Hills. At present, Fountain Park is open to the public at no cost. The lake is refilled with and the park is irrigated by effluent from the wastewater treatment plant within the community.

Golden Eagle Park is located immediately north of the Fountain Hills Junior-Senior High School and includes a variety of sporting activities and facilities, some of which will be lighted for evening usage. It is owned, operated, and maintained by the Town of Fountain Hills and open to the public at posted fees for certain programs.

COMPLETION DATES

Estimated completion of the subdivision facilities (electric, telephone, natural gas, water, sewer, flood and drainage, landscaped open space, as well as the private roads) will be as follows:

September 30, 2000

Lots 1 through 12
Lots 66 through 100

July 1, 2001

Entry Monumentation: Crestview Drive entry at Shea Boulevard; improvements to be located either in Parcel B or within the adjacent Shea Boulevard right-of-way.

Entry Monumentation: Crestview Drive entry at Palisades Boulevard; improvements to be located in Parcel F.

Entry Gates: Crestview Drive entry at Shea Boulevard; improvements to be located in Tract A north of Shea Boulevard.

Entry Gates: Crestview Drive entry at Palisades Boulevard; improvements to be located in Tract A west of Palisades Boulevard.

Entry Gatehouse: Crestview Drive entry at Shea Boulevard; improvements to be located in Tract A north of Shea Boulevard.

September 30, 2001

Lots 13 through 65

Entry Monumentation: Arista Drive entry at Shea Boulevard; improvements to be located in Parcel A or within the adjacent Shea Boulevard right-of-way.

Entry Gates: Arista Drive entry at Shea Boulevard; improvements to be located in Parcel A.

ASSURANCES FOR COMPLETION

Assurances for Completion of Subdivision Facilities: The developer has posted improvement bonds with the Town of Fountain Hills assuring the completion of the various subdivision facilities described above for which it is responsible.

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Assurances for Maintenance of Subdivision Facilities: The various subdivision facilities described above will be maintained by either the Town of Fountain Hills, Crestview at Fountain Hills Community Association, or utility companies in accordance with their franchise responsibilities.

LOCAL SERVICES AND FACILITIES

Schools: McDowell Mountain Elementary School (Kindergarten through 3rd grades), 14825 East Fayette Drive; Four Peaks Elementary School (4th and 5th grades) 17300 Calaveras Avenue; and Fountain Hills Junior-Senior High School (6th through 12th grades), 16000 East Palisades Boulevard, are located in Fountain Hills within 5½ miles of the subdivision. Bus transportation is provided to students beyond a 1 mile perimeter at designated points.

SCHOOL FACILITIES AND BUS SERVICE MAY CHANGE. YOU SHOULD CONTACT THE LOCAL SCHOOL BOARD REGARDING THE CURRENT LOCATION OF SCHOOLS AND BUS SERVICE.

Shopping Facilities: Numerous shopping and service facilities are located within Fountain Hills along its major roadways, approximately ¾ miles Northeast of the subject property. Full scope facilities are located in Scottsdale, Mesa, and Phoenix.

Public Transportation: Scheduled Phoenix Rapid Transit Bus service is currently available within Fountain Hills to Scottsdale and Phoenix. The bus stop is located at 16838 East Palisades Boulevard, approximately ¾ miles North of the subdivision.

Medical Facilities: Scottsdale Healthcare North, 10450 North 92nd Street, approximately 10 miles West of the Fountain Hills western boundary, is the nearest hospital to the subdivision. Mayo Fountain Hills Family Primary Care Center, located within Fountain Hills, approximately ¾ miles Northeast. The Mayo Clinic - Scottsdale is located approximately 1 mile West of the western boundary of Fountain Hills.

Independent medical and dental offices are located in Fountain Hills.

Fire Protection is the responsibility of the Fountain Hills Fire District and has contracted with the Rural Metro Fire Protection Company to provide year-round service. Rural Metro has two (2) substations located within Fountain Hills. Costs for this service are included in real property taxes.

Ambulance Service is available by dialing 911.

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Police Services are provided by the Town of Fountain Hills that has a contract with the Maricopa County Sheriff's Department. Fountain Hills Marshal's Department assists the Sheriff's office with various duties in addition to overseeing code enforcement. The Sheriff's Department maintains a "briefing station" in Fountain Hills. Costs for this service are included in real property taxes.

Garbage Services are provided by two refuse collection suppliers. Purchasers may contract with either Waste Management, (602) 268-2222, or Red Mountain Rubbish Removal, (480) 837-9066. Estimated monthly cost is \$16.00, payable quarterly.

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 unimproved lots (vacant lot) and zoned single family residential (R1-43 PUD).

Conditions, Reservations and Restrictions: Crestview at Fountain Hills is not subject to any adult occupancy or age restriction. The community of Fountain Hills is not in an open range area.

The water, oil, gas and mineral rights to all of the subject property will not belong to the purchasers. Some owners of these rights have the right of surface entry. The exercise of these rights could affect the use, enjoyment and value of your lot.

The property listed on Exhibit "A" is subject to recorded Declaration of Reservations (Restrictions), in addition to the Crestview at Fountain Hills Community Association bylaws and its rules and regulations.

Restrictions are recorded as cited in the following title exceptions and per the subdivision plat.

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 that are recorded may be inspected at the Office of the Maricopa County Recorder. Information about zoning may be obtained at the Office of the Town of Fountain Hills Planning and Zoning Department. Restrictions are recorded as cited in the following title exceptions and per the subdivision plat.

NOTE: This subdivision is subject to a Residential Development Impact Fee, which is currently \$3,495.00. However, the Developer advises the purchaser to contact the Town of Fountain Hills to determine such fee at the time of purchase.

TITLE

Title to this subdivision is vested in Summit Estates, L.L.C., a Delaware limited liability company, dba Crestview at Fountain Hills, L.L.C.

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

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 June 6, 2000 issued by First American Title Insurance Company. **You should obtain a title report and determine the effect of the listed exceptions.**

EXCEPTIONS: SEE EXHIBIT "B" ATTACHED

METHOD OF SALE

Sales: Developer intends to sell lots for cash and on an installment basis using a note and deed of trust for the unpaid balance. All purchasers will sign a real estate agreement.

For a cash purchase (full payment at the time of purchase), title to the lot will be conveyed at the close of escrow, upon recordation of a Warranty Deed, free and clear of monetary liens or encumbrances.

For an installment purchase, down payment will be paid to the escrow holder and a Warranty Deed will be issued. The purchaser will sign a Deed of Trust and Promissory Note as security for the unpaid portion of the purchase price. The balance of the purchase price will be paid in monthly installments of principal and interest. The Warranty Deed will be recorded at the close of escrow free and clear of any monetary liens or encumbrances.

Release of Liens and Encumbrances: All properties reflected on Exhibit "A" are subject to a recorded Deed of Trust between the developer and Bank of America, N.A. f/k/a Bank of America National Trust and Savings Association, a national banking association. The Deed of Trust contains release provisions which enable the developer to enter into sales and convey individual lots, as stated above, free and clear of the Deed of Trust.

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Use and Occupancy will be permitted upon the close of escrow and recordation of the applicable documents.

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 2000 is \$13.9147 per \$100.00 assessed valuation. The estimated property tax for an unimproved lot (vacant), based on the above tax rate and average sales price of \$175,000.00, is \$3,190.00. (The estimated property tax for an improved lot (lot with dwelling), based on the above tax rate and average sales price of \$300,000.00, is \$3,420.00.)

Special District Tax or Assessments: The subdivision is encompassed within the Fountain Hills Sanitary District. The Sanitary District is responsible for the construction, maintenance and operation of the central sewer system for the subdivision. The Sanitary District is authorized to issue up to \$20,910,000.00 in bonds. The outstanding unpaid balance as of June 30, 1999 is \$7,615,000.00. The bonds are repaid substantially out of levies collected as part of the property taxes on subdivision lots.

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

PROPERTY OWNERS ASSOCIATIONS

Name and Assessments: Crestview at Fountain Hills Community Association, Inc. Lot purchasers will be required to pay assessments of \$90.00 per month.

Control of Association will be conveyed to the lot purchasers upon the first of the following to occur: (a) All lots owned by the applicant are sold; (b) Applicant relinquishes its voting rights; or (c) May 3, 2004, if a majority of lot owners vote to terminate the recorded Declaration of Reservations.

Title to Common Areas will be conveyed to the Crestview of Fountain Hills Community Association upon completion.

Membership: All lot purchasers will become members of the Crestview of Fountain Hills Community Association.