

# **SUBDIVISION PUBLIC REPORT**

## **FOR Indian Terrace, A condominium**

Registration No. DM05-050631

### **SUBDIVIDER**

Indian Terrace Condominiums LLC, an Arizona limited liability company  
PO Box 381  
Newcastle, CA 95658

Effective Date: JUNE 12, 2006

### **DISCLAIMER**

This report is NOT A RECOMMENDATION NOR AN ENDORSEMENT by the State of Arizona of this land. The application and public report have not been subjected to a detailed examination by the Department. This proposed report was prepared by the subdivider and none of the information in this report has been verified by the Department. The purchaser should verify all facts before signing any documents. The information contained in this proposed report may change. The Department assumes no responsibility for the workmanship of any improvement in this development.

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

**PHOENIX OFFICE:**  
2910 N. 44<sup>th</sup> Street  
First Floor  
Phoenix, Arizona 85018  
(602) 468-1414 ext. 400

**TUCSON OFFICE:**  
400 West Congress  
Suite 523  
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 CONTRACTS OR AGREEMENTS FOR THE PURCHASE OF AN UNIMPROVED LOT (WITHOUT A BUILDING)\* MAY BE RESCINDED BY YOU WITHOUT CAUSE BY SENDING OR DELIVERING WRITTEN NOTICE OF RESCISSION BY MIDNIGHT OF THE SEVENTH CALENDAR DAY FOLLOWING THE SIGNING.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 100 through 123, inclusive, and Units 201 through 223, inclusive.

**The map of this subdivision:** Recorded in Book 233 of Maps, page 20, and first amendment in Book 834 of Maps, page 24, Maricopa County, Arizona.

**Declaration of Condominium/Horizontal Property Regime:** Recorded at Instrument No.2006-0635660 and re-recorded in Instrument No.2006-0719242, records Maricopa County, State of Arizona.

The subdivision is approximately 1.7 acres in size. It has been divided into 47 Units and common area. Building pad boundaries have been permanently staked at corner and radii by regional engineer firm.

**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:** 4120 North 78<sup>th</sup> Street, Scottsdale, Maricopa County, Arizona 85251. Located in downtown Scottsdale, halfway between Miller Road and Hayden Road, on the north side of Indian School.

### **SUBDIVISION CHARACTERISTICS**

**Topography:** Subdivider advises that the terrain is level.

**Flooding and Drainage:** Subdivider advises that the subdivision lots are not known to flooding or drainage problems. David M. Schlieff, P.E., with RBF Consulting, in his letter dated May 9, 2006, has cited:

“The site known as Indian Terrace Condominiums located at the northwest corner of Indian School Road and 78<sup>th</sup> Street lies within Flood Zone “X” as shown on the F.E.M.A. Flood Insurance Rate Maps. The maps include Map Number 04013C2160F with a revision date of September 30, 2005. The Community number for City of Scottsdale is 045012.

Flood Zone “X” is described on said F.E.M.A. Flood Insurance Rate Maps as: Areas of 0.2% annual chance flood; areas of 1% annual chance flood with average depths of less than 1 square mile; and areas protected by levees from 1% annual chance flood.

I am not aware of, nor do I have any evidence of, flooding or drainage problems on the Indian Terrace Site.”

**Soils:** Subdivider advises that this subdivision is not subject to expansive or subsidence soils.

**Adjacent Lands and Vicinity:** North is zoned R-5, Multi Family Residential; South is zoned C-2, Central Business District and R-5, Multi Family Residential; East is zoned R-4, Town Home; and West is zoned PNC, Planned Neighborhood Center and C-2, Central Business District.

**NOTE: Owners of the adjacent lands described above may seek to rezone their property, may seek zoning variances for their property or may modify their site plan within existing zoning. Consequently, no assurance can be given that the zoning or uses for the adjacent lands will not change from that described above. Purchasers should contact the City/Town of Scottsdale Planning & Zoning Department at (480) 312-2500 or Maricopa County Planning & Development Department at (602) 506-3201 for up-to-date information.**

**Public Recreation:**

- Continental Golf Club, approximately ¼ mile southeast
- A Library, approximately ¼ mile southwest; 3 ½ miles southeast; 3 ¾ miles southwest 5 miles northeast
- Indian School Park, approximately ¼ mile east
- Scottsdale Mall, approximately ¼ mile west
- Civic Center, approximately ¼ mile southwest
- Scottsdale Center for the Arts, approximately ¼ mile southwest
- Scottsdale Stadium, approximately ½ mile southwest
- Villa Monterey Golf Course, approximately ½ mile northeast
- Scottsdale Stadium, approximately ¾ mile southeast
- Scottsdale Fashion Square, approximately ¾ mile northwest
- Chaparral Park, approximately 1 mile north
- Coronado Golf Course, approximately 1 mile south
- Phoenician Golf Club, approximately 1 ¾ miles northwest
- Eldorado Park, approximately 1 ¾ miles south
- Arizona Country Club, approximately 2 miles southwest
- Camelback Mountain Echo Canyon Recreation Area, approximately 2 ¼ miles northwest
- Papago Softball Complex, approximately 2 ¼ miles southwest
- Papago Buttes, approximately 2 ¼ miles southwest
- Vista Del Camino Park, approximately 2 ½ miles south
- The Borgata, approximately 2 ½ miles north
- Rio Salado Golf Course, approximately 2 ½ miles south
- Scottsdale Silverado Gold Club, approximately 2 ¾ miles north

- Camelback Mountain, approximately 2 <sup>3</sup>/<sub>4</sub> miles northwest
- McCormick-Stillman Railroad Park, approximately 2 <sup>3</sup>/<sub>4</sub> miles north
- Papago Park, approximately 2 <sup>3</sup>/<sub>4</sub> miles southwest
- Desert Botanical Garden, approximately 2 <sup>3</sup>/<sub>4</sub> miles southwest
- Scottsdale Pavilions, approximately 3 miles north east
- McCormick Ranch Golf Club, approximately 3 miles north
- Pavilion Lakes Golf Club, approximately 3 <sup>1</sup>/<sub>2</sub> miles northeast
- Big Surf, approximately 3 <sup>1</sup>/<sub>2</sub> miles south
- Phoenix Zoo, approximately 3 <sup>1</sup>/<sub>2</sub> miles southwest
- Papago Park, approximately 3 <sup>3</sup>/<sub>4</sub> miles south
- Arcadia Crossing Shopping Center, approximately 3 <sup>3</sup>/<sub>4</sub> miles southwest
- Papago Municipal Golf Course, approximately 3 <sup>3</sup>/<sub>4</sub> miles southwest
- Canal Park, approximately 3 <sup>3</sup>/<sub>4</sub> miles southwest
- Casino Arizona at Salt River, approximately 3 <sup>3</sup>/<sub>4</sub> miles northeast
- Shemer Art Center, approximately 3 <sup>1</sup>/<sub>4</sub> miles northwest
- Mountain Shadows Golf Course, approximately 3 <sup>1</sup>/<sub>4</sub> miles northwest
- Paradise Valley Country Club, approximately 3 <sup>3</sup>/<sub>4</sub> miles northwest
- Talking Stick Golf Club, approximately 4 miles northeast
- Rolling Hills Golf Course, approximately 4 miles southwest
- Tempe Women's Club Park, approximately 4 miles southwest
- Phoenix Municipal Stadium, approximately 4 miles southwest
- Hall of Flame, approximately 4 miles southwest
- Gainey Ranch Golf Club, approximately 4 miles northeast
- Camelback Golf Club Resort Course, approximately 4 miles north
- Rio Salado Park, approximately 4 miles south
- Tempe Town Lake, approximately 4 <sup>1</sup>/<sub>4</sub> miles south
- Arizona State University, approximately 4 <sup>1</sup>/<sub>4</sub> miles south
- Arizona Historical Society Museum, approximately 4 <sup>1</sup>/<sub>4</sub> miles southwest
- ASU-Karsten Golf Course, approximately 4 <sup>1</sup>/<sub>2</sub> miles south
- Packard Stadium, approximately 4 <sup>1</sup>/<sub>2</sub> miles south
- Sun Devil Stadium, approximately 4 <sup>1</sup>/<sub>2</sub> miles south
- Wells Fargo Arena, approximately 4 <sup>1</sup>/<sub>2</sub> miles south
- Marquee Theatre, approximately 4 <sup>1</sup>/<sub>2</sub> miles southwest
- Cypress Golf Course, approximately 4 <sup>3</sup>/<sub>4</sub> miles southeast
- Mountain View Park, approximately 5 miles northeast
- Scottsdale Fiesta, approximately 5 miles northeast
- Tovrea Castle, approximately 5 miles southwest
- Tempe Center for the Arts, approximately 5 miles southwest
- Tempe Beach Park, approximately 5 miles southwest
- Pueblo Grande Museum Archaeological Park, approximately 5 miles southwest
- Squaw Peak Recreation Area, approximately 5 <sup>1</sup>/<sub>2</sub> miles northwest

**Roadways:**

- Pima Freeway (101), approximately 1 ¼ miles east
- Red Mountain Freeway (Loop202), approximately 4 miles south
- Beeline Highway (Hwy 87), approximately 4 ½ miles southeast
- Hohokam Expressway (143), approximately 4 ½ miles southwest
- Union Pacific Railroad, approximately 4 ½ miles southwest

**Due to the proximity of the freeways, this subdivision may experience, noise, traffic, lighting or other effects that may be of concern to some individuals. Purchasers are advised to independently investigate this matter.**

**Public Education:**

- Navajo Elementary School, approximately 1 mile northeast
- Pima Elementary School, approximately 1 mile southeast
- Hohokam Elementary School, approximately 1 mile southeast
- Coronado High School, approximately 1 ½ miles south
- Mohave Middle School, approximately 1 ¾ miles northeast
- Scottsdale Community College, approximately 1 ¾ miles northeast
- Tonalea Elementary School, approximately 2 miles southwest
- Saguaro High School, approximately 2 ¼ miles north
- Kiva Elementary School, approximately 2 ¼ miles northwest
- Pueblo Elementary School, approximately 2 ½ miles north
- Yavapai Elementary School, approximately 2 ¾ miles south
- Supai Middle School, approximately 2 ¾ miles southwest

**Rivers/Canals/Washes:**

- Indian Bend Wash Greenbelt, approximately ¼ mile east
- Arizona Canal, approximately ¾ mile northwest
- Salt River, approximately 4 ¼ miles south & southeast
- East Dam, approximately 4 ½ miles southeast
- West Dam, approximately 5 miles southwest

**Due to the proximity of these canals, rivers and washes, they may present a safety hazard, especially during times of heavy rainfall, for unsupervised children and adults. Purchasers are advised to independently investigate this matter. For further information, please contact the Flood Control District of Maricopa County at (602) 506-1501 or visit the website at [www.fcd.maricopa.gov](http://www.fcd.maricopa.gov).**

**Fire Stations/Police Stations/Post Offices:**

- Post Office, approximately ¾ mile southwest
- Fire Station, approximately 1 mile south
- Post Office, approximately 2 miles south
- Fire Station, approximately 2 miles north
- Police Station, approximately 2 ¾ miles northwest

- Police Station, approximately 3 miles southeast
- Fire Station, approximately 3 miles southeast
- Fire Station, approximately 3 ½ miles southwest
- Post Office, approximately 3 ¾ miles northeast
- Fire Station, approximately 4 miles south
- Fire Station, approximately 4 ½ miles northeast
- Police Station, approximately 4 ½ miles northeast
- Post Office, approximately 4 ½ miles southwest
- Post Office, approximately 4 ½ miles southwest

**Other:**

- Loloma Transit Station, approximately ¾ mile southwest
- Salt River Pima-Maricopa Indian Community, approximately 1 mile east
- Papago Military Reservation, approximately 2 ½ miles southwest
- Papago Army Airfield, approximately 2 ¾ miles southwest
- Municipal Building, approximately 2 ¾ miles northwest
- Community Admin. Complex, approximately 3 miles southeast
- St. Francis Cemetery, approximately 3 ½ miles southwest
- Maricopa County Department of Emergency Management, approximately 3 ½ miles southwest
- Salt River Indian Agency, approximately 3 ½ miles southeast
- Desert Palms Power Center, approximately 4 ¼ miles southwest
- APS Solar Power Plant, approximately 5 miles south
- Tempe FD/APS Joint Training Facility, approximately 5 miles southeast

**This subdivision is located in a Superfund Program Site. For further information please visit [www.adeq.state.az.us/envIRON/waste/sps.htm](http://www.adeq.state.az.us/envIRON/waste/sps.htm). Groundwater at this site is used to irrigate various crops and feed livestock. In addition, contaminated groundwater is being treated to drinking water standards and supplied to the city of Scottsdale's municipal water supply. Interested parties can review site information at the information repository located at the Scottsdale Civic Center library located at 3839 Drinkwater Boulevard in Scottsdale, (480) 312-2474. Site files are located at the ADEQ main office located at 1110 West Washington Street, Phoenix. Site information at ADEQ is available for review on Monday through Friday from 8 a.m to 5 p.m. To arrange for a time to review the public site file, please call the ADEQ Records Center at (602) 771-4378 or (800) 234-5677 (Arizona toll free).**

**THIS SUBDIVISION IS LOCATED WITHIN FIVE MILES OF AN AMERICAN INDIAN RESERVATION. ACTIVITIES ON THE RESERVATION INCLUDE OR MAY INCLUDE OPEN RANGE, AGRICULTURAL OPERATIONS, AIRCRAFT OPERATIONS, INDUSTRIAL OPERATIONS AND DAIRY FARMS. A RESERVATION HAS ITS OWN LAWS GOVERNING THE LAND WITHIN ITS BOUNDARIES. THESE MAY INCLUDE TRESPASSING, DUMPING, ARCHAEOLOGY, HUNTING, FISHING, ETC. IN ADDITION, CERTAIN**

**AREAS OF THE RESERVATION MAY BE NONPUBLIC-CLOSED AREAS WHICH REQUIRE SPECIAL PERMISSION TO ENTER. THOROUGHFARES AND ROADS ON THE RESERVATION MAY NOT BE AVAILABLE FOR PUBLIC USE. SALT RIVER PIMA-MARICOPA INDIAN COMMUNITY, JAMES CARPENTIER, (480) 850-7202**

**Subdivider has used its best efforts in an attempt to disclose all noteworthy activities and conditions surrounding this subdivision using the resources reasonably available to developer at the time this Public Report was prepared. The information may change from time to time. Prospective purchasers are encouraged to (i) drive the areas surrounding the subdivision (at different times of the day) to determine whether there exists any activities or conditions that may be of concern to Purchaser and (ii) determine to Purchaser's own satisfaction whether or not the items mentioned in the Public Report or discovered by the Purchaser's own inspections are of concern to Purchaser's own inspections are of concern to Purchaser.**

**PURCHASER IS ADVISED THAT HOMES SITUATED ADJACENT TO OR IN THE VICINITY OF COMMERCIAL PROPERTY, MULTI-FAMILY SITES, WORSHIP SITES, SCHOOL SITES, STREETS, FREEWAYS, PARKWAYS, ROADWAYS, TRAILS, OPEN SPACE AREAS, CONSTRUCTION-RELATED OPERATIONS, INDUSTRIAL PROPERTIES, PROVING GROUND, MINING OPERATIONS, ENTERTAINMENT VENUES, PARKS, CORRECTIONAL FACILITIES, AGRICULTURAL AREAS, OTHER NON-RESIDENTIAL USES, AND/OR OTHER RECREATION AMENITIES MAY EXPERIENCE AN ADDITIONAL AMOUNT OF NOISE, DUST, LIGHTING, AND SIGNAGE, AS WELL AS PEDESTRIAN AND VEHICULAR TRAFFIC TYPICALLY ASSOCIATED WITH SUCH FACILITIES.**

#### **AIRPORTS**

**Airport:** Phoenix Sky Harbor International Airport, 3400 Sky Harbor Boulevard, approximately 7 miles from subdivision; Scottsdale Airport, 15000 North Airport Drive, approximately 9 miles from subdivision. **“SEE EXHIBIT “B” FOR VICINITY MAP”**

**SUBDIVISION IS LOCATED WITHIN THE TERRITORY IN THE VICINITY OF PHOENIX SKY HARBOR INTERNATIONAL AIRPORT. FLIGHTS TO AND FROM THIS AIRPORT MAY PRODUCE AIRCRAFT NOISE AS A RESULT OF FLIGHT OPERATIONS.**

#### **UTILITIES**

**Electricity:** Salt River Project (602) 236-8888 (website: [www.srpnet.com](http://www.srpnet.com)). Facilities have been previously completed to the units. Purchaser's cost to receive service is a \$28.00 establishment fee, plus tax, and a security deposit of \$120.00-\$240.00, if applicable.

**Street Lights:** Previously completed street light facilities within subdivision. Costs to unit purchasers for electricity are included in the Homeowners Association fees.

**Telephone:** Qwest Communications (800) 244-1111 (website: [www.qwest.com](http://www.qwest.com)). Facilities have been previously completed to the units. Purchaser's cost to receive service is a \$27.50 hook-up fee and a security deposit, if applicable.

**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, IE: A CELLULAR TELEPHONE.**

**Cable:** Cox Communications 1-623-594-1000 (website: [www.cox.com](http://www.cox.com)). Facilities have been previously completed to the units. Purchaser's cost to receive service is a one time set up/service establishment fee of \$34.95. A deposit may be required based on the results of a credit check. Purchasers should check Cox Communications website for additional information regarding types of services available as well as monthly costs associated with that service.

**Natural Gas:** Not available

**Water:** City of Scottsdale (480) 312-2461 (website: [www.scottsdaleaz.gov](http://www.scottsdaleaz.gov) ). Facilities have been previously completed to the units. Purchaser's cost to receive service is included in their Homeowners Association fees.

**Sewage Disposal:** City of Scottsdale (480) 312-2461 (website: [www.scottsdaleaz.gov](http://www.scottsdaleaz.gov) ). Facilities have been previously completed to the units. Purchaser's cost to receive service is included in their Homeowners Association fees.

**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:** Previously completed asphalt paved public roads. The City of Scottsdale currently maintains. Purchaser's cost for maintenance is included in their property taxes.

**Access within the Subdivision:** Previously completed asphalt paved private interior roads. The Homeowners Association will maintain. Purchaser's cost for maintenance is included in their Homeowners Association fees.

**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:** Previously completed drainage/retention tracts, channel and typical street drainage. The Homeowners Association will maintain the drainage/retention tracts and channel. The City of Scottsdale will maintain typical street drainage. Purchaser's cost for maintenance is included in their Homeowners Association fees, and property taxes, respectively.

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

**Within the Subdivision:** Previously completed landscaped common area, pool, electronic entry gates, barbecue, bike racks and covered parking spaces. The Homeowners Association will maintain. Purchaser's cost for maintenance is included in their Homeowners Association fees.

### **ASSURANCES FOR COMPLETION**

**Assurances for Completion of Subdivision Facilities:** All improvements within subdivision have been previously completed.

**Assurances for Maintenance of Subdivision Facilities:** As sited in the Declaration of Condominium, Filed Articles and Bylaws for the Homeowners Association and current zoning regulations for the City of Scottsdale.

### **LOCAL SERVICES AND FACILITIES**

**Schools:** Navajo Elementary School (K-6), 4525 North Granite Reef, is approximately 2 ½ miles from subdivision; Mohave Middle School (7-8), 5520 North 86<sup>th</sup> Street, is approximately 3 miles from subdivision; Saguaro High School, 6250 North 82<sup>nd</sup> Street, is approximately 2 miles from subdivision.

**SCHOOL BUS TRANSPORTATION WILL ONLY BE PROVIDED TO STUDENTS RESIDING OUTSIDE THE SCHOOLS DESIGNATED WALKING DISTANCE. PURCHASERS SHOULD CONTACT THE SCHOOLS TO DETERMINE THE AVAILABILITY OF SCHOOL BUS TRANSPORTATION.**

**Shopping Facilities:** Fry’s Shopping Center is located approximately ¼ mile west of the subdivision on Miller and Indian School Road.

**Public Transportation:** Valley Metro bus stop located ¼ mile west of the subdivision on Miller Road and Indian School Road.

PURCHASERS ARE ADVISED THAT BUS ROUTES AND SCHEDULES MAY CHANGE. PURCHASERS SHOULD CONTACT VALLEY METRO TRANSIT SYSTEM AT (602) 253-5000 OR VISIT THEIR WEBSITE AT [www.valleymetro.org](http://www.valleymetro.org) FOR THE MOST CURRENT INFORMATION.

**Medical Facilities:** Scottsdale Healthcare Osborn, 7400 East Osborn, approximately 1 ½ miles from subdivision; a full care facility is also located at Osborn and Civic Center.

**Fire Protection:** Rural Metro Fire Department. Purchasers must contact membership services at (480) 627-6200 or (800) 645-9413 to enroll. Each new member shall be subject to a registration fee of \$35.00. Re-enrollment of all canceled memberships that have lapsed by reason of non-payment for a period of 30 days after the expiration date shall be subject o the \$35.00 registration fee upon written notice of cancellation by the fire department to the member. The following rates shall be charged for annual membership services (does not include registration fee). Membership fees for properties are based upon the square footage of all buildings, living areas, basements, garages, storage buildings and barns. Contiguous unimproved land up to five (5) acres included at no extra charge:

<b><u>SINGLE FAMILY RESIDENTIAL PROPERTY</u></b>	
<b>SQUARE FEET:</b>	<b>ANNUAL RATE:</b>
0-1399.....	\$144.00
1400-1699.....	\$189.00
1700-2099.....	\$239.00
2100-2599.....	\$307.00
2600-3199.....	\$382.00
3200-3699.....	\$479.00
3700-OVER.....	\$0.142/sq.ft.

There will be service charges to non-members, if the fire department elects to respond, as follows:

\$1,000.00 per hour per Firefighting vehicle plus \$75.00 per hour per Firefighter (\$575.00 minimum response charge) for fire suppression, a rate of \$350.00 per call will be assessed for emergency first aid response.

**Ambulance Service:** Available by dialing 911.

**Police Services:** City of Scottsdale Police Department

**Garbage Services:** City of Scottsdale. Purchaser's cost for service is included in their Homeowners Association fees.

**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 Improved Lots (Condominium Units)

Zoning: Multi Family Residential

“Improved lot or parcel” means a lot or parcel of a subdivision upon which lot or parcel there is a residential, commercial or industrial building or concerning a contract that has been entered into between a subdivider and a purchaser that obligates the subdivider directly or indirectly through a building, contractor, to complete construction of a residential, commercial or industrial building on the lot or parcel within two years from the date on which the contract of sale for the lot is entered into.

**Condominium Conversion:** This property is a conversion from multifamily rental units to condominium units. Original completion date of construction is 1981.

**Conditions, Reservations and Restrictions:** In accordance with the recorded Declaration of Covenants, Conditions and Restrictions; the Homeowners Association Articles of Incorporation and Bylaws and existing zoning ordinances.

**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 Scottsdale Planning and Zoning Department. Restrictions are recorded as cited in the following title exceptions and per the subdivision plat.

**METHOD OF SALE OR LEASE**

**Sales:** Your vested interest/ownership interest 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.

**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 PURCHSER ASSUMES A RISK OF LOSING SUCH MONEY IF THE SELLER IS UNABLE OR UNWILLING TO PERFORM UNDER THE TERMS OF THE PURCHASE CONTRACT.**

**Release of Liens and Encumbrances:** Subdivider advises that arrangements have been made with lender for the release of individual units.

**Use and Occupancy:** Upon close of escrow and recordation of 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.**

**TITLE**

**Title to this subdivision** is vested in Indian Terrace Condominiums, LLC, an Arizona limited liability company.

**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 May 26, 2006 issued by Fidelity National Title Insurance Company. **You should obtain a title report and determine the effect of the listed exceptions.**

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

**TAXES AND ASSESSMENTS**

**Real Property Taxes:** The combined primary and secondary property tax rate for this subdivision for the year 2005 is \$9.2992 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 \$155,000.00, is \$1,153.10.

**Special District Tax or Assessments:** N/A

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

**PROPERTY OWNERS ASSOCIATIONS**

**Name and Assessments:** Indian Terrace Homeowners Association, Inc., with current assessments of \$150.00 per month.

**Control of Association:** Upon the earlier of (a) ninety (90) days after the conveyance of seventy-five percent (75%) of the Units which may be created to Owners other than the Declarant; or (b) four (4) years after all Declarants have ceased to offer Units for sale in the ordinary course of business.

**Title to Common Areas:** Each owner of a unit will be conveyed a 1/47<sup>th</sup> undivided interest in the Common Areas.

**Membership:** All unit owners will be members.

Non-members will be contractually authorized to use the recreational facilities within Indian Terrace Condominiums. Section 3.3.2 of the Declaration of Condominium and Easements, Covenants, Conditions and Restrictions for Indian Terrace, a condominium states, "Notwithstanding the provisions of Subsection 3.3.1 to the contrary, if a Unit is leased or rented, the Lessee and the members of his family residing with the Lessee shall have the right to use any recreational amenities which are part of the Common Elements during the term of the lease, and the Unit Owner shall have no right to use such recreational amenities until the termination or expiration of the lease."

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

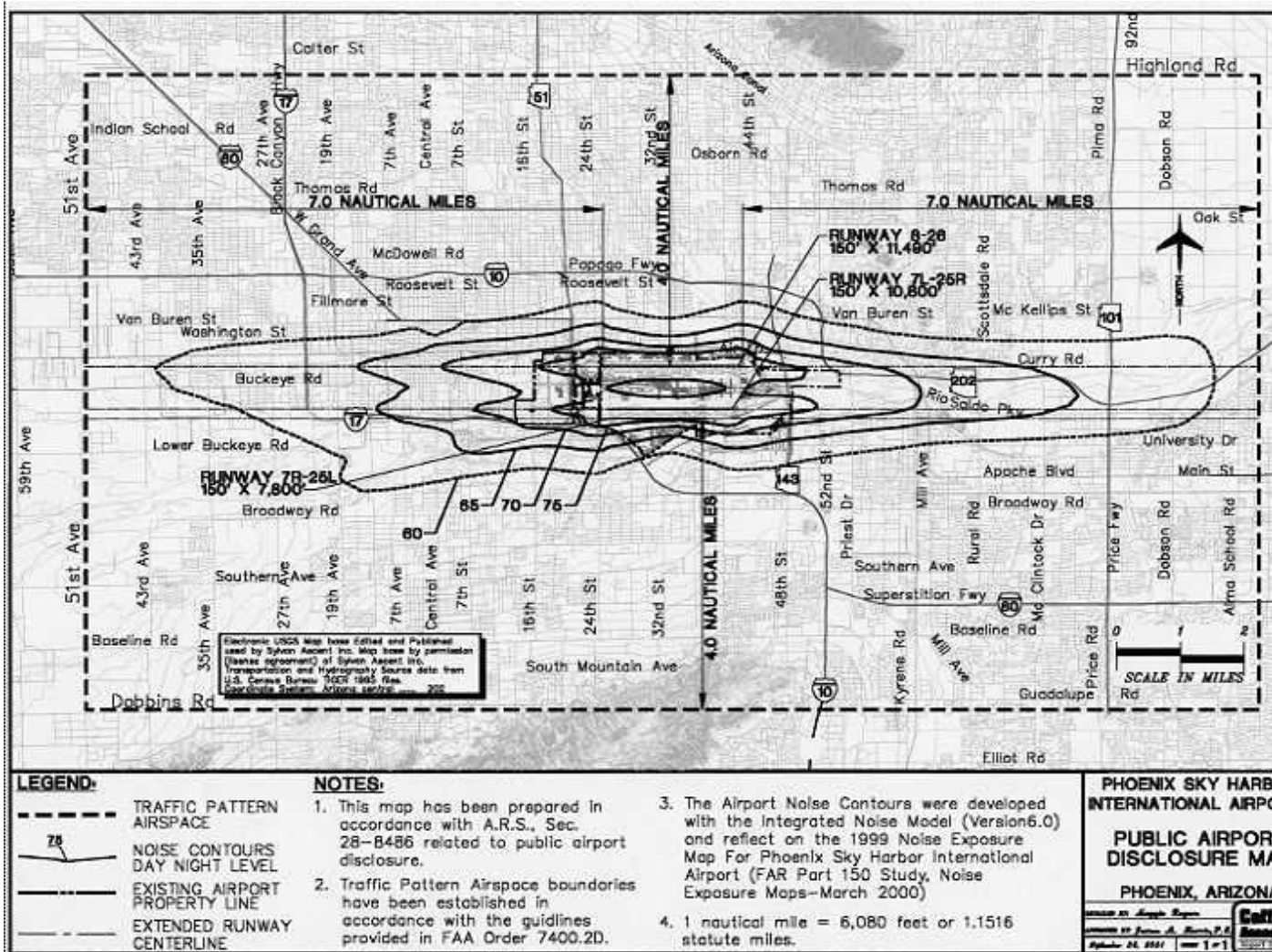
**YOU ARE ADVISED TO READ THE RECORDED DECLARATION OF CONDOMINIUM, FILED ARTICLES OF INCORPORATION, BYLAWS FOR THIS SUBDIVISION TO DETERMINE THE RIGHTS OF UNIT OWNERS TO PARTICIPATE IN THE CONTROL OF THE PROPERTY OWNERS' ASSOCIATION AND TO DETERMINE THE RIGHTS, DUTIES AND LIMITATIONS OF OWNERS IN AND TO USE OF THEIR UNITS. FURTHER, YOU SHOULD DETERMINE FOR YOURSELF IF SUBDIVIDER'S ARRANGEMENTS AND PLANS FOR THE PAYMENT OF ASSESSMENTS ON UNSOLD 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**  
**SCHEDULE B'S**

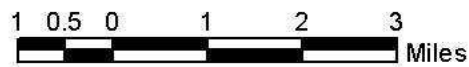
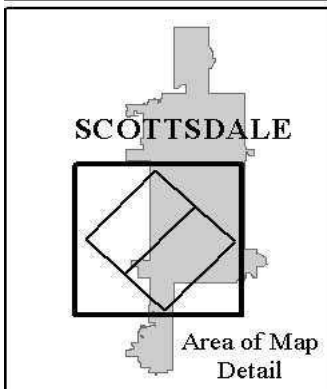
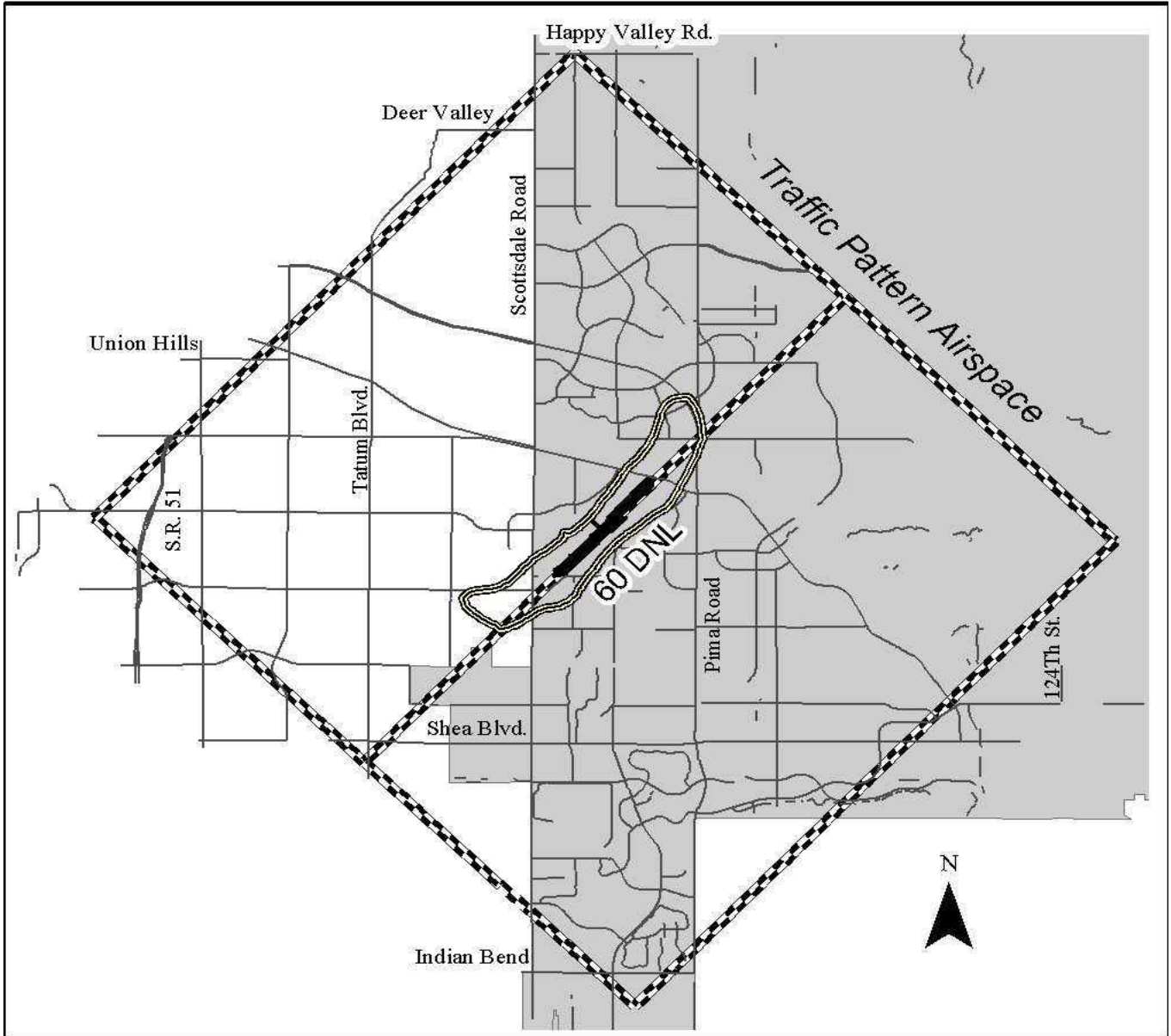
1. Any action by Maricopa County Assessor and/or Treasurer, altering the current or prior tax assessments, subsequent to the date of the Policy of Title Insurance.
2. TAXES AND ASSESSMENTS collectible by the County Treasurer not yet due and payable for the following year: Year: 2006
3. The liabilities and obligations imposed upon said land by reason of: (a) inclusion thereof within the boundaries of the Salt River Project Agricultural Improvement and Power District; (b) membership of the owner thereof in the Salt River Valley Water Users' Association, an Arizona corporation and (c) the terms of any Water Right Application made under the reclamation laws of the United States for the purpose of obtaining water rights for said land.
4. WATER RIGHTS, claims or title to water, whether or not shown by the public records.
5. Liabilities and Obligations imposed upon said lane by reason of the formation of the following named Association: Indian Terrace Condominium Association
6. Easements, setback lines, terms, conditions and matters as shown on the recorded plat of said subdivision.
7. Easement and rights incident thereto, as set forth in instrument: Recorded: in Docket 7978, page 493; Purpose: road or highway. (Common Area)
8. Easement and rights incident thereto, as set forth in instrument: Recorded: in Docket 14605, page 877; Purpose: waterlines. (Common Area)
9. Easements and rights incident thereto, as set forth in instrument: Recorded: in Docket 14791, page 1345; Purpose: communication facilities. (Common Area)
10. Easements and rights incident thereto, as set forth in instrument: Recorded: in Docket 15374, page 669. (Common Area)
11. Leasehold, under the terms and conditions of an unrecorded lease made by; Lessor: Indian Terrace Apartments; Lessee: Web Service Company, Inc.; Dated: August 16, 1990; Term: 3 years plus renewals; As Disclosed by: Memorandum of Lease of real property; Recorded: April 24, 1989 in Instrument No. 89-185751 and in Instrument No. 90-449877.
12. RESTRICTIONS, CONDITIONS, COVENANTS, LIABILITIES, OBLIGATIONS AND EASEMENTS, (deleting therefrom any restrictions indicating any preference, limitation or discrimination based on race, color, religion, sex, handicap, familial status or national origin) contained in instrument recorded in 2006-0635660 and re-recorded in instrument no. 2006-0719242.

13. Deed of Trust given to secure the original amount shown below, and any other amount payable under the terms thereof:  
Trustor: Indian Terrace Condominiums, LLC, an Arizona limited liability company  
Trustee: T.D. Service Company of Arizona, a California corporation  
Beneficiary: Imperial Capital Bank  
Amount: \$5,363,000.00  
Dated: July 1, 2005  
Recorded: July 15, 2005 in Instrument No. 2005-0977870.
  
14. Assignment of Leases executed by and between Indian Terrace Condominiums, LLC, an Arizona limited liability company, as assignor and Imperial Capital Bank, as assignee, Recorded July 15, 2005 in Instrument No. 2005-0977871.

EXHIBIT 'B'



# Scottsdale Airport Traffic Pattern Airspace



Map Date: October 18, 2001