



Arizona Department of Real Estate (ADRE)
Development Services Division

www.azre.gov
2910 N. 44th STREET STE-100
PHOENIX, AZ 85018

DOUGLAS A. DUCEY
GOVERNOR

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COMMISSIONER

SUBDIVISION DISCLOSURE REPORT

(PUBLIC REPORT)

FOR

ADERRA CONDOMINIUMS aka ADERRA CONDOMINIUM RESIDENCES

Registration No. DM16-057925

SUBDIVIDER

PFP ADERRA HOLDINGS, LLC

11640 N. Tatum Blvd.

Phoenix, AZ. 85028

Effective Date

April 19, 2016

PROPERTY REPORT 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. The report was prepared by the subdivider and none of the information in this report has been verified by the Department; all information has been accepted by the Department 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.

PHOENIX OFFICE:
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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 CONTRACTS OR AGREEMENTS FOR THE PURCHASE OF AN UNIMPROVED LOT (WITHOUT A BUILDING)* MAY BE RESCINDED BY YOU WITHOUT CAUSE BY SENDING OR DELIVERING WRITTEN NOTICE OF RESCISSION BY MIDNIGHT OF THE SEVENTH CALENDAR DAY FOLLOWING THE SIGNING.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 1003, 1004, 1006, 1011, 1014, 1016, 1017, 1020 thru 1022, 1024, 1025, 1028, 1029, 1031 thru 1033, 1037, 1038, 1041, 1048, thru, 1050, 1052, 1054 thru 1056, 1059, 1061 thru 1064, 1067 1070 1072 1073, 1080, 1093 thru 1095, 2002 thru 2005, 2011 thru 2014, 2020 thru 2022, 2025, 2028, 2032, 2035 thru 2038, 2040, 2041, 2045, 2048, 2051 thru 2054, 2056, 2059, 2062, 2068 2073, 2076, 2097 3003, 3005, 3006, 3011 thru 3013, 3017, 3020 thru 3022, 3024, 3045, 3052, 3061, 3073, 3088 and 3089.

The map of this subdivision A condominium as created by that certain Declaration of Condominium and of Covenants, Conditions and Restrictions recorded as 2005-0848774 of Official Records and a First Amendment recorded as 2007-0660761 and 2009-0506043, of Official Records, and as shown on the plat of said condominium recorded as Book 747 of Maps, Page 2, and Certificate of Correction recorded as 2005-0848773 of Official Records of Maricopa County, State of Arizona.

The subdivision is approximately 11.47 acres in size. It has been divided into 312 Units.

Prospective purchasers are hereby advised that the recorded plat for this subdivision contains the following, in part:

DEDICATION

THAT STARPOINTE ADERRA CONDOMINIUMS LIMITED PARTNERSHIP, A DELAWARE LIMITED PARTNERSHIP, AS OWNER, HEREBY PUBLISHES THIS CONDOMINIUM MAP OF ADERRA CONDOMINIUMS LOCATED IN THE NORTH HALF OF SECTION 19, TOWNSHIP 3 NORTH, RANGE 4 EAST OF THE G&S.R.B. &M., MARICOPA COUNTY, ARIZONA, AND HEREBY DECLARES THAT SAID MAP SETS FORTH THE LOCATION AND GIVES THE DIMENSIONS OF THE UNITS CONSTITUTING SAME AND THAT EACH UNIT SHALL BE KNOWN BY THE NUMBER GIVEN RESPECTIVELY ON SAID MAP. NOTHING CONTAINED IN THIS PLAT SHALL BE INTERPRETED AS A DEDICATION TO THE PUBLIC OF THE PRIVATE DRIVEWAYS OR ANY OTHER COMMON ELEMENTS.

NOTES

1. ALL NEW OR RELOCATED UTILITIES WILL BE PLACED UNDERGROUND.
2. NO STRUCTURE OF ANY KIND BE CONSTRUCTED ON, OVER, OR PLACED WITHIN THE WATER AND SEWER EASEMENTS EXCEPT PAVING NOR ANY PLANTING EXCEPT GRASS. IT SHALL BE FURTHER UNDERSTOOD THAT THE CITY OF PHOENIX SHALL NOT BE REQUIRED TO REPLACE ANY OBSTRUCTIONS OR PLANTING THAT MUST BE REMOVED DURING THE COURSE OF MAINTENANCE, CONSTRUCTION, OR RECONSTRUCTION OF CITY UTILITIES.

3. THIS SITE LIES WITHIN THE PARADISE VALLEY SUBSIDENCE AREA.
4. THIS SUBDIVISION IS LOCATED WITHIN THE CITY OF PHOENIX WATER SERVICE AREA AND HAS BEEN DESIGNATED AS HAVING AN ASSURED WATER SUPPLY.

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: 11640 North Tatum Boulevard, City of Phoenix, Maricopa County, and State of Arizona.

UTILITIES

Electricity: Arizona Public Service, (602) 371-7171; www.aps.com. Purchasers will be required to pay an application fee of \$25.00 plus tax. A refundable deposit may be required.

Telephone: Cox Communications, (623) 594-1000, www.cox.com OR CenturyLink, (800) 244-1111, www.centurylink.com. **Cox:** Purchasers will be required to pay a standard installation fee of \$60.00 plus tax and a deposit of \$50.00-\$75.00 may be required depending on credit history. **For CenturyLink:** Purchasers will be required to pay a standard hook-up fee of 27.50 plus tax.

A refundable deposit, depending on purchaser's credit history, may be required. Additional fees may be charged by both providers for additional or enhanced services.

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, LE. A CELLULAR TELEPHONE.

Cable: Cox Communications, (623) 594-1000, www.cox.com OR CenturyLink, (800) 244-1111, www.centurylink.com. **Cox:** Purchasers will be required to pay a standard installation fee of \$60.00 plus tax and a deposit of \$50.00 or more may be required depending on credit history and the services requested. **CenturyLink:** Purchasers will need to subscribe with a satellite television service, such as Direct TV. An advance payment deposit may be required by Direct TV, depending on credit history of purchaser. Additional set-up fees and/or refundable deposits may also be required by CenturyLink, based on the credit history of the purchaser. Also, Prism TV, the fiber optic television service from CenturyLink, may be available at the time of purchase. Purchasers should inquire with the provider for fees and deposits.

IT IS POSSIBLE THAT YOU MAY NOT HAVE CABLE SERVICE AT THE TIME OF CLOSING. YOU ARE ADVISED TO CONTACT YOUR SERVICE PROVIDER TO DETERMINE THE STATUS OF CABLE SERVICE. YOU MAY ALSO WANT TO CONSIDER TEMPORARY ALTERNATIVES, I.E., A SATELLITE ANTENNA.

Internet or Fiber Optic: Is Available

Natural Gas: Southwest Gas Corporation, (877) 860-6020, www.swgas.com. Purchasers **will be required to pay an establishment** fee of \$35.00, plus tax, and a security deposit of \$80.00 may be required.

Water: City of Phoenix Water Services, (602) 262-6251, www.phoenix.gov/waterservices. Purchasers will be required to pay a service establishment fee of \$35.97, and a deposit of \$83.00 may also be required.

Sewage Disposal: City of Phoenix Sewer Services, (602) 262-6251, www.phoenix.gov. Establishment fee is included in service establishment fee for water service.

Garbage Services: City of Phoenix, 200 West Washington, Phoenix, AZ, (602) 262-6251; website: www.phoenix.gov/publicworks/garbage with costs included in property taxes.

All improvements are complete.

PURCHASERS ARE ADVISED TO CONTACT THE ABOVE LISTED PROVIDERS REGARDING EXTENSION RULES, REGULATIONS, SERVICE CONNECTIONS, INSTALLATION CHARGES, ACCOUNT SET-UP FEES AND THE COSTS INVOLVED. COSTS ARE SUBJECT TO CHANGE BY THE SERVICE PROVIDERS.

STREETS, ROADS AND DRAINAGE

Access to the Subdivision: The asphalt paved public streets have been completed to the minimum standards of the City of Phoenix which will be maintained by the City. Costs to purchasers for maintenance are included in the property taxes.

Access within the Subdivision: The asphalt paved private streets have been completed which will be maintained by the Condominium Owners Association. Costs to purchasers for maintenance are included in the Condominium Owners Association dues.

Street Lights: Street lights will not be available to subdivision.

Flood and Drainage: The typical street drainage & drainage storage including drywells have been completed which will be maintained by the Condominium Owners Association. Costs to purchasers for maintenance are included in Condominium Owners Association dues.

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 open space 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, or call (602) 542-4631.

LOCAL SERVICES AND FACILITIES

Schools: Sequoya Elementary School (grades K-5) is located at 11808 North 64th Street, approximately 2 ¼ miles east; Cocopah Middle School (grades 6-8) is located at 6615 East Cholla Street, approximately 2 ½ miles southeast; and Chaparral High School (grades 9-12) is located at 6935 East Gold Dust Avenue, approximately 3 ¾ miles southeast.

NOTE: School assignments are subject to change. Prospective Purchasers should contact the Scottsdale Unified School District at 480-484-6100; <http://www.susd.org> for verification of schools. Additional information regarding schools and districts can be found at the following websites: www.greatschools.net and www.sfb.state.az.us.

School bus service is available.

PURCHASERS ARE ADVISED THAT SCHOOL BOUNDARIES AND SCHOOL BUS TRANSPORTATION MAY CHANGE. YOU SHOULD CONTACT THE SCOTTSDALE UNIFIED SCHOOL DISTRICT AT (480) 484-6100 FOR THE MOST CURRENT INFORMATION.

Shopping Facilities: Albertsons, Walgreen's, Whole Foods Market, Trader Joes, The Coffee Bean, Paradise Bakery & Café, Einstein Bros bagels and Z'Tejas and other various retail businesses are located on the northeast and northwest corners of Shea and Tatum Boulevard, approximately ¾ miles southeast.

Public Transportation: The Paradise Valley Mall Transit Center is approximately ½ mile north. Contact Valley Metro at (602) 253-5000 or visit the website at www.valleymetro.org for the most current travel information.

Medical Facilities: Paradise Valley Hospital is located at 3929 East Bell Road, Phoenix, AZ, approximately 4 miles northwest.

Fire Protection: City of Phoenix Fire Department, with costs to purchasers included in the property taxes.

Ambulance Service: Ambulance service is available by dialing 911.

Police Services: City of Phoenix Police Department, with costs to purchasers included in the property taxes.

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

COMMON, COMMUNITY AND RECREATIONAL FACILITIES

Within the Subdivision: The Clubhouse, Fitness Center, Pool/spa, BBQ's, Ramada's, and Landscaping have been completed, which will be maintained by the Condominium Owners Association. Costs to purchasers for maintenance are included in the Condominium Owners Association fees.

Within the Master Planned Community: This subdivision is not part of a Master Planned Community.

ASSURANCES FOR COMPLETION OF IMPROVMENTS

Assurances for Completion of Subdivision Facilities: All improvements are complete.

Assurances for Maintenance of Subdivision Facilities: Condominium declaration provides for the Condominium Owners Association to maintain all common areas & private streets. Utility companies to maintain their respective utilities.

PROPERTY OWNERS ASSOCIATIONS

Name and Assessments: Aderra Condominium Association, with assessments of \$282.40 paid monthly.

Control of Association: Control has been transferred to the unit owners.

Title to Common Areas: Each owner of a unit will be conveyed an undivided interest in the common areas.

Membership: All Unit Purchasers 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.

SUBDIVISION CHARACTERISTICS

Topography: Land is level.

Flooding and Drainage: Dennis L. DeWitt., R.L.S. VP, P.E., R.L.S. of Val Tec Inc. in a letter dated May 25, 2005 in part, the following:

We have reviewed the Aderra Condominium project located near the northwest corner of North Tatum Blvd. and Cholla Street, Phoenix, Arizona' with regard to its location and published Federal Emergency Management Agency's (FEMA) Flood Insurance Rate Maps (FIRM). To the best of my knowledge and in accordance with My understanding Of FEMA FIRM Panel Number 0401301:680 G, revised July19, 2001, this Site's Flood Zone is further defined as follows:

FLOOD ZONE DESIGNATION

The Parcel lies within-Zone X as designated on FEMA Map No. 04013C1680G revised July 19, 2001: Zone X is defined as, areas of 500-year flood; areas of -100-year flood With average depths-of areas of 500-year flood; areas of 100-year flood with average depths of less than 1 foot or with drainage areas protected by levees from 100 -Year flood.

Our reading of the National Flood Insurance Program (NFIP) indicates that Flood Zone-X is not a Special Flood Area (SFHA) and does not require mandatory purchase of flood insurance by borrows using federally regulated primary lenders and/or secondary market entities involved in mortgage loan transactions, specific questions about the limits and applications of the NFIP should be directed to legal consultation.

Soils: This subdivision is subject to subsidence or expansive soils. In his letter, dated May 12, 2005, Gregg A. Creaser, P.E., of Speedie and Associates, Inc., has cited, in part:

“Speedie and Associates have issued a Report on Geotechnical Investigation, Project No. 30804SA, dated July 31, 2003 for the subject site. This report presents the results of a subsurface soil investigation for the purpose of determining the engineering properties of the soils and to provide recommendations for the design of the foundations, site grading and paving.

The project consists of the construction of a three story condominium buildings on a 9.6+ acre site. The buildings will be wood frame structures supported entirely above a below grade parking level.

Based on the findings in our investigation, the subject site is suitable for the support of the proposed residential structures imposing relatively light foundation loads provided certain remedial actions taken to improve the soils and the bearing soils are not subject to water inundation.

The subject site is located in a basin (valley) area with typical fine-grained alluvial soils. It is located in an area that is known for excessive ground water withdrawal resulting in basin wide subsidence. This is a basin wide phenomenon and should not have an impact on the proposed structures. While earth fissures have been mapped in the general area, all known fissures are located more than one mile away. No fissures were noted on the subject site during this investigation.

Subsoil conditions at the site consist of minor surface fills underlain by sandy silt for the first 5 feet. This first 5 feet is then underlain primarily by approximately 10 feet of clayey sands, sandy clays, and sandy silt clays with some layers of sandy silts. These layers are then generally underlain by well graded sand, silty sand, and clayey sands to the termination of the boring depths at 25 to 26.5 feet. The soil profile contains varying amounts of weak to strong calcareous cementation (caliche) and subordinate amounts of gravel. No groundwater was encountered during this investigation. Based on visual and tactile observation, the soils were primarily in a 'dry' state at time of investigation. The clay soils exhibit volume increase due to wetting of approximately 3.5 percent when compacted to moisture and density levels normally expected during construction. An undisturbed sample displayed additional compression due to inundation under a maximum confining load of 2,200 psf.

Conventional basement level shallow spread foundations were recommended for the garage structures. The residential units will be supported on Post Tensioned slab on grade foundations systems that will be designed to accommodate the engineering properties of the soils. This assumes certain site preparation recommendations were followed to reduce the potential for compressible and expansive soils. All structures settle when foundation loads are applied to the bearing soils. Recommendations are made to reduce these settlements to those values normally acceptable for the types of structures being constructed, ½ to ¾-inches. The bulk of this settlement will occur as soon as the structure is completed. Post-construction differential settlements will be negligible, under existing and compacted moisture contents but could increase if the supporting soils are wetted. Planters adjacent to structures should use low water use plants and be designed to prevent water ponding against the foundations. Roof drains should be directed to discharge away from the structure, not planters adjacent to the buildings.”

Adjacent Lands and Vicinity: State the zoning codes and definitions for the adjacent lands. Then describe any existing or proposed land uses adjacent to and within a 2 mile radius (see worksheet), including American Indian reservation lands within 5 miles.

NORTH - PCD (Planned Community District), P.A.D. (Planned Area Development), C-2 (Intermediate Commercial); R1-4 Multiple Family Residence (Detached Density Range 5 to 6.5 or 12 W/Bonus) (Attached Density Range 29 to 30.45 or 34.8 W/Bonus).

SOUTH – R1-18 (1.95 Dwelling/Acre Base Density), S.P. (Special Permit), PCD (Planned Community Development); CP/BP (Commercial Park Business Park Option).

EAST – C-O (Commercial Office/Restricted Commercial), (Planned Community District); PCD (Planned Community District).

WEST – R1-18 (1.95 Dwelling/Acre Base Density); PCD (Planned Community District)

NORTHWEST – CP/BP (Commerce Park/Business Park Option).

NOTE: Owners of the adjacent land 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 of Phoenix Planning Department at (602) 262-7131 or Maricopa County Planning and Development at (602) 506-3301 for more information.

Stonecreek Golf Club is adjacent on the south and west of the subdivision; LA Fitness Center is located south at the main entrance off Tatum. Tatum Road is adjacent on the east side of the community. North of the property is bordered by Villas at Stonecreek. Cactus Road is approximately ¼ mile north; Paradise Valley Mall is approximately ¼ mile north; Paradise Valley Mall transit center is approximately ½ mile north; Orange Tree Golf Resort is approximately 1 ¼ miles east; the Indian Bend Wash is approximately 1 ½ miles northwest; State Highway 51 (Piestewa Parkway) is approximately 1 ¾ miles west; Phoenix Mountains Preserve is approximately 2 miles southwest; Sequoia Elementary School (K-5) is approximately 2 ¼ miles east; Cocopah Middle School (6-8) is approximately 2 ½ miles southeast; Camelback Golf Club is approximately 2 ¾ miles southeast; North Mountain Preserve is approximately 3 ½ miles west; Shadow Mountain Preserves is approximately 3 ½ miles northwest; Chapparal High School (9-12) is approximately 3 ¼ miles southeast; The Pointe Golf Club at Lookout Mountain is approximately 3 ¾ miles northwest; Paradise Valley Hospital is approximately 4 miles northwest; Scottsdale Airpark Municipal Airport is approximately 4 ¼ miles northeast; Dreamy Draw Recreation Area is approximately 4 ½ miles southwest; Central Arizona Project Hayden Rhodes Aqueduct is approximately 4 ½ miles north; Loop 101 (Pima Freeway) is approximately 5 ¼ miles east and 5 ½ miles north.

A golf course is adjacent to the south and west of the development. Property owners adjacent or in the vicinity of the golf course property assume all risks with respect to injury or damage caused by errant golf balls. Maintenance activities of the golf course, which may include, but is not limited to, application of fertilizers, irrigation and drainage, odors, etc., may adversely-affect unit owners. Additionally, the golf course is a public facility, and Developer has no control over the golfers. Maintenance activities (including irrigation systems, turf cutting, plant trimming, weed control, etc.) and other golf course related activities may result in noise during non-working hours.

As a result of the natural gas facilities available to this subdivision, major natural gas lines in the vicinity of this community are necessary in order to service the surrounding areas. For further information regarding natural gas lines, purchasers should contact Southwest Gas Corporation at (602) 861-1999 or log onto their website at www.swgas.com. Additional information may be obtained by contacting the Pipeline and Railroad Safety Department of the Arizona Corporation Commission at (602) 262-5601 or visit the Corporation Commission web site at <http://www.cc.state.az.us/utility/gas/infrastructure.htm>.

The United States Environment Protection Agency (“EPA”) has indicated that a number of homes in the United States experience elevated levels of Radon Gas. Radon is a naturally occurring gas which is caused by the radioactive decay of the element radium. Radium is contained in the earth’s crust and dissolves readily in water. Radon may be found virtually everywhere. Radon Gas can enter a Unit through a variety of sources, such as joints or normally occurring cracks in the concrete floors or walls. Once inside an enclosed space, radon can accumulate. EPA has stated that prolonged exposure to elevated concentrations of radon decay products has been associated with increases in risk of lung cancer. EPA, state and local environmental authorities are best equipped to render advice regarding the risk which may exist in a particular area, methods available to detect and measure radon levels and what, if any, remedial measure may be advisable in a particular circumstance to reduce the risk of radon exposure.

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.

High Voltage Lines: State if there are any existing or proposed high voltage power lines (115kv or greater) or any existing or proposed substations (115kV or greater) within the boundary of the subdivision or within ½ miles of the subdivision boundary. Not to applicants knowledge

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. This 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 Purchaser’s own inspections are of concern to Purchaser.

SUBDIVISION USE AND RESTRICTIONS

Use: This offering is for Condominium Units.

Conditions, Reservations and Restrictions: In accordance with the recorded Declaration of Covenants, Conditions and Restrictions; the Condominium Owners Association’s Articles of Incorporation and Bylaws and existing zoning ordinances.

PURCHASERS ARE ADVISED THAT THE RECORDED DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR THIS SUBDIVISION PROVIDES FOR AN ARCHITECTURAL CONTROL COMMITTEE.

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.

Central Arizona Groundwater Replenishment District (“CAGR”): The subdivision is enrolled as a Member Land of the Central Arizona Groundwater Replenishment District (“CAGR”) pursuant to A.R.S. §48-3772 and 48-3774. The CAGR is managed and operated by the Central Arizona Water Conservation District (“CAWCD”), which manages and operates the Central Arizona Project. The CAGR is obligated by statute to replenish the excess groundwater delivered to its members’ by the municipal water provider. CAGR is required to levy an annual replenishment assessment against each parcel of Member Land to pay its replenishment costs and expenses, pursuant to A.R.S. §48-3778. The replenishment assessment is not included in the tax estimates given above. A parcel’s replenishment assessment is based on an assessment rate established annually by the CAWCD Board of Directors, multiplied by the actual volume of excess groundwater reported to be delivered to the parcel in the previous year. Therefore, a parcel’s replenishment assessment will vary from year to year and will likely increase over time. The assessment is included in each parcel owner’s annual property tax statement and is collected by the County Treasurers Office. For further information, you may contact CAGR at (623) 869-2243 or visit their website at www.cagr.com.

City of Phoenix is not part of a CAGR District.

AIRPORTS

Military Airport: State the name and location of the military airport in the vicinity as defined in A.R.S. 28-8461, if applicable. The subdivision is not in the vicinity as define of a Military Airport as defined in A.R.S. 28-8461.

Airport: Scottsdale Airpark Municipal Airport, 15000 North Airport Drive, Scottsdale, AZ, is approximately 4 ½ miles northeast

The development is located in the vicinity of Scottsdale Airpark Municipal Airport. Flights may produce aircraft noise as a result of flight operations.

Please see Exhibit “B” attached.

Airport: Scottsdale Airpark Municipal Airport, 15000 North Airport Drive, Scottsdale, AZ, is approximately 4 ½ miles northeast is the closest airport to the subdivision.

TITLE

Title to this subdivision is vested in (name of fee title owner)

To be vested in PFP ADERRA HOLDINGS, LLC

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 March 18, 2016 issued by Old Republic Title. **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. You should read these documents before signing them.

Cash sales are permitted. Within two (2) business days after the Effective Date, Buyer shall deposit with Escrow Agent the Earnest Money Deposit in the amount shown in the Information Summary Purchase Agreement. If Buyer fails to deposit the Earnest Money Deposit within such period, Seller may terminate this Agreement by written notice to Buyer, whereupon any portion of the Earnest Money Deposit paid by Buyer shall be returned to Buyer, less any applicable escrow cancellation charges. **Buyer agrees that, if Buyer breaches this Agreement, the Earnest Money Deposit may be forfeited in accordance with this Agreement.** Unless otherwise provided herein, the Earnest Money Deposit shall be applied toward payment of the Purchase Price for the Residence. Buyer agrees that upon the expiration of the Inspection Period (as defined in the Purchase Agreement), the Earnest Money Deposit shall be non-refundable to Buyer except as otherwise set forth in this Agreement.

Release of Liens and Encumbrances: The applicant does have a Deed of Trust recorded against the property however, said Deed of Trust has provided for partial Unit Release provisions and encumbrances recorded against the property in part as follows: **Without affecting the liability of Trustor, any guarantor under any of the Loan Documents, or any other person (except any person expressly released by Beneficiary in writing) for payment of any indebtedness or for performance of any obligation secured by or contained in this Deed of Trust, and without affecting the rights of Beneficiary with respect to any security not expressly released in writing, Beneficiary, at any time and from time to time, either before or after maturity of the Note, and without notice or consent, may: Release any guarantor or other person liable for payment of all or any part of the indebtedness or for performance of any obligation; Further any Purchase Contracts for the sale of condominium units in the ordinary course of business as expressly permitted under the Loan Agreement.**

Use and Occupancy: Unit Purchaser will be permitted to use and occupy his-Unit upon close of escrow, recordation of Deed and completion of construction.

Leasehold Offering: Will any of the property be leased? Yes X

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 2015 is 9.7583 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 \$240,000.00, is \$1,990.69.

Special District Tax or Assessments: As disclosed in the Condominium Owners Association documents (i.e., CC&Rs, Articles of Incorporation and Bylaws), there may be other special assessments taxes or fees to be paid by purchaser. Please refer to Condominium Owners Association documents for additional information.

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

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"

Defects, liens, encumbrances, adverse claims or other matters, if any, created, first appearing in the public records or attaching subsequent to the Effective Date hereof but prior to the date the proposed Insured acquires for value of record the estate or interest or mortgage thereon covered by this Commitment.

1. Taxes and assessments, general and special, for the year 2016, a lien but not yet due and payable.
2. Liens and charges for upkeep and maintenance contained in instrument recorded at Recorder's No. 2005-848774, for the collection of assessments for Aderra Condominium Homeowners Association.
3. EASEMENTS, RESTRICTIONS, CONDITIONS AND COVENANTS, omitting, if any, from the above, any restrictions based on race, color, religion, sex, handicap, familial status or national origin as shown on the plat:
Recorded in [Book 195 of Maps, Page 30](#) and thereafter Certificate of Correction recorded at Recorder's No. [83-77246](#), records of Maricopa County, Arizona.
4. EASEMENTS, RESTRICTIONS, CONDITIONS AND COVENANTS, omitting, if any, from the above, any restrictions based on race, color, religion, sex, handicap, familial status or national origin as shown on the plat:
Recorded in [Book 335 of Maps, Page 20](#), records of Maricopa County, Arizona.
5. EASEMENTS, RESTRICTIONS, CONDITIONS AND COVENANTS, omitting, if any, from the above, any restrictions based on race, color, religion, sex, handicap, familial status or national origin as shown on the plat:
Recorded in [Book 341 of Maps, Page 27](#) and thereafter Affidavit of Correction recorded at Recorder's No. [96-884537](#) and thereafter Amended Plat recorded in [Book 430 of Maps, page 24](#), records of Maricopa County, Arizona.
6. EASEMENTS, RESTRICTIONS, CONDITIONS AND COVENANTS, omitting, if any, from the above, any restrictions based on race, color, religion, sex, handicap, familial status or national origin as shown on the plat:
Recorded in [Book 513 of Maps, Page 46](#), records of Maricopa County, Arizona.
7. EASEMENTS, RESTRICTIONS, CONDITIONS AND COVENANTS, omitting, if any, from the above, any restrictions based on race, color, religion, sex, handicap, familial status or national origin as shown on the plat:
Recorded in [Book 732 of Maps, Page 20](#), records of Maricopa County, Arizona.

8. EASEMENTS, RESTRICTIONS, CONDITIONS AND COVENANTS, omitting, if any, from the above, any restrictions based on race, color, religion, sex, handicap, familial status or national origin as shown on the plat:
Recorded in [Book 747 of Maps, Page 2](#), and amendment to the Condominium Map and Notice of Storage Space Assignments recorded at Recorder's No. [2013-313140](#) and thereafter Amendment recorded at Recorder's No. [2013-48241](#) and thereafter Amendment recorded at Recorder's No. [2014-110221](#), records of Maricopa County, Arizona.

And thereafter Amendment to the Condominium Map recorded at Recorder's No. [2016-188472](#).

9. Terms and provisions as contained in an instrument,

Entitled : Agreement Respecting Easements and Restrictions
Executed By : Paradise Links Partnership and UP Stonecreek, Inc
Recorded : December 20, 1996 in Maricopa County Records at Recorder's No. [96-884540](#)

10. Terms and provisions as contained in an instrument,

Entitled : Declaration of Covenants, Easements, Reservations and Restrictions
Recorded : December 20, 1996 in Maricopa County Records at Recorder's No. [96-887699](#)

11. Terms and provisions as contained in an instrument,

Entitled : Declaration of Covenants and Reciprocal Easement Agreement
Executed By : Grainey Ranch Financial Limited Partnership III, LLP and BRE Properties, Inc.
Recorded : March 7, 2000 in Maricopa County Records at Recorder's No. [2000-170598](#)

12. Terms and provisions as contained in an instrument,

Entitled : Landscape License Agreement
Executed By : Gainey Ranch Financial Limited Partnership III, LLP and BRE Properties, Inc.
Recorded : March 7, 2000 in Maricopa County Records at Recorder's No. [2000-170599](#)

13. An easement affecting that portion of said land and for the purposes stated herein and incidental purposes as provided in the following

Instrument : Non-exclusive Drainage Easement
 For : Drainage
 Recorded : March 7, 2000 in Maricopa County Records at Recorder's No. [2000-170600](#)

14. An easement affecting that portion of said land and for the purposes stated herein and incidental purposes as provided in the following

Instrument : Easement
 For : Bicycle and Pedestrian purposes
 Recorded : June 7, 2001 in Maricopa County Records at Recorder's No. [2001-495553](#)

15. An easement affecting that portion of said land and for the purposes stated herein and incidental purposes as provided in the following

Instrument : Easement
 For : Bicycle and Pedestrian
 Recorded : June 7, 2001 in Maricopa County Records at Recorder's No. [2001-495554](#)

16. Terms and provisions as contained in an instrument,

Entitled : Declaration of Covenants and Reciprocal Easement Agreement
 Executed By : Gainey Ranch Financial Limited Partnership III, LLP and Realty Income Corporation
 Recorded : September 27, 2001 in Maricopa County Records at Recorder's No. [2001-564417](#)

17. Terms and provisions as contained in an instrument,

Entitled : Parking License Agreement
 Executed By : Gainey Ranch Financial Limited Partnership III, LLP and Realty Income Corporation
 Recorded : June 27, 2001 in Maricopa County Records at Recorder's No. [2001-564419](#)

18. Terms and provisions as contained in an instrument,

Entitled : Aternative Parking License Agreement
 Executed By : Gainey Ranch Financial Limited Partnership, II, RLLP and Realty
 Income Corporation
 Recorded : June 27, 2001 in Maricopa County Records at Recorder's No. [2001-564420](#)

19. An easement affecting that portion of said land and for the purposes stated herein and incidental purposes as provided in the following

Instrument : Utility Easement
 For : Electric lines
 Recorded : ~~March 21, 2002~~ [2002-28894](#) in Maricopa County Records at Recorder's No. [2002-](#)

20. An easement affecting that portion of said land and for the purposes stated herein and incidental purposes as provided in the following

Instrument : Easement
 For : Water purposes
 Recorded : October 28, 2004 in Maricopa County Records at Recorder's No. [2004-1266198](#)

21. An easement affecting that portion of said land and for the purposes stated herein and incidental purposes as provided in the following

Instrument : Easement
 For : Sidewalk purposes
 Recorded : December 7, 2004 in Maricopa County Records at Recorder's No. [2004-1434426](#)

22. Covenants, Conditions, Restrictions, Limitations, Easements, Assessments, Reservations, Exceptions, Terms, Liens or Charges, but omitting any covenants or restrictions if any, based upon race, color, religion, sex, handicap, familial status, or national origin unless and only to the extent that said covenant (a) is exempt under Title 42, Section 3607 of the United States Code or (b) relates to handicap but does not discriminate against handicapped persons, as provided in an instrument.

Entitled : Declaration of Condominium and of Covenants, Conditions and
 Restriction ADERRA CONDOMINIUMS
 Recorded : June 22, 2005 in Maricopa County Records at Recorder's No. [2005-848774](#)

And Thereafter First Amendment to Declaration of Condominium and of Covenants, Conditions and Restrictions recorded on June 4, 2009 at Recorder's No. [2009-506043,records](#) of Maricopa County, Arizona.

and amendment to the Condominium Map and Notice of Storage Space Assignments recorded at Recorder's No. [2013-313140](#) and thereafter Amendment recorded at Recorder's No. [2013-48241](#) and thereafter Amendment recorded at Recorder's No. [2014-110221](#), records of Maricopa County, Arizona.

And thereafter Amendment to the Declaration of Condominium and of Covenants, Conditions and Restrictions recorded at Recorder's No. [2014-708330](#), records of Maricopa County, Arizona.

And thereafter Assignment of Declarant Rights recorded at Recorder's No. [2016-188473](#).

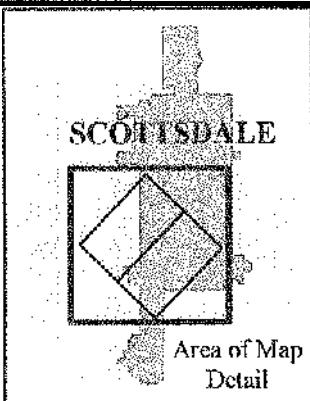
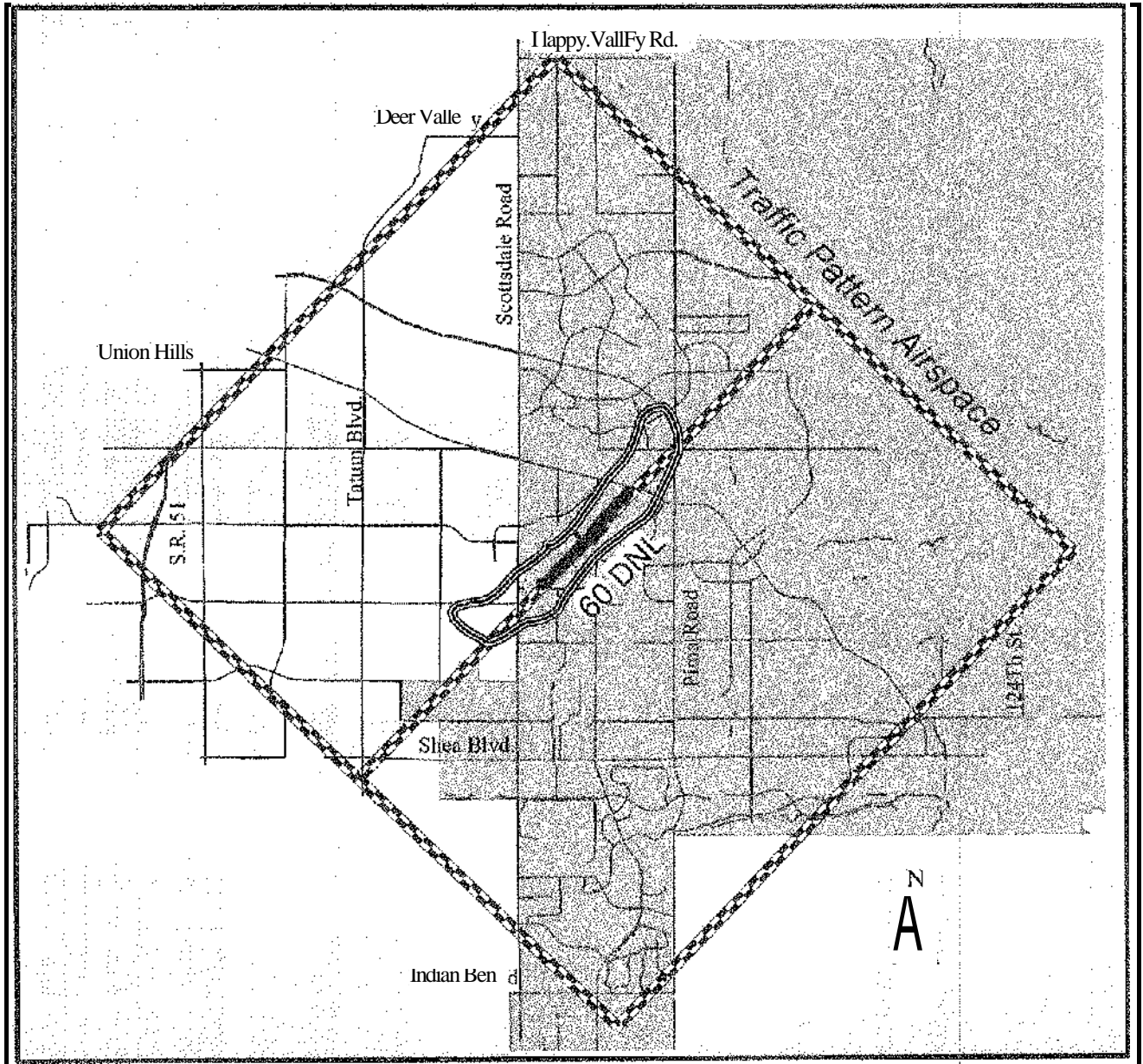
- 23. An easement affecting that portion of said land and for the purposes stated herein and incidental purposes as provided in the following

Instrument : Grant of Easement
For : Gas pipeline
Recorded : September 23, 2005 in Maricopa County Records at Recorder's No. [2005-858129T](#) Terms and provisions as contained in an instrument,

Entitled : Easement Agreement
Executed By : Starpointe Aderra Condominiums Limited Partnership and QWEST Corporation
Recorded : January 26, 2006 in Maricopa County Records at Recorder's No. [2006-113468](#)

- 24. An easement affecting that portion of said land and for the purposes stated herein and incidental purposes as provided in the following

Scottsdale Airport Traffic Pattern Airspace



1 0.5 0 1 2 3
Miles

Map Date: October 18, 2001

