

SUBDIVISION PUBLIC REPORT

FOR

FINAL REPLAT OF LA ESTRELLA VISTA CONDOMINIUMS

aka LA ESTRELLA VISTIA CONDOMINIUMS

Registration No. DM07-053974

SUBDIVIDER

**Avenue 67, L.L.C
P.O. Box 4150
Mesa, AZ 85211**

Effective Date: SEPTEMBER 11, 2007

DISCLAIMER

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

ARIZONA DEPARTMENT OF REAL ESTATE

**PHOENIX OFFICE:
2910 N. 44th Street
Suite 100
Phoenix, Arizona 85018
(602) 771-7750**

**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 CONTRACTS OR AGREEMENTS FOR THE PURCHASE OF AN UNIMPROVED LOT (WITHOUT A BUILDING)* MAY BE RESCINDED BY YOU WITHOUT CAUSE BY SENDING OR DELIVERING WRITTEN NOTICE OF RESCISSION BY MIDNIGHT OF THE SEVENTH CALENDAR DAY FOLLOWING THE SIGNING.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 1 through 13, 15 through 25 and 1 tract (tract A)

The map of this subdivision is recorded in Book 939, Page 40 records of Maricopa County, Arizona.

The subdivision is approximately 7.24 acres in size. It has been divided into 24 units (Units 1 through 13, 15 through 25) 1 Tract (Tract A). Lot boundaries will be permanently staked with 1/2" capped rebar.

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

SUBDIVISION LOCATION

Location: The subdivision is located at 3065 North 67th Avenue Phoenix, AZ 85033, east of 67th avenue on the south side of Earl Drive.

SUBDIVISION CHARACTERISTICS

Topography: Subdivider advises that the terrain consists of mostly flat acreage with heavy concentrations of low weeds, shrubs and grasses (see description in executive soils summary).

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

Flooding and Drainage: Subdivider advises this subdivision is not subject to flooding or drainage problems. In a letter dated July 6 2007, Phillip W. Rosendahl, P.E & RLS. of Rosendahl and Associates, Inc, states the following, in part:

The side La Estrella Vista located at the southeast corner of 67th Avenue and Earll Avenue in Phoenix, AZ. According to the Floor Insurance Rate Map (FIRM) 04013C, Panel 2105 Suffix E, dated July 19, 2001, the area of La Estrella Vista lies in a Zone "X" designated area. Zone " X" is defined as and area of minimal flooding potential. Being areas of 100-yr, and 500-yr flood events with average depths of less than 1 foot or with drainage areas of less than 1 square mile and areas protected by levees from the 100 year flood.

If built according to approved plans, the lowest floors of all the buildings will be free from inundation during the 100 year-storm event.

Soils: Subdivider advises this subdivision is subject to expansive and or subsidence soils. The Executive Summary to the soil investigation report attached to the cover letter dated March 31, 2005, executed by Wayne Rosendahl, P.E., with ACS Engineering Group L.C., states, in part:

Executive Summary:

The purpose of the soil investigation for the subject project is to present general information concerning the engineering characteristics of the soil and to submit recommendations for the design of foundations and site preparation for the proposed development located at the southeast corner of 67th Avenue and Earl Drive in Maricopa County, Arizona

It is understood that the proposed development will consist of two and possibly three story multi-family residential complex, imposing relatively light foundation loads. A safe allowable soil bearing pressure of 2000 psf should be used for foundation design. Grading will consist of cuts and fills to achieve desired finish grade elevations.

The majority of the site consists of flat acreage with heavy concentrations of low weeds, shrubs and grasses. Site surficial soils are loose and dry near the surface. Generally, lots on this site have nil to low expansion potential, the top 6" of soil will require processing and compaction to a minimum of 95 percent of ASTM D698 to provide uniform support for concrete slabs and foundations. Conventional spread footings are recommended with footings bearing a minimum of 18" below the existing grade.

Total and differential settlements from assumed loads will be within generally accepted tolerance provided the grading operations are performed as specified and positive drainage away from the structured is maintained. Proper drainage of surface water and roof runoff water away from structures should be provided. Foundation bearing and under slab soils should not be exposed to moisture filtration.

Based on the findings of this report, the site is considered suitable for multi family homes imposing relatively light foundation loads provided floor/foundation systems are properly designed, soils are compacted as specified and proper drainage away from structures is maintained.

Adjacent Lands and Vicinity:

North: R1-6 Single Family Residential
East: R-2 Multiple Family Residential
South: R3-A Multiple Family Residential
West: R1-6 Single Family Residential

Note: The above zoning information was obtained on August 14, 2007, from City of Phoenix. Subdivider advises that zoning information and land use are subject to change.

Purchasers should contact City of Phoenix at 602-262-7811 www.phoenix.gov, for more information.

Existing and proposed land uses adjacent to and in the vicinity of the subdivision:

- South Mountain Freeway Transportation Corridor Study Area
- Proposed South Mountain Freeway Loop alignments & interchanges (including "Preliminary Preferred Build Alternate" route)
- Kinder Morgan pressurized fuel pipelines
- 69kV & 230kV electrical power substations & transmission lines
- Canals
- Schools
- Washes
- Freeways
- Golf courses
- Railroad tracks
- Artificial lakes
- Parks
- Police & Fire stations
- Maricopa County Durango Complex (jail & court facilities)
- City of Phoenix 27th Avenue (transfer station) Landfill
- Mobile home parks
- Interstate 10/Papago Freeway
- Swift Transportation
- Phoenix Fire Department Training Academy
- Cemeteries
- 79th Avenue Park 'N Ride
- Desert Sky Esplanade shopping center
- Desert West Sports Complex
- Desert West Park with artificial lakes
- Cricket Pavilion Amphitheater
- Desert Sky Mall
- City of Tolleson Wastewater Treatment Plant
- Sunland Beef Company
- Kinder Morgan pressurized fuel pipelines
- Salt River
- Manzanita Speedway
- Proposed South Mountain Freeway Loop alignments & interchanges
- Sand, rock & gravel/aggregate mining operations (multiple)
- Maryvale Stadium
- Hospital
- Desert West Sports Complex

Subdivider advises that no representation is made regarding how the property not owned by Subdivider within and surrounding the subdivision will be used or developed. Existing and/or proposed use of adjacent property is subject to change and is not within Subdivider's control.

Subdivision is located within the South Mountain Freeway Transportation Corridor Study Area, in proximity of multiple alternate routes and interchanges currently being considered for the proposed South Mountain Freeway/State Highway Loop 202. Portions of the two alternate routes located closest to the subdivision are approximately 1/4 mile east & 1/4 mile west of 59th Avenue, Per ADOT's website (last updated 04/09/2007) for this study area, ADOT has identified an alignment that would connect with Interstate 10 at 55th Avenue as the "Preliminary Preferred Build Alternative" for the Loop 202 South Mountain Freeway. The website further states that the announcement does not represent the final decision; however, that a change to this alternative route would only occur if substantial new information pertinent to the selection process were discovered. The final decision will come at the conclusion of the environmental process for the entire South Mountain Freeway and the issuance of a Record of Decision, which is expected to occur in the fall of 2007. Prior to that time, opportunities will be available during which the public will be able to review & comment on the Draft Environmental Impact Statement. Per new ADOT aerial maps, the portion of the identified preferred alternative route located closest to the subdivision is between 61st & 62nd Avenues, approximately 1/4 mile east, and interchanges are proposed at Lower Buckeye & Broadway Roads. Subdivider advises that during and after construction of the proposed freeway, the subdivision may be subject to noise, vibrations, dust, traffic, odors and other nuisances associated with this land use. For more information, purchasers should contact Arizona Department of Transportation (ADOT), South Mountain Corridor Team, at (602) 712-7006, and/or visit the website at www.southmountainfreeway.com.

U.S. Department of Energy, Western Area Power Administration (WAPA), owns and operates an electrical power generating plant located on the south side of the Union Pacific Railroad tracks (approximately 1/2 mile north of Buckeye Road), between 43rd & 47th Avenues, approximately 2 miles southeast of the subdivision. 230kV electrical power transmission lines originating from the West Phoenix Power Plant run southward along the 47th Avenue alignment into the Gila River Indian Community and westward along the Elwood Street & Broadway Road alignments.

INFORMATION ON A PROPOSED OR EXISTING TRANSMISSION LINE AND SUBSTATION MAY BE AVAILABLE FROM THE ARIZONA CORPORATION COMMISSION OR FROM THE UTILITY COMPANY. IN ADDITION TO THE ABOVE DISCLOSED INFORMATION, BUYER SHOULD CONTACT THE UTILITY COMPANY FOR FURTHER AVAILABLE INFORMATION, WHICH MAY INCLUDE STRUCTURE HEIGHTS, SCHEMATICS OF WHAT THE STRUCTURES WILL LOOK LIKE AND CONSTRUCTION SCHEDULES.

Subdivider advises purchasers that due to the subdivision's proximity to multiple sand, rock & gravel/aggregate mining operations located along the Salt River, with the closest operation at 59th

Avenue & Broadway Road only 5 miles southeast, the subdivision may experience truck traffic, noise, dust, fumes and other nuisances at various hours of the day and night.

The Kinder Morgan Products Phoenix Terminal (multiple fuel storage tanks site located at approximately Van Buren Street & 57th Avenue) is located approximately 2 miles southeast of the subdivision and is the focal point for the fuel pipelines running west along the railroad tracks and south along 55th Avenue. For more details or to receive a homeowner's informational pamphlet, purchasers should contact Richard Harmon at (602) 272-8141, and/or visit the website at www.kindermorgan.com. The proximity of fuel pipelines and/or fuel storage tank facilities to the subdivision may be of concern to some individuals. Purchasers are advised to independently investigate this matter.

Multiple fuel/petroleum products terminal storage facilities occupy over 100 acres located between 51st & 57th Avenues and Van Buren & Madison Streets. There are approximately 100 fuel/petroleum products tanks owned and operated by SFPP, L.P. and Kinder Morgan Energy Partners, L.P. (its Phoenix Terminal, 49 N. 53rd Avenue, 602-278-8564), Chevron, ARCO, Tosco/Circle K, Caljet, Inc. and other major petroleum corporations. These sites also contain pressurized fuel pipelines connecting Phoenix to Tucson and Los Angeles, and the storage facilities are rail-served. Subdivider advises that the products stored at these sites include automotive fuels, aviation fuels and fuel additives that are combustible in nature and that have potential to cause additional nuisances and/or hazards that may be of concern to potential purchasers. For additional information about hazardous effects, emergency measures or general information concerning fuel pipelines and storage facilities, please contact the local Kinder Morgan representative Richard Harmon at (602) 272-8141 and/or visit the Kinder Morgan website at www.kindermorgan.com.

Union Pacific Railroad tracks, right-of-way and/or connecting spurs are located as close as 2 1/2 miles north of the subdivision. Union Pacific operates the largest railroad network in North America within undetermined hours of the day, 24 hours a day, 7 days a week. Due to the proximity of the railroad, there may be noise, vibrations, dust, frequent interruption of traffic flow and other effects associated with its operation that may be disturbing to some individuals.

Subdivision is located in close proximity of agricultural properties, including active farming, livestock and/or dairy operations. Subdivider advises purchasers that the types of agricultural operations are subject to change. Noise, dust, noxious odors, cultivation, processing & packaging operations, agricultural burning, application of pesticides & other chemicals, and irrigation & drainage, may be present at any time. Animals and insects indigenous to the area may inhabit the area. The surrounding area also includes commercial and industrial uses, which may produce noise, odors, dust, traffic, air pollutants and/or other potential nuisances or hazards. Purchasers should carefully investigate in person the potential impact or other potentially detrimental effects of such land uses, as these conditions may be disturbing to certain sensitive individuals. For more information, purchasers should contact Maricopa County Environmental Services Department at (602) 506-6611.

The Maricopa County Durango Complex (County jail & court facilities) is located on the south side of Durango Street, between 35th & 43rd Avenues, approximately 4 miles southeast of the

subdivision. Expansion of the facilities continues as part of a five-year multiple facilities project that received voter approval in 1998. For more information, purchasers may access this website: <http://www.mcso.org/submenu.asp?file=newjail> or contact the Facilities Management Department, Steve Blaylock, Program Director, at (602) 506-5157.

The Arizona State Prison - Phoenix West facility is located at 3402 W. Cocopah Street. For further information, purchasers may contact Mel Thomas, GEO Warden, at (602) 352-0350 and/or visit the website at www.azcorrections.gov.

Swift Transportation, a trucking company that conducts business 24 hours a day, seven days a week, is located at 2200 South 75th Avenue (602-269-9700). Repairs and maintenance of equipment are performed, in addition to the storage of trucks and trailers. Due to the nature of their business, Swift may produce a certain level of noise at various hours of the day and night.

Subdivider advises that there are several solid waste management facilities in proximity of the subdivision. The operations of these facilities may result in noise, traffic, odors, dust, pests and other nuisances that may be disturbing to certain individuals. For further information, please contact the individual companies or City of Phoenix Solid Waste Department at (602) 262-7251 and/or visit the website at www.phxlandfill.com.

The City of Phoenix 91st Avenue/Multi-City Wastewater Treatment Plant and Tres Rios Wetlands Project are located at 5615 South 91st Avenue. For further information about the plant, please contact (602) 495-7695, and for more details about Tres Rios, contact Debbi Radford, Project Coordinator, at (602) 495-7927, website: www.tresrios.net. The City of Tolleson Wastewater Treatment Plant is located at 9501 West Pima Street. For further information, contact the City of Tolleson at (623) 936-3381, website: www.tollesonaz.org/index. Purchasers are advised that the subdivision may be subject to unpleasant odors, noise, traffic, pests and/or other nuisances resulting from these operations.

Sunland Beef Company, a full cattle-processing plant, is located at 651 South 91st Avenue. For further information, please contact Sunland Beef Company at (623) 936-7177.

DUE TO THE SUBDIVISION'S PROXIMITY TO AGGREGATE MINING OPERATIONS, HIGHWAYS/FREEWAYS, RAILROAD TRACKS, GOLF COURSES, PARKS, ARTIFICIAL LAKES, AGRICULTURAL OPERATIONS, COMMERCIAL & INDUSTRIAL DEVELOPMENTS AND MANZANITA SPEEDWAY, THERE MAY BE NOISE, VIBRATIONS, DUST, TRAFFIC, ODORS AND OTHER NUISANCES ASSOCIATED WITH THESE LAND USES. FURTHER, THESE AREAS, IN ADDITION TO CANALS/DITCHES, WASHES, RIVERBEDS, RECREATIONAL & OPEN SPACE AREAS, MOUNTAINOUS TERRAIN, AND NATIVE PLANTS, INSECTS & WILDLIFE, MIGHT ALSO POSE AS SAFETY HAZARDS TO UNSUPERVISED CHILDREN AND ADULTS.

SUBDIVIDER ADVISES THAT HOMES SITUATED ADJACENT TO OR IN THE VICINITY OF MODEL HOMES, FREEWAYS/HIGHWAYS, AGRICULTURAL OPERATIONS, COMMERCIAL & INDUSTRIAL DEVELOPMENTS, PUBLIC OR

LARGE EVENT-HOSTING FACILITIES, MULTI-FAMILY SITES, WORSHIP SITES, SCHOOL SITES, STREETS & ROADWAYS, PARKS, GOLF COURSES, RECREATIONAL AMENITIES, OPEN SPACE AREAS, TRAILS/PATHS, CONSTRUCTION-RELATED OPERATIONS, AND OTHER NON-RESIDENTIAL USES MAY EXPERIENCE AN ADDITIONAL AMOUNT OF NOISE, DUST, ODORS, LIGHTING, SIGNAGE, AND/OR PEDESTRIAN & VEHICULAR TRAFFIC TYPICALLY ASSOCIATED WITH THESE TYPES OF FACILITIES.

PRIOR TO SIGNING A PURCHASE CONTRACT, PROSPECTIVE PURCHASERS ARE ENCOURAGED TO 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 AND TO DETERMINE TO THEIR OWN SATISFACTION WHETHER OR NOT ITEMS MENTIONED IN THIS REPORT OR DISCOVERED BY PURCHASER'S OWN INVESTIGATION ARE OF CONCERN TO PURCHASER

Southwest Gas Corporation operates a natural gas pipeline that running down 67th avenue adjacent to the subdivision on its western boundry. For more details purchasers should contact Southwest Gas Corporation, 10851 N. Black Canyon Highway, Phoenix, (602) 861-1999, 1-800-873-2440, www.swgas.com

The proximity of the natural gas pipeline to the subdivision may be of concern to some individuals. Purchasers are advised to independently investigate this matter

AIRPORTS

Public Airport: Glendale Municipal Airport, 6801 N. Glen Harbor Blvd., Suite 201, Glendale, AZ 85307 approximately 10 miles northwest of the subdivision.

UTILITIES

NOTE: Utilities are the purchaser's responsibility after the close of escrow. Delays in service or delivery caused by such providers are not within the Subdivider's control.

Electricity: Salt River Project, (602) 236-8888, 1521 Project Drive, Tempe, website: www.srpnet.com. Subdivider will complete facilities to the lot lines by January 31, 2008. Cost to complete facilities from lot line to dwelling is included in the purchase price. Costs to purchasers to receive this service include a \$28.00 (plus tax) service establishment fee or \$48.00 (plus tax) same day service establishment fee (Monday - Friday) and \$240.00 refundable deposit may be required. Fees and rates are subject to change. Please contact utility provider for additional information

Street Lights: Streetlights will not be available within the subdivision

Telephone: Qwest, 1-800-244-1111, 3033 N. 3rd Street, Phoenix, website: www.qwest.com OR Cox Communications, 20401 North 29th Avenue, Phoenix, Arizona, (623) 594-1000, website: www.cox.com. Subdivider will complete facilities to the lot lines by January 31, 2008. Cost to complete facilities from lot line to dwelling is included in the purchase price. Costs to purchasers to receive this service for Qwest: \$27.50 minimum installation fee; zone connection fee for outlying areas may apply; refundable deposit of \$110.00 for long distance may be required; additional optional features are available at varying additional costs. For Cox: \$24.95 service establishment fee; a \$150.00 deposit may be required. Fees and rates are subject to change. Please contact utility providers for additional information

IT IS POSSIBLE THAT YOU MAY NOT HAVE TELEPHONE SERVICE AT THE TIME OF CLOSING. PURCHASER IS ADVISED TO CONTACT THEIR SERVICE PROVIDER TO DETERMINE THE STATUS OF TELEPHONE SERVICE. YOU MAY ALSO WANT TO CONSIDER TEMPORARY ALTERNATIVES, I.E., A CELLULAR TELEPHONE.

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

Natural Gas: Natural gas service is not available to the subdivision.

Water: City of Phoenix, (602) 262-6251, 200 W. Washington Street, www.ci.phoenix.az.us. Subdivider will complete facilities to the lot lines by January 31, 2008. Cost to complete facilities from lot line to dwelling is included in the purchase price. Costs to purchasers to receive this service include a \$27.00 new water/sewer/trash collection account establishment fee. Fees and rates are subject to change. Please contact utility provider for additional information.

Sewage Disposal: City of Phoenix, (602) 262-6251, 200 W. Washington Street, www.ci.phoenix.az.us. Subdivider will complete facilities to the lot lines by January 31, 2008. Cost to complete facilities from lot line to dwelling is included in the purchase price. Costs to purchasers to receive this service include a \$27.00 new water/sewer/trash collection account establishment fee. \$14.48 initial monthly charge; thereafter, monthly charges are based on 80% of the average water usage billed for January through March, included in the monthly water bill. Fees and rates are subject to change. Please contact utility provider for additional information.

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

STREETS, ROADS AND DRAINAGE

Access to the Subdivision: Subdivider will complete asphalt paved public streets to the subdivision by January 31, 2008. Upon completion, final inspection and acceptance, the Homeowners Association (Association) is responsible for maintenance, with costs included in the purchaser's Association assessments.

Access within the Subdivision: Subdivider will complete asphalt paved private streets within the subdivision by January 31, 2008. Upon completion, La Estrella Vista Homeowners association will be responsible for maintenance, with costs for maintenance included the Associations assessments.

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, or call (602) 542-4631.

Flood and Drainage: Subdivider will complete common area tracts designed for drainage and retention by January 31, 2008. Upon completion, final inspection and acceptance, the Association is responsible for maintenance, with costs included in the purchaser's Association assessments

COMMON, COMMUNITY AND RECREATIONAL FACILITIES

Within the Subdivision: Subdivider will complete facilities in 3 phases. Phase 1 facilities are to include a Pool, Jacuzzi, Ramada, BBQ, Picnic Tables, and an Equipment Room and are to be completed by January 31, 2008. Phases 2 and 3 are to include a Ramada, BBQ, Picnic Tables, Tot Lot, Lawn Usable Open Space and are to be completed by January 31, 2010. Upon completion, final inspection and acceptance, the Association is responsible for maintenance, with costs included in the purchaser's Association assessments.

ASSURANCES FOR COMPLETION

Assurances for Completion of Subdivision Facilities: Subdivider has entered into an Certificate of Occupancy Hold Agreement with the City of Phoenix and the lots subject to the Agreement will not close until all subdivision improvements included in the Agreement are completed and the City of Phoenix has issued its certificate of occupancy

Assurances for Maintenance of Subdivision Facilities: Utility providers will maintain their respective facilities. City of Phoenix will maintain the public streets, water and sewer facilities outside of the subdivision. The La Estrella Vista Condominium Association will maintain the common area tracts, private streets, water, and sewer facilities within the subdivision as stated in the recorded Declaration Condominium and Covenants, Conditions, and Restrictions (CC&R's) and the Association's Articles of Incorporation and Bylaws.

LOCAL SERVICES AND FACILITIES

Schools:

G. Frank Davidson Elementary (K-6) 6935 W. Osborn Rd Phoenix, AZ 85033 (623) 691-1500

Estrella Middle School (7-8) 3733 N. 75th Ave Phoenix, AZ 85033 (623) 691-5400

Trevor G. Browne High School (9-12) 7402 W. Catalina Drive Phoenix, AZ 85033
(602) 764-8516

NOTE: School assignments and bus service are subject to change. Prospective purchasers are advised to contact individual schools and/or the Cartwright Elementary District at (623) 691- 4000 www.cartwright.k12.az.us and/or Phoenix Union High School District #210 at (602) 764-1500 www.phxhs.k12.az.us for verification of schools. Additional information regarding schools and districts can be found at the following web sites: www.greatschools.net and www.sfb.state.az.us.

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

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: Walgreens is located on the NWC of 67th Avenue and Thomas Rd approximately 1/4 mile south, Desert Sky Mall is located on the SWC of 75th Avenue and Thomas Rd approximately 1 mile west.

Public Transportation: Valley Metro has bus stops at 67th Avenue & Osborn Rd approximately 1/4 north.

NOTE: Bus routes and schedules are subject to change. For additional information, please contact the Valley Metro Transit System at (602) 253-5000, visit the website at www.valleymetro.org, or consult the Valley Metro Bus Book

Medical Facilities: Maryvale Hospital Medical Center located at 51st Ave & Campbell approximately 1 1/2 miles northeast of the subdivision.

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

Ambulance Service: Available by dialing 911.

Police Services: City of Phoenix Police Department

Garbage Services: Allied Waste Services, Inc will provide service with costs to be billed with the Homeowners Association assessments. La Estrella Vista Condominium Association Inc. pays for waste collection in the amount of \$497.40 per month, plus an additional average of 14% for fuel recovery and environmental fees. Subdivider advises these fuel and environmental fees may fluctuate from month to month.

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 Condominium Units, zoned Mutli-Family

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

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

TITLE

Title to this subdivision is vested in Avenue 67, LLC, an Arizona limited liability company.

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

Title is subject, among other things, to all taxes, assessments, covenants, conditions, restrictions, limitations, reservations, rights, obligations, powers, easements, rights of way, liens, and charges of record. **YOU SHOULD INVESTIGATE THE TITLE AND SATISFY YOURSELF AS TO WHAT EFFECT, IF ANY, THESE MATTERS MAY HAVE ON THE USE OF THE LAND.** Title exceptions affecting the condition of title are listed in the Preliminary Title Report dated August 14, 2007 issued by Lawyers 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: Purchaser's vested interest/ownership in the property will be evidenced by the Subdivider delivering a recorded Deed and by purchaser signing a Promissory Note and Mortgage or Deed of Trust for any unpaid balance. Purchaser should read these documents before signing them.

Purchasers may take title upon completion of construction, close of escrow and recordation of Deed. Earnest monies will be deposited into Subdivider's (Seller's) general account and will be released to Subdivider (Seller) immediately upon receipt.

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

Use and Occupancy: Upon completion of construction, close of escrow and recordation of Deed.

Release of Liens and Encumbrances: Subdivider advises that arrangements have been made with the lender in the aforementioned Deed of Trust for individual lot releases.

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 2006 is \$13.9754 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 \$650,000.00, is \$7721.41.

Special District Tax or Assessments: A special district has been set up for Western Maricopa Education Center (West-MEC). West-MEC is a public school district that was formed in 1990, when the Arizona legislature approved by statute that public school districts could join together through a public vote to combine efforts to offer Career and Technical Education programs. The tax rate for the 2006 year was 0.0500 per \$100 of the total assessed value.

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

PROPERTY OWNERS ASSOCIATIONS

Name and Assessments: La Estrella Vista Condominium Association (the "Homeowners Association" or the "Association"). Property Owners will be required to pay assessments in the amount of approximately \$300.00 per month to be paid monthly. Association assessments and fees are subject to change. Please refer to the Association documents for more information

Control of Association: Per section 1.2.28 of the recorded Declaration Of Condominium and CC&R's for La Estrella Vista Condominiums control of the association will be ending on the earlier of :

1.2.28.1

90 days after the conveyance of seventy-five percent (75%) of the Units which may be created in the Condominium to Unit Owners other than the Declarant; or

1.2.28.2

Four (4) years after all Declarants have ceased to offer Units for sale in the ordinary course of business.

Title to Common Areas: The title to the common areas will be transferred to the association upon the Declarant Control Period

Membership: All lot owners will be members of the Association.

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

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

Exhibit A

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

At the date hereof exceptions to title are:

-
- A. The exceptions and/or exclusions contained in any form policy that might be requested.
- 1. TAXES AND ASSESSMENTS collectible by the County Treasurer, a lien not yet due and payable for the following year:
 - 2007
- 2. BLANKET EASEMENT and rights incident thereto, as set forth in instrument:
 - Recorded in Document No. 86-696572
 - Purpose Water line
- 3. BLANKET EASEMENT and rights incident thereto, as set forth in instrument:
 - Recorded in Document No. 87-734679
 - Purpose Access and right of way for master antenna system
- 4. DEED OF TRUST given to secure the original amount shown below, and any other amount payable under the terms thereof:
 - Amount\$ 5,330,000.00
 - Dated November 14, 2006
 - Recorded November 15, 2006
 - Document No. 2006-1497834
 - Trustor AVENUE 67 LLC, an Arizona limited liability company
 - Trustee LAWYERS TITLE OF ARIZONA, INC., an Arizona corporation
 - Beneficiary CHOICE BANK
- 5. ASSIGNMENT OF LEASES AND RENTS executed:
 - By AVENUE 67 LLC, an Arizona limited liability company
 - To CHOICE BANK
 - Dated November 14, 2006
 - Recorded November 15, 2006
 - Document No. 2006-1497835
 - as collateral security for indebtedness secured by Deed of Trust
 - Recorded in Document No. 2006-1497834
- 6. EASEMENT and rights incident thereto, as set forth in instrument:
 - Recorded in Document No. 2007-655015
 - Purpose Telecommunications facilities

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 930 of Maps
Page 12

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

Recorded in Document No.	2007-0790748
Purpose (Affects Tract A)	Transmission and distributions of electricity

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

Recorded in Document No. 2007-0891506
and as shown on the recorded plat of said subdivision.

10. EASEMENTS as shown on the plat recorded in Book 939 of Maps, page 40.

Permanent access to this Development as required by A.R.S. 32-2101 (Paragraph 22) and A.R.S. 32-2185.02 is by way of 67th Avenue to Project.

Note: There is no further matters of record concerning this subdivision through the date of this report.