



Arizona Department of Real Estate (ADRE)
Development Services Division
www.azre.gov

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PHOENIX, AZ 85007

DOUGLAS A. DUCEY
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COMMISSIONER

SUBDIVISION DISCLOSURE REPORT

(PUBLIC REPORT)

FOR

Zanjero Trails Infrastructure Plat – Zanjero Trails Phase 1A-Parcel 43

aka Windrose

Registration No. DM17-058640

SUBDIVIDER

HBT of Windrose LLC,
an Arizona limited liability company
706 E. Bell Road, Suite 212
Phoenix, Arizona 85022

Effective Date: September 27, 2017

First Amended Effective Date: March 9, 2018

Second Amended Effective Date: April 10, 2019

Second Amended Corrected Date: April 12, 2019

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.

THIS DEVELOPMENT IS LOCATED WITHIN TERRITORY IN THE VICINITY OF A MILITARY AIRPORT. THE DEPARTMENT MAINTAINS A REGISTRY OF INFORMATION PROVIDED BY THE MILITARY AIRPORT. THE REGISTRY INCLUDES MAPS OF MILITARY FLIGHT OPERATIONS AND A MAP SHOWING THE EXTERIOR BOUNDARIES OF EACH TERRITORY AND HIGH NOISE OR ACCIDENT POTENTIAL ZONE. THIS INFORMATION IS AVAILABLE TO THE PUBLIC ON REQUEST.

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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: Lots 1 through 98, inclusive, inclusive.

The map of this subdivision is recorded in Book 1297 of Maps, page 6 and thereafter Affidavit of Correction recorded June 5, 2017 as 2017-0407779, records of Maricopa County, Arizona.

The map of this subdivision is recorded in Book 1297 of Maps, page 6 and thereafter Affidavit of Corrections recorded June 5, 2017 as 2017-0407779 and recorded November 9, 2017 as 2017-835477, records of Maricopa County, Arizona.

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

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 on the north of Camelback Road and west of Perryville Road, Maricopa County, Arizona.

UTILITIES

Electricity: Arizona Public Service (APS), (602) 371-7171, website: www.aps.com. Subdivider has completed the facilities to the lot lines. Cost to complete facilities from lot line to dwelling is included in the purchase price. Purchaser's cost to receive service includes a service activation fee of \$25.00, plus tax. A security deposit may be required. Deposit amounts are based on usage from the new address. Once service is established, direct user charges will apply. Fees and/or deposits are subject to change, please contact the utility provider for further details.

Telephone: CenturyLink, (800) 244-1111, website: www.centurylink.com or Cox Communications, (623) 594-1000 or (866) 867-7644, website: www.cox.com. Subdivider has completed the facilities to the lot lines. Cost to complete facilities from lot line to dwelling is included in the purchase price. For CenturyLink: Purchaser's cost to receive service is a one-time service activation fee of \$27.50; a credit check and/or deposit may be required. For Cox Communications: Purchaser's cost to receive service may include a one-time installation fee of \$75.00 and a credit check and/or deposit may be required. Purchasers should check with the utility provider for additional information regarding types of services available as well as installation fees and monthly costs associated with that service. Once service is established, direct user charges will apply. Fees and/or deposits are subject to change; please contact the utility company for further details.

NOTE: 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: CenturyLink, (DirecTV service through CenturyLink), (800) 244-1111, website: www.centurylink.com or Cox Communications, (623) 594-1000 or (866) 867-7644, website: www.cox.com. Subdivider has completed the facilities to the lot lines. Cost to complete facilities from lot line to dwelling is included in the purchase price. For CenturyLink: Purchaser's cost to receive DirecTV service through CenturyLink includes an activation fee of \$35.00, plus tax. A credit check and/or deposit may be required. For Cox Communications: Purchasers will be required to pay an installation fee of \$20.00 (self-connect) or \$75.00 (professional connect). A credit check and/or deposit may be required. Purchasers should check with the utility provider for additional information regarding types of services available as well as installation fees and monthly costs associated with that service. Once service is established, direct user charges will apply. Fees and/or deposits are subject to change; please contact the utility company for further details.

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: CenturyLink, (800) 244-1111, website: www.centurylink.com or Cox Communications, (623) 594-1000 or (866) 867-7644, website: www.cox.com. Subdivider has completed the facilities to the lot lines. Cost to complete facilities from lot line to dwelling is included in the purchase price. For CenturyLink: Purchaser's cost to receive service is a one-time service activation fee of \$19.95, plus tax. A credit check and/or deposit may be required. For Cox Communications: Purchasers will be required to pay an installation fee of \$20.00 (self-connect) or \$75.00 (professional connect). A credit check and/or deposit may be required. Purchasers should check with the utility provider for additional information regarding types of services available as well as installation fees and monthly costs associated with that service. Once service is established, direct user charges will apply. Fees and/or deposits are subject to change; please contact the utility company for further details.

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

Natural Gas: Southwest Gas Corporation, (877) 860-6020, website: www.swgas.com. Subdivider has completed the facilities to the lot lines. Cost to complete facilities from lot line to dwelling is included in the purchase price. Purchaser's cost to receive service includes a service establishment charge of \$35.00, plus tax. A deposit of \$80.00 may be required. Once service is established, direct user charges will apply. Fees and/or deposits are subject to change, please contact utility company for further details.

Water: Epcor Water, (800) 383-0834, website: www.epcor.com. Subdivider has completed the facilities to the lot lines. Cost to complete facilities from lot line to dwelling is included in the purchase price. Purchaser's cost to receive this service includes an establishment fee of \$30.00 (during regular business hours) or an establishment fee of \$40.00 (after business hours). A deposit may be required. Once service is established, direct user charges will apply. Fees and/or deposits are subject to change; please contact the utility provider for further details.

Sewage Disposal: Liberty Utilities, (623) 935-9367, website: www.libertyutilities.com. Subdivider has completed the facilities to the lot lines. Purchaser's cost to receive service is an establishment fee of \$20.00, plus tax, and a deposit of two times the average bill. Monthly service charge is based on usage. Once service is established, direct user charges will apply. Fees and/or deposits are subject to change; please contact the utility company for further details.

Garbage Services: Waste Management, (866) 331-1993, website www.wm.com. Costs to purchasers are approximately \$21.65 plus tax/fees. These fees are subject to change; please contact the provider for further details.

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: Subdivider has completed the asphalt paved public streets to the minimum standards of Maricopa County, which have been accepted by Maricopa County for maintenance. Costs to purchasers for maintenance are included in the property taxes.

Access within the Subdivision: Subdivider has completed the asphalt paved public streets to the minimum standards of Maricopa County, which have been accepted by Maricopa County for maintenance. Costs to purchasers for maintenance are included in the property taxes.

Street Lights: Subdivider has completed the street light facilities. Homeowner pays for the cost of electricity through their Homeowners Association. Costs to purchasers for maintenance are included in the Homeowners Association.

Flood and Drainage: Subdivider has completed the typical street drainage, drainage tracts and retention tracts by, which have been accepted by Maricopa County (for typical street drainage) and the Homeowners Association (for drainage tracts and retention tracts) for maintenance. Costs to purchasers for maintenance are included in the property taxes (for typical street drainage) and the Homeowners Association assessments (for drainage tracts and retention tracts).

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.azland.gov, or call (602) 542-4631.

LOCAL SERVICES AND FACILITIES

Schools:

Elementary: Scott Libby Elementary, 18701 W. Thomas road, Litchfield Park, Arizona 85340, (623) 535-6200, approximately 2 ½ miles south of the subdivision.

The Elementary School District approved a boundary change that will be effective for the 2019/2020 school year. The students will be in the boundary of the Belen Soto Elementary School located in Sedella, opening Fall 2019.

Belen Soto Elementary School, 18601 W. Campbell Avenue, Goodyear, Arizona 85395, approximately ¾ mile southeast of the subdivision.

Middle School: Verrado Middle School (6 – 8), 20880 W. Main Street, Buckeye, Arizona 85396, (623) 547-1300, approximately 2 ¾ miles southwest of the subdivision.

High School: Verrado High School (10-12), 20050 W. Indian School Road, Buckeye, Arizona 85396, (623) 932-7400, approximately 2 miles southwest of the subdivision.

Canyon View High School (9), 6024 N. Perryville Road, Waddell, Arizona, 85355, (623) 932-7600, approximately ¾ mile northeast of the subdivision.

Currently, Canyon View High School is enrolling Grade 9 (Freshmen) only for the 2018-2019 school year. Additional grades will be added each school year until it reaches Grades 9 through 12.

NOTE: School boundaries, assignments and school bus transportation are subject to change. Prospective Purchasers should contact the Litchfield Elementary School District at (623) 535-6000 or visit their website at: www.lesd.k12.az.us and Agua Fria Union High School District at (623) 932-7000 or visit their website at www.aguafría.org for verification of schools, current location of schools and bus service. Additional information regarding schools and districts can be found at the following websites: www.greatschools.net and www.sfb.state.az.us.

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: Bashas', 21064 W. Main Street, Buckeye, Arizona, is approximately 2 ½ miles southwest of the subdivision.

Public Transportation: There is no public transportation available to this subdivision at this time.

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

Medical Facilities: Abrazo West Campus, 13677 W. McDowell Road, Goodyear, Arizona, (623) 882-1500, approximately 7 miles southeast of the subdivision.

Fire Protection: Provided by Buckeye Valley Fire District with costs to purchasers included in the property taxes.

Ambulance Service: Ambulance service is available by dialing 911.

Police Services: Provided by Maricopa County Sheriff's Department.

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 subdivider has completed the common areas which are being maintained by the Homeowners Association. Cost to purchasers for maintenance is included in the Homeowners Association fees.

Within the Master Planned Community (Windrose at Zanjero Trails): Windrose at Zanjero Trails is a Master Planned Community. Proposed amenities for the entire master plan is centered around an 8.4 acres Community Park adjacent to a future school facility. The Community Park has two large shade trellises, game tables, adventure play, connectivity to the community trails system, shade trees and a large turf activity lawn. Throughout the community there are multiple parcel pocket parks connected by a well-integrated system of trails and open space. The Parcel Parks contain shade structures, active turf lawns, connectivity to the community trail system, canopy shade trees and play amenities that complement the Community Park and each of the Parcel Parks. The subdivider has completed the Parcel Parks, which are being maintained by the Homeowners Association. Costs to Purchasers for maintenance are included in the Association fees.

ASSURANCES FOR COMPLETION OF IMPROVEMENTS

Assurances for Completion of Subdivision Facilities: Subdivider advises that all subdivision improvements have been completed.

Assurances for Maintenance of Subdivision Facilities: CC&Rs provide for the Homeowners Association to maintain all common areas. Utility companies to maintain their respective utilities. Maricopa County to maintain public streets.

PROPERTY OWNERS ASSOCIATIONS

Name and Assessments: Windrose at Zanjero Trails Community Association. Property Owners will be required to pay assessments in the amount of approximately \$60.00 per month.

Control of Association: Control of the Association will be turned over to lot purchasers on the later to occur of (a) the date the Declarant or a Designated Builder conveys the last Lot or Parcel to a third-party purchaser or (b) the date that neither Declarant nor any Designated Builder owns any Lot or Parcel or other portion of the Property. The Declarant Control Period shall also terminate upon the date set forth in a written notice signed by Declarant to the Association stating that the Declarant Control Period has terminated.

Title to Common Areas: Title to the common areas will be conveyed to the Association upon completion.

Membership: All Lot 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: This subdivision is not subject to known flooding or drainage problems. In his letter dated July 13, 2017, Aubrey Thomas, P.E., Manager-Stormwater Resources, of HilgartWilson, LLC, has cited, in part:

“Zanjero Trails Parcel 43 (Project) is located in Maricopa County, Arizona. More specifically, it is located in the eastern half of Section 16, Township 2 North, Range 2 West of the Gila and Salt River Meridian. This letter is to certify that, to the best of our knowledge, the drainage conditions for Zanjero Trails Parcel 43 are described as follows:

1. All residential lots within Parcel 43 are located on Federal Emergency Management Agency Map (FEMA) Flood Insurance Rate Map (FIRM), FEMA Flood Zone Map 04013C1665L, Community Number 040037, Panel Number 1665 of 4425, dated October 16, 2013. All lots except Lot 7 of the Project are located within the Flood Hazard Zone "X". Lot 7 is located in Zone "AE".

Zone X:

The flood insurance rate zone that corresponds to the areas outside the 100-year floodplains, areas of 100-year sheet flow flooding where average depths are less than one foot, areas of 100-year stream flooding where the contributing drainage areas are less than one square mile, or areas protected from the 100-year flood by levees. No base flood elevations or depths are shown within this zone."

Zone AE:

The flood insurance rate zone that corresponds to the 100-year floodplains is determined in the Flood Insurance Study by detailed methods. In most instances, base flood elevations derived from the detailed hydraulic analyses are shown at selected intervals within this zone.

A Conditional Letter of Map Revision (CLOMR) was approved by FEMA on August 2, 2016 (Case No. 15-09-1843R) to address the Zone "AE" designation on Lot 7. A Letter of Map Revision (LOMR) is currently being processed to remove the effective floodplain designation on the FEMA Flood Insurance Rate Map (FIRM).

2. All residential lots within Parcel 43, except Lot 7, are not subject to any known flooding/drainage problems or flood hazards.
3. Onsite storm water runoff will drain from the lots to the streets and the streets will carry the runoff to retention/detention basins. The basins will discharge to existing drainageways in the same historic drainage pattern recognized for the pre-developed property.
4. Per the approved drainage design documentation, the onsite 100-year drainage flows will be contained within the street right-of-ways. Finished floor elevations established for the lots on the grading and drainage plans for Parcel 43 are set above the respective 100-year water surface elevations.
5. According to FEMA, flood insurance is available in participating communities in Zone "X", but is not required by regulation in this flood zone."

Soils: Subdivider advises that the soils have low expansive characteristics. In his letter, dated May 7, 2013, Scott R. Smith, P.E., Senior Geotechnical Engineer, of Alpha Geotechnical and Materials, Inc., has cited, in part:

“The purpose of this exploration was to evaluate the general surface and subsurface conditions at the referenced site, and to present geotechnical design recommendations for foundations, slab-on-grade, and on-site pavements for the proposed development.

Geotechnical Site Reconnaissance

The proposed project is approximately 320 acres of undeveloped desert land proposed for development as a master planned residential community bounded by Bethany Home Road on the north, Perryville Road on the east, Camelback Road on the south, and the Beardsley Canal (irrigation) on the west in Maricopa County, Arizona. Perryville Road and Camelback Road are paved with asphaltic concrete. Bethany Home Road is a dirt track. Site topography was relatively flat across the site and slopes downward toward the south and east. The site had a light to heavy growth of desert vegetation. Scattered piles of landscaping debris and tires were observed at the site. At the southwest corner, a pit was filled with concrete rubble, tires, and burned tree stumps.

Site Soils

The naturally occurring coarse grained site surface and subsurface soils encountered during our exploration consisted predominately of silty sand with varying amounts of gravel (SM) and clayey sand with varying amounts of gravel (SC). The relative densities of these soils ranged from loose to dense. The silty sand surface soils sampled during our exploration had low expansive characteristics while the clayey sand subsurface soils had low to moderate expansive characteristics. See attached report for details. No bedrock was encountered during our field investigation.

Project Description

Based on information provided by our client, we understand the proposed new construction will consist of a single-family, one and/or two-story residential homes. The structures will be supported by a conventional spread-footing foundation system for on-site retaining walls and post-tensioned slabs for homes. We have not been provided with structural loads. However, based on our previous experience with similar structures, we estimate the maximum column and wall loads for the structures will be approximately 20 kips and 1.5 KLF, respectively.

Site Drainage

Positive drainage is essential to the successful performance of any foundation or slab-on-grade. Good surface and subsurface drainage should be established during and after construction to prevent the soils below or adjacent to the building areas from becoming wet. Desert-type landscaping is advisable near the building and pavement areas. Plants, which require more water, should be located and drained away from the structural and pavement areas.

Foundations

Conventional footings and/or post-tensioned slabs bearing on properly compacted engineered fills may be used to support the structures. We anticipate that total and differential settlements for foundations designed in accordance with the recommendations provided in the attached report, will be within generally acceptable tolerance as presented in the attached report. Additional foundation movements could occur if water from any source infiltrates the foundation soils.

Land Subsidence and Earth Fissures

The site lies within the southwest corner of the Luke Earth Fissure Study Area. The Arizona Geologic Survey (AGS) investigated the Luke study area for earth fissure and produced a map of the fissures identified by their geologists and fissures indentified in other publications which could not be verified by AGS. No earth fissures or previously indentified earth fissures were mapped on or immediately adjacent to the subject site. A documented earth fissure is located approximately 2 miles northeast of the intersection of Perryville Road and Camelback Road. A second documented earth fissure is located approximately 5 miles east of the intersection of Perryville Road and Bethany Home Road. Earth fissures which were previously identified by geologists but could not be positivity identified in the field by the Arizona Geologic Survey were reported approximately 0.75 miles northeast of the intersection of Perryville Road and Glendale Avenue, approximately 1 mile southeast of the intersection of Perryville Road and Camelback Road, and approximately 1.25 miles east of the intersection of Perryville Road and Glendale Avenue. In 1974 the measured land subsidence in the area of the site was measured at one to three feet, additional land subsidence has occurred since that time. (Land Subsidence and Earth Fissures in Alluvial Deposits in Phoenix area, Arizona by H.H. Schumann, 1974, and <http://azmap.org/fissures>).

Conclusion

Based on our findings, the site is considered suitable for the proposed residential development, imposing relatively light foundation loads provided slab/foundation systems are properly designed, specified compaction for fill material is used, and foundation bearing soils are not exposed to moisture infiltration or moisture content fluctuation.”

Adjacent Lands and Vicinity:

North: Residential, R1-6
South: Residential, R-2
East: Residential, R1-10
West: Residential, R1-6, R1-7

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 Maricopa County Planning & Development Department at (602) 506-3301 for up-to-date information.

North:

- White Tanks FRS #3, approximately 1 ¼ miles
- Canal, approximately 2 ¼ miles

Northeast:

- Post Office, approximately 2 $\frac{3}{4}$ miles
- Bob Stump Memorial Parkway (303), approximately 3 $\frac{1}{2}$ miles
- Wildlife World Zoo and Aquarium, approximately 4 $\frac{1}{4}$ miles
- Burlington Northern Santa Fe Railroad, approximately 4 $\frac{1}{2}$ miles
- Fertizona, approximately 4 $\frac{1}{2}$ miles
- Luke Air Force Base, approximately 5 miles

East:

- APS – Palm Valley Substation, approximately 2 $\frac{1}{2}$ miles
- Bob Stump Memorial Parkway (303), approximately 2 $\frac{3}{4}$ miles
- Arizona Motorsports Park, approximately 4 $\frac{1}{2}$ miles

Southeast:

- APS Pima Substation, approximately 2 $\frac{3}{4}$ miles
- Bob Stump Memorial Parkway (303), approximately 3 miles
- Arizona State Prison Complex at Perryville, approximately 3 $\frac{1}{2}$ miles
- Waste Management/White Tank Transfer Station, approximately 3 $\frac{1}{2}$ miles
- I-10, approximately 3 $\frac{1}{2}$ miles

South:

- Verrado Dairy, approximately 1 mile
- I-10, approximately 3 $\frac{1}{4}$ miles

Southwest:

- Beardsley Canal, within $\frac{1}{4}$ mile
- Fire Station, approximately 3 $\frac{1}{2}$ miles
- I-10, approximately 3 $\frac{1}{2}$ miles
- APS Tuthill Substation, approximately 3 $\frac{1}{2}$ miles
- Buckeye Park-and-Ride, approximately 4 $\frac{1}{4}$ miles

West:

- Beardsley Canal, within $\frac{1}{4}$ mile

Northwest:

- Beardsley Canal, within $\frac{1}{4}$ mile
- White Tanks FRS #3, approximately 1 mile
- White Tank Mountain Regional Park, approximately 3 $\frac{1}{4}$ miles

Luke Air Force Base: Luke Air Force Base is located at Litchfield Road and Glendale Avenue, Glendale, Arizona. The subdivision may be subject to overflights by jet aircraft from Luke Air Force Base. This facility may produce noise, vibrations, fumes, dust, fuel and lubricant particles or other effects of air traffic that may be undesirable to prospective purchasers. For additional information, visit their website at www.luke.af.mil.

Luke Air Force Base Auxiliary Field 1: Luke Air Force Base Auxiliary Field 1, located approximately 15 miles to the northwest of Luke Air Force Base is a site of intense instrument procedure landing approaches, with approximately 12,000 flight operations per year. Aircraft will descend down to the 200 feet above the ground over the Auxiliary Airfield and will create severe noise in that area. For additional information, visit their website at www.luke.af.mil.

Transfer Station: The Waste Management/White Tanks Transfer Station is located at 18605 West McDowell Road, approximately 3 ½ miles south. This property may from time to time experience noise, odors and dust associated with transfer stations, that some individuals may find objectionable. For more information, contact the White Tanks Transfer Station at (623) 853-1707.

Fertilizer Plant: Fertizona operates and maintains a fertilizer plant on the northwest corner of Cotton Land and Olive Avenue, approximately 4 ½ miles northeast. Due to the proximity of this fertilizer plant, purchasers may experience unpleasant odors, dust, noise, insects and other related nuisances as a result of operations associated with this plant. For more information, please contact Fertizona at (623) 935-4252.

Railroads: Due to the proximity of the Burlington Northern Santa Fe Railway, operation, repair and/or replacement of railroad line may result in noises, odors, dust, vibrations, derailments or other potential nuisances or hazards. For additional information, contact the Public Affairs department for the AZ, CA, NV, and UT territory at (909) 386-4140 or lena.kent@bnsf.com or visit their website at www.bnsf.com for further information.

Arizona Motorsports Park: Generally located at Camelback Road and Reems Road, Arizona Motorsports Park is a privately owned track that is typically rented by car clubs, classic car owners, motorcycle clubs, automobile companies and other car enthusiasts. The racetrack was closed due to the revocation of its original Special Use Permit with Maricopa County to reopen the track. If re-opened, this subdivision, due to its close proximity, may experience increased noise, dust, vibrations, fumes and other and all other effects that may be associated with such use. Purchasers are advised to independently investigate this matter by calling Arizona Motorsports Park at 602-622-0035.

Agricultural: Property adjacent to or in the vicinity of the subdivision is currently agricultural or has been agricultural. Agricultural property may be subject to chemical treatment, including aerial spraying of chemicals, defoliants, pesticides and fertilizers, and the use of farm equipment, which may produce dust, chemicals and particles in the air, unpleasant odors and noise. Irrigation ditches on surrounding properties may pose a safety hazard to unsupervised children and adults. For further information on the future uses of agricultural areas, purchasers should contact the City of Surprise Planning and Development Department.

Livestock/Dairy Operations: Livestock and other farm animals, including cattle/dairy operations and horse properties are present in the vicinity of the subdivision. Activities associated with these operations may produce noise, dust, unpleasant odors, insects and truck traffic.

NOTE: Purchasers should carefully investigate in person the potential impact of such noise, odors, dust, spraying, irrigation, truck traffic and early hours of operation or other effects resulting from the nearby agricultural and livestock uses, as these condition may be disturbing to some individuals.

Fire Station: Due to the proximity of fire stations, this subdivision may experience an increased amount of noise, and other effects associated with this type of facility that may be of concern to some individuals.

Correctional Facilities: Arizona State Prison Complex – Perryville is located at 2014 North Citrus Road, Goodyear, AZ 85338, approximately 3 ½ miles southeast of the subdivision. For more information, contact the prison at (623) 853-0304.

Bodies of Water: Purchasers are advised that canals, creeks, channels, rivers, floodways, man-made lakes, levees, washes, and wells may be hazardous to 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 their website at www.fcd.maricopa.gov.

Natural Gas Lines: As a result of natural gas facilities available to lots within 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 (877) 860-6020 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 www.azcc.state.az.us.

Termites: Prior to pouring finished floors, each home will be treated for termites with certain chemicals, as permitted by law. The termite protection warranty that is provided with the home does not guarantee that termite infestation will not occur during the warranty period. The chemicals dissipate over time and other events may occur that will require the home to be retreated. Certain actions to the home, such as excessive watering and landscaping around the foundation of the home, may void the warranty.

Views: 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 REPRESENTATIONS OR WARRANTY REGARDING THE FUTURE PROTECTION OF VIEWS THAT MAY BE A FACTOR IN THE PURCHASER'S DECISION TO PURCHASE IN THIS COMMUNITY.**

Scorpions and Other Pests: Cockroaches, snakes, black widow spiders, scorpions and other pests and animals are common in parts of Arizona. Fortunately, most pests can be controlled with pesticides. Scorpions, on the other hand, may be difficult to eliminate. Purchasers with concerns should seek the advice of a pest control company. If these or any other creatures are a concern, purchaser may contact the Arizona Game and Fish Department at (602) 942-3000, or visit their website at www.azgfd.gov. For additional information, please visit www.desertusa.com.

Construction Traffic: During the construction of additional roads, widening of existing roads, and construction of houses, additional vehicle traffic (including heavy construction vehicles), dust, noise (including construction noise in the early mornings), etc. may exist.

Model Homes: Lots situated adjacent to or in the vicinity of the model homes may experience an additional amount of noise, lighting, signage, and vehicular and pedestrian traffic typically associated with such activities.

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.

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.

SUBDIVISION USE AND RESTRICTIONS

Use: This offering is for improved lot.

“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.

Zoning: Single family residential

Conditions, Reservations and Restrictions: As stated in the recorded Declaration of Covenants, Conditions and Restrictions and as stated in the Articles of Incorporation and Bylaws of the Homeowners' Association.

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

AIRPORTS

Military Airport: Luke Air Force Base is located at 13960 West Eagle Street, Glendale, Arizona, approximately 3 ½ miles northeast of subdivision.

Due to the proximity of these airports and airstrip facilities and operations, this Subdivision may experience noise, odors, dust, traffic, and/or other effects that may be of concern to some individuals. Purchasers are urged to visit the Subdivision and their particular home-site at various times of day and night to experience the impact of current noise levels and other effects. Purchaser is advised to independently investigate this matter.

SUBDIVISION IS LOCATED WITHIN TERRITORY IN THE VICINITY OF LUKE AIR FORCE BASE. MILITARY FLIGHTS MAY PRODUCE AIRCRAFT NOISE AS A RESULT OF MILITARY FLIGHT OPERATIONS.

SEE EXHIBIT “B” ATTACHED

NOTE: LUKE AIR FORCE BASE IS AN ACTIVE MILITARY BASE WITH ALL THE ACTIVITIES INVOLVED WITH A MILITARY BASE. PROSPECTIVE PURCHASERS ARE ADVISED TO INVESTIGATE FOR THEMSELVES TO DETERMINE WHAT IMPACT, IF ANY, THE MILITARY BASE MAY HAVE ON THE SUBDIVISION AND/OR THEIR PERSONAL WELL-BEING. FOR ADDITIONAL INFORMATION, CONTACT THE LUKE AIR FORCE BASE PUBLIC AFFAIRS OFFICE AT (623) 856-6011 OR VISIT THEIR WEBSITE AT www.luke.af.mil.

Airport: Phoenix-Goodyear Municipal Airport, 1658 South Litchfield Road, Goodyear, Arizona, approximately 7 ½ miles southeast of the subdivision.

TITLE

Title to this subdivision is vested in HBT of Windrose 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 March 27, 2019 issued by FIRST AMERICAN TITLE INSURANCE COMPANY. **You should obtain a title report and determine the effect of the listed exceptions.**

EXCEPTIONS: SEE EXHIBIT "A" ATTACHED

METHOD OF SALE OR LEASE

Sales: Your vested interest/ownership in the property will be evidenced by the Subdivider delivering a recorded Special Warranty 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. Purchaser's deposits and earnest monies will be deposited into Seller's general account and can be used by Seller prior to the close of escrow.

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.

Release of Liens and Encumbrances: Subdivider has advised that arrangements have been made with the lender in the aforementioned deeds of trust for the release of an individual lot upon completion of all payments and performance of all the terms and provisions required of the purchaser under the purchase contract between Subdivider and such purchaser.

Use and Occupancy: Purchasers will be able to use and occupy their lot upon close of escrow and recordation of Special Warranty Deed.

Leasehold Offering: Will any of the property be leased? Yes No

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 2018 is \$11.2575 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 \$265,000.00, is \$2,535.75.

Special District Tax or Assessments: As disclosed in the Homeowners 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 Homeowners Association documents for additional information.

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.

CAGR FPN Number: ML1271-20170301-01

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 AND BYLAWS FOR THIS SUBDIVISION TO DETERMINE THE RIGHTS OF LOT 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. FURTHER, YOU SHOULD DETERMINE FOR YOURSELF IF SUBDIVIDER'S ARRANGEMENTS AND PLANS FOR THE PAYMENT OF ASSESSMENTS ON UNSOLD LOTS WILL BE SUFFICIENT TO FULFILL THE NEEDS, DEMANDS AND FINANCIAL OBLIGATIONS OF THE ASSOCIATION, AS SET FORTH IN THE DECLARATION AND BYLAWS.

EXHIBIT “A”

1. Taxes for the full year of 2019.
(The first half is due October 1, 2019 and is delinquent November 1, 2019. The second half is due March 1, 2020 and is delinquent May 1, 2020.)
2. Any charge upon said land by reason of its inclusion in Windrose at Zanjero Trails Community Association.
3. Any charge upon said land by reason of its inclusion in Maricopa County Municipal Water Conservation District.
4. Easements, restrictions, reservations, conditions and set-back lines as set forth on the plat recorded as Book 1289 of Maps, Page 4, but deleting any covenant, condition or restriction indicating a preference, limitation or discrimination based on race, color, religion, sex, handicap, familial status or national origin to the extent such covenants, conditions or restrictions violate 42 USC 3604(c).
5. Easements, restrictions, reservations, conditions and set-back lines as set forth on the plat recorded as Book 1297 of Maps, Page 6 and Affidavit of Correction's recorded as 2017-0407779 and 2017-0835477, but deleting any covenant, condition or restriction indicating a preference, limitation or discrimination based on race, color, religion, sex, handicap, familial status or national origin to the extent such covenants, conditions or restrictions violate 42 USC 3604(c).
6. Covenants, conditions and restrictions in the document recorded as 2016-0683439; a Tract Declaration as set forth in 2016-0719789; and a First Amendment recorded as 2017-0738905, all of Official Records, but deleting any covenant, condition or restriction indicating a preference, limitation or discrimination based on race, color, religion, sex, handicap, familial status, or national origin, to the extent such covenants, conditions or restrictions violate Title 42, Section 3604(c), of the United States Codes.
7. Covenants, conditions and restrictions in the document recorded as 2017-0386674 of Official Records, but deleting any covenant, condition or restriction indicating a preference, limitation or discrimination based on race, color, religion, sex, handicap, familial status, or national origin, to the extent such covenants, conditions or restrictions violate Title 42, Section 3604(c), of the United States Codes.
8. Covenants, conditions and restrictions in the document recorded as 2016-0001131 of Official Records, but deleting any covenant, condition or restriction indicating a preference, limitation or discrimination based on race, color, religion, sex, handicap, familial status, or national origin, to the extent such covenants, conditions or restrictions violate Title 42, Section 3604(c), of the United States Codes.

9. The terms, conditions and provisions contained in the document entitled "Development Agreement" recorded March 02, 2007 as 2007-0259395 of Official Records.
10. The terms, conditions and provisions contained in the document entitled "Development Agreement" recorded February 24, 2011 as 2011-0162559 of Official Records and re-recorded April 06, 2011 as 2011-0292702 of Official Records.
11. The terms, conditions and provisions contained in the document entitled "Zanjero Trails Phase 1 Parcels 35-45 Development Agreement as disclosed by Memorandum" recorded December 15, 2015 as 2015-0882891 of Official Records.
12. The terms, conditions and provisions contained in the document entitled "Agreement and Notice of Municipal Provider Reporting Requirements for Zanjero Trails Parcels 35B, 37A, 38, 40, 43, 44 (ML#003-14-1271) Regarding Membership in the Central Arizona Groundwater Replenishment District" recorded January 04, 2016 as 2016-0001130 of Official Records.
13. The terms, conditions and provisions contained in the document entitled "Easement Agreement" recorded August 05, 2016 as 2016-0558095 of Official Records.
14. The terms, conditions and provisions contained in the document entitled "Easement Agreement" recorded August 05, 2016 as 2016-0558101 of Official Records.
15. The terms, conditions and provisions contained in the document entitled "Development Agreement (Windrose - Phase One)" recorded September 13, 2016 as 2016-0662998; an Amendment to Phase 1 Third Party Trust Assurance Agreement for Zanjero Trails Windrose recorded March 23, 2017 as 2017-0205588; and an Amendment to Phase 1 Development Agreement for Zanjero Trails Windrose recorded March 23, 2017 as 2017-0206643, all of Official Records.
16. The terms, conditions and provisions contained in the document entitled "Memorandum of Agreement" recorded September 30, 2016 as 2016-0719792 of Official Records.
17. The terms, conditions and provisions contained in the document entitled "Easement Agreement" recorded March 27, 2017 as 2017-0210885 of Official Records.
18. An easement for sewer line and incidental purposes, recorded as 2017-0713665 of Official Records.
19. Water rights, claims or title to water, whether or not shown by the public records.

20. Deed of Trust to secure an indebtedness of \$20,000,000.00, and any other amounts or obligations secured thereby, recorded July 11, 2017 as 2017-0502793 and re-recorded July 11, 2017 as 2017-0503164 and re-recorded July 11, 2017 as 2017-504290 of Official Records.

Dated:	June 30, 2017
Trustor:	HBT of Windrose, LLC, an Arizona limited liability company
Trustee:	US Bank National Association
Beneficiary:	US Bank National Association

(Affects Lot No. 1, 4-6, 8-54, 56-58, 60-69, 77, 79-83, 87, 89, 90, & 93-98)

A document recorded February 28, 2018 as 2018-0153504 of Official Records, provides that the Deed of Trust or the obligation secured thereby has been modified.

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

EXHIBIT “B”

