

STATE OF ARIZONA  
DEPARTMENT OF REAL ESTATE  
SUBDIVISION PUBLIC REPORT

FOR  
LOST DUTCHMAN GARDENS

Registration No. DM 00-022579

**SUBDIVIDER**

A.L.C. BUILDERS, INC.  
8660 E. Waterford Circle  
Queen Creek, Arizona 85242

June 29, 2000

Effective Date

FIRST AMENDMENT DATED: January 29, 2001

**PROPERTY REPORT DISCLAIMER**

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

**PHOENIX OFFICE:**  
2910 N. 44<sup>th</sup> Street  
First Floor  
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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 CONTRACTS OR AGREEMENTS FOR THE PURCHASE OF AN UNIMPROVED LOT (WITHOUT A BUILDING)\* MAY BE RESCINDED BY YOU WITHOUT CAUSE BY SENDING OR DELIVERING WRITTEN NOTICE OF RESCISSION BY MIDNIGHT OF THE SEVENTH CALENDAR DAY FOLLOWING THE SIGNING.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:** Lots 1 through 35.

**The map of this subdivision:** is recorded in Cabinet C of Maps, Slide 115, records of Pinal County, State of Arizona.

The subdivision is approximately 8.2900 acres in size. It has been divided into 35 lots and tract A. Lot boundaries will be staked at lot corners and radii.

**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.**

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

**SUBDIVISION LOCATION**

**Location:** East of Meridian Road and south of Lost Dutchman Boulevard, City of Apache Junction, Pinal County, State of Arizona.

**SUBDIVISION CHARACTERISTICS**

**Topography:** Land is level.

**Flooding and Drainage:** Subdivider is unaware of any known flooding or drainage problems. Duran T. Thompson, P.E. of D & M Engineering, in his letter dated February 18, 2000, has cited:

“Lost Dutchman Gardens will provide 35 single family homes on a 8.29 acre parcel at the southwesterly corner of Lost Dutchman Road and Warner Drive in the northwest quarter of Section 18, Township 1 North, Range 8 East of the Gila and Salt River Base and Meridian, Maricopa County Arizona. The site slopes southwesterly at about 2.5 percent, is covered with desert brush, and is presently unoccupied. All lots within the development will drain to the private street and ultimately to the private retention basin, maintained by the homeowners association as per the approved “Grading and Drainage Plans” and “Drainage Report”.

The project will be located in shaded Flood Zone “X” as shown on FIRM (Flood Insurance Rate Map) 040120 0001 C, dated March 19, 1990.

Shaded Flood Zone "X" is defined as "Areas of 500-year flood; areas of 100-year flood with average depths of less than 1 foot or with drainage areas less than 1 square mile; and areas protected by levees from 100-year floods."

A grading and drainage plan and "Drainage Report" which addresses the design of the grading and drainage concepts for this project has been approved by the City of Apache Junction Development Service Department."

**Soils:** Subdivider advises that the subdivision lots are not subject to subsidence or expansive soils.

**Adjacent Lands and Vicinity:** Zoning to the North is R1-43 PD (single family residential Planned Development); to the South and East is GR (general rural zoning) and to the West is GR (general rural zoning) and C-2 (Commercial).

Usery Mountain Recreational area is approximately ¾ mile northwest; Equestrian Park is less than 1 mile north; Prospector Park is approximately 2 ¼ miles northeast; Apache Trail/Old West Highway is approximately 1 ½ miles south and 1 ¾ miles southeast; Superstition Freeway (US 60) is approximately 3 ½ miles south; Signal Butte Floodway is approximately 1 ½ mile northwest; Signal Butte Dam is approximately ½ mile northwest; Apache Junction Station (U.S. Postal Office) is approximately 2 miles southeast; Veterans Memorial Park, Public Library, Municipal and County Buildings are approximately 2 miles southeast; Central Arizona College - Superstition Mountain Campus is approximately 2 ½ miles southeast; elementary schools are approximately 2 miles southeast and 2 ¼ miles south; Apache Junction Junior High School and High School are approximately 3 and 3 ¼ miles south.

Subdivider advises that there may be possible odors related to horse stables to the east of the subdivision, may bother some individuals.

#### AIRPORTS

**Airport:** Falcon Field Municipal Airport, located at Higley Road and Falcon Drive, is approximately 8 ½ miles northwest.

#### UTILITIES

**Electricity:** Salt River Project, (602) 236-8888. Lot purchaser's cost to receive service is approximately \$15.00 (plus tax) service establishment fee and a \$100.00 to \$200.00 deposit may be required.

**Street Lights:** Subdivider has completed the installation of street lighting. The City of Apache Junction will pay the cost of the electricity, with purchaser's cost included in the property taxes.

**Telephone:** US West Communications, 1-800-244-1111. Lot purchaser's cost to receive service is approximately \$46.50 per line hook up fee; \$33.25 or \$75.25 per line zone connection fee and a \$120.00 deposit may be required.

**Natural Gas:** Not available.

**Water:** Arizona Water Company, (480) 984-8707. Lot purchaser's cost to receive service is approximately \$16.00 (plus tax) service establishment fee.

**Sewage Disposal:** Superstition Mountain Community Facilities District No. 1, (480) 983-2212. Lot purchaser's cost to receive service is approximately \$23.50 service establishment fee and a \$211.50 deposit may be required.

THE ARIZONA DEPARTMENT OF ENVIRONMENTAL QUALITY IN ITS CERTIFICATE OF APPROVAL OF SANITARY FACILITIES FOR SUBDIVISION, DATED NOVEMBER 4, 1999, STATES:

"If construction of sanitary facilities and submittal of "as-built" plans and construction documentation to ADEQ by the subdivider is not completed by December 31, 2002 this Certificate of Approval of Sanitary Facilities for Subdivision is void pursuant to Arizona Administrative Code R18-4-505.E. and/or R18-9-804.F."

**NOTE: SUBDIVIDER HAS COMPLETED THE EXTENSION OF THE UTILITIES TO THE LOT LINES.**

**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:** Asphalt paved public streets are complete. The City of Apache Junction provides maintenance, with lot purchaser's cost included in property taxes.

**Access within the Subdivision:** Subdivider has completed asphalt paved public streets. The City of Apache Junction provides maintenance, with lot purchaser's cost included in the property taxes.

**Flood and Drainage:** Subdivider has completed a retention area for flood and drainage control. The Homeowners Association provides maintenance; with lot purchaser's cost included in the Association fees.

### COMMON, COMMUNITY AND RECREATIONAL FACILITIES

**Within the Subdivision:** Subdivider has completed tract A, which is dedicated to use as open space and retention area. The Homeowners Association provides maintenance; with lot purchaser's cost included in the Association fees.

### ASSURANCES FOR COMPLETION

**Assurances for Completion of Subdivision Facilities:** Subdivider has completed the subdivision improvements.

**Assurances for Maintenance of Subdivision Facilities:** As stated in the recorded Declaration of Covenants, Conditions and Restrictions for the subdivision and the Association's Articles of Incorporation and Bylaws.

### LOCAL SERVICES AND FACILITIES

**Schools:** Four Peaks Elementary School (K-5), located at University and Idaho, is approximately 2 miles southeast; Desert Shadow Middle School (6-8), located at Southern and Ironwood Drive, is approximately 3 miles; and Apache Junction High School (9-12), located at Ironwood and Southern, is approximately 3 miles south.

Transportation is available by school bus.

**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:** Located at Main Street and Meridian, is approximately 2 miles from subdivision.

**Public Transportation:** Not available to this subdivision.

**Medical Facilities:** Valley Lutheran Hospital, located at 6644 E. Baywood Avenue, is approximately 7 ½ miles west.

**Fire Protection:** City of Apache Junction Fire Department. Buyer's cost to receive service is included in property taxes.

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

**Police Services:** City of Apache Junction Police Department.

**Garbage Services:** A.J. Waste Company. Buyer's cost to receive service is approximately \$48.00 quarterly.

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

#### **SUBDIVISION USE AND RESTRICTIONS**

**Use:** This offering is for Improved Lot (with dwelling).

**Zoning:** single family residential.

**Conditions, Reservations and Restrictions:** According to the recorded Declaration of Covenants, Conditions and Restrictions, the Homeowners Association's Articles of Incorporation and Bylaws, and the existing zoning ordinances.

**THE OIL, GAS AND MINERAL RIGHTS TO ALL LOTS IN THIS SUBDIVISION WILL NOT BELONG TO THE PURCHASERS OF THESE LOTS. THE EXERCISE OF THE RIGHT TO EXTRACT THESE MINERALS COULD AFFECT THE USE, ENJOYMENT AND VALUE OF YOUR LOT.**

**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 Pinal County Recorder. Information about zoning may be obtained at the Office of the City of Apache Junction 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 A.L.C. BUILDERS, INC., an Arizona corporation.

**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 31, 2000, issued by Fidelity NATIONAL TITLE AGENCY OF PINAL COUNTY, INC. **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 interest in the property will be evidenced by the Subdivider delivering a recorded Deed to you and by your signing a Promissory Note and Mortgage or Deed of Trust for the unpaid balance, if any. **YOU SHOULD READ THESE DOCUMENTS BEFORE SIGNING THEM.**

Cash sales are allowed.

**Use and Occupancy:** Lot purchasers will be permitted to use and occupy their lot upon close of escrow and recordation of deed.

**THE PURCHASE CONTRACT IS A BINDING AGREEMENT. CONTRARY TO THE TERMS AND PROVISIONS OF THE CONTRACT, YOU MAY HAVE ADDITIONAL RIGHTS, REMEDIES AND WARRANTIES PROVIDED BY LAW. READ THOROUGHLY BEFORE SIGNING. IF NOT UNDERSTOOD, SEEK COMPETENT ADVICE PRIOR TO COMMITMENT TO PURCHASE.**

### **TAXES**

**Real Property Taxes:** The combined primary and secondary property tax rate for this subdivision for the year 1999 is \$18.2326 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 \$130,000.00, is \$2,133.21.

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



**PROPERTY OWNERS ASSOCIATIONS**

**Name and Assessments:** Lost Dutchman Gardens Homeowners Association, current assessment is \$25.00 per month.

**Control of Association:** The Association shall have the following two classes of voting membership:

Class A: Class A Members are all of the Owners of Lots.

Class B: The Class B Members shall be the Declarant. The Class B Membership shall cease and be converted to Class A membership on the earlier of:

- (i) ninety (90) days following the date on which the votes entitled to be cast by the Class A Members equals or exceeds the votes entitled to be cast by the Class B Member;
- (ii) the date which is three (3) years after the recorded of this Declaration;  
or
- (iii) when Declarant notifies the Association in writing that it relinquishes its Class B membership.

**Title to Common Areas:** Title to the common areas will be conveyed to the Homeowners Association, prior to the conveyance of the first lot to a purchaser.

**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 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.**

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**EXHIBIT "A"**

1. 2000 taxes, a lien not yet payable.
2. The liabilities and obligations against said land by reason of its inclusion within the boundaries of CENTRAL ARIZONA WATER CONSERVATION DISTRICT; PINAL COUNTY FLOOD CONTROL DISTRICT; APACHE JUNCTION FIRE COMPANY DISTRICT and SUPERSTITION MOUNTAINS COMMUNITY FACILITIES DISTRICT NO. 1.
3. The right to enter upon said land and prospect for and remove all coal, oil, gas and other minerals, as reserved in the Patent to said land, recorded in Docket 213, page 508 and Docket 222, page 80.
4. A right-of-way for roadway and public utilities purposes, not exceeding 33 feet in width along the West boundary(ies) of the within described property, as set forth in the United States Patent recorded in Docket 213, page 508. (Affects Lots 5, 6, 7 and Tract "A")
5. A right-of-way for roadway and public utilities purposes, not exceeding 33 feet in width along the West boundary(ies) of the within described property, as set forth in the United States Patent recorded in Docket 222, page 80. (Affects Lots 1 through 5)
6. Resolution No. 84-8 by the City of Apache Junction purporting to abandon certain federally patented right of ways dated August 21, 1984, recorded November 8, 1984 in Docket 1254, page 17.

NOTE: The abandonment of the public right of way has no effect on reservations for public utility easements. (Affects Lots 1 through 7 and Tract "A")

7. Easements, restrictions, reservations, conditions, set back lines, and other matters, as set forth on the plat, recorded in Cabinet C, Slide 115.
8. Declaration of Covenants, Conditions and Restrictions for Lost Dutchman Gardens regarding membership in the Central Arizona Groundwater Replenishment District dated February 24, 2000 recorded March 3, 2000 in Instrument No. 2000-009520.
9. Agreement and Notice of Municipal Provider Reporting Requirements for Lost Dutchman Gardens Regarding Membership in the Central Arizona Groundwater Replenishment District dated March 2, 2000 recorded March 3, 2000 in Instrument No. 2000-009521.
10. All matters set forth in the Covenants, Conditions, and Restrictions, but omitting any restriction indicating any preference, limitation or discrimination based on race, color, religion, sex, handicap, familial status or national origin, in instrument recorded March 31, 2000 in Instrument No. 2000-013890.
11. Any rights and obligations arising by reason of inclusion within any homeowners association or liability respecting maintenance of common areas.