

STATE OF ARIZONA
DEPARTMENT OF REAL ESTATE

SUBDIVISION PUBLIC REPORT

FOR

Copper Hill Estates

Registration No.DM06-052372

SUBDIVIDER

Tucson Copper Hill Estates, LLC

6216 Baker Road, Suite 200
Eden Prairie, Minnesota 55346

EFFECTIVE DATE

September 7, 2006

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. 44th Street
Suite 100
Phoenix, Arizona 85018
(602) 468-1414 ext. 400

TUCSON OFFICE:
400 West Congress
Suite 523
Tucson, Arizona 85701
(520) 628-6940

THE ARIZONA DEPARTMENT OF REAL ESTATE

REQUIRES THAT:

1. You BE GIVEN this public report;
2. YOU SIGN A RECEIPT indicating that you received this report;

RECOMMENDS:

1. You DO NOT SIGN ANY AGREEMENT before you have read this report;
2. You see the EXACT PROPERTY you are interested in BEFORE SIGNING any document for lease or purchase.

ARIZONA LAW STATES:

1. THE SALE OR LEASE OF SUBDIVIDED LANDS PRIOR TO ISSUANCE OF THIS REPORT OR FAILURE TO DELIVER THIS REPORT TO YOU SHALL RENDER THE SALE OR LEASE RESCINDABLE BY YOU. ACTION TO RESCIND MUST BE BROUGHT WITHIN 3 YEARS FROM DATE OF EXECUTION OF PURCHASE AGREEMENT.
2. CONTRACTS OR AGREEMENTS FOR THE PURCHASE OF AN UNIMPROVED LOT (WITHOUT A BUILDING)* MAY BE RESCINDED BY YOU WITHOUT CAUSE BY SENDING OR DELIVERING WRITTEN NOTICE OF RESCISSION BY MIDNIGHT OF THE SEVENTH CALENDAR DAY FOLLOWING THE SIGNING.
3. IF YOU HAVE SIGNED A PURCHASE AGREEMENT FOR THE PURCHASE OF AN UNIMPROVED LOT (WITHOUT A BUILDING)* PRIOR TO INSPECTING THE LOT, YOU HAVE SIX MONTHS TO INSPECT AND UPON INSPECTION MAY RESCIND THE PURCHASE AGREEMENT.

*A contract or agreement for purchase of a lot which includes a building or obligates the seller to complete construction of a building within two years from the contract date does not constitute the purchase of an unimproved lot. Therefore, if your purchase includes a lot and a building or a building to be built, you are not entitled to the rescission rights described in paragraphs 2 and 3.

GENERAL

This report includes: Lots 1-61 inclusive

The map of this subdivision is recorded in Cabinet F, Slide 063, and Fee #2005-105510 of the records Pinal County, State of Arizona

The subdivision is approximately 96.202 acres in size. It has been divided into 61 lots. Lot corners are staked.

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: Copper Hill Estates is located on Madison Road, a public byway of Pinal County, running east and west from a spot approximately 1/8 mile north of the junction of Biosphere Road and Copper Hill Road. The site is located 1.85 miles south of the junction of State Highway 77 and Biosphere Road.

SUBDIVISION CHARACTERISTICS

Topography: The site is undeveloped native desert, except for the improvements being made to create the subdivision infrastructure. The terrain is mostly hilly with elevation differentials of 50 to 60 feet on some of the lots. Some overhead electric power lines cross the site, however, no evidence of prior structural development exists on the property. The site was previously used for grazing cattle.

Flooding and Drainage: A hydrology report was reviewed and approved by Pinal County which determined the flood prone limits of the 100-year storm, The subdivision was designed in accordance with applicable Pinal County standards. As a result of the design, the improvements were constructed in accordance with approved plans and specifications, and each lot was provided a building site in which there were no drainage hazards from the 100-year storm.

In a letter signed by Michael R. Smith, P.E., states in part ...”As a result of the design, the improvements were constructed in accordance with approved plans and specification, and each lot was provided a building site in which there were no drainage hazards from the 100-year storm.”

Soils: Silty sand overlying granite rock was encountered in all test pits during the geotechnical survey of the site. Soil ranges from 0 to 4’ in depth and consists of residual soils resulting from weathering of the underlying rock. The soils range from loose to medium dense. The soils are non-plastic to low plasticity fines. Carbonate cementation of the soils was classified as nil to weak. There is no groundwater. Laboratory tests indicated the soils should have a low expansive potential when compacted and confined to floor-slab loads. Testing indicates that the soils should serve as suitable pavement subgrade material.

Adjacent Lands and Vicinity: The subdivision is surrounded by lands that are used as agricultural/grazing uses, mine claims that are not actively being worked, and agricultural lands designated for residential use, as described below: Additionally, Copper Hill Estates is located in the vicinity of undeveloped public and private lands. There may be considerable and varied wildlife in the area and the wildlife may come onto the subdivision property. The wildlife may include native animals, reptiles and insects. Certain of the wildlife, such as snakes and insects, may be poisonous or venomous, and may be considered dangerous.

Section 5, Township 10S, Range 15E, adjacent to the properties' southwest boundary is zoned O2R-AG (Agricultural Use).

Lots 2,6 and 7 of the Section 5, Township 10S, Range 15E is zoned O2R-AG (Agricultural Use).

Section 5, Township 10S, Range 15E, southwest corner known as the Little Hill Mine is zoned O2R-AG (Agricultural Use)

Section 1, Township 10S, Range 14E, the Southeast corner of the sections containing 16 acres is zoned O3 – Owner Occupied Residential with a mobile home use classification.

Section 1, Township 10S, Range 14E the south half of the section adjacent minus the mining claims is zoned O2R-AG (Agricultural Use).

The properties immediately south of the site, and identified as M.S. 3977 (The Martha Bell Mine Claim), M.S. 3977 section 2 (The Virginia Mine Claim), and M.S. 1547 (The Gold Hill Mine Claim) are zoned as mining claims. They are not in use for mining operations.

The property located to the north, northwest and northeast of northern neck of the property and identified as the Southeast $\frac{1}{4}$ of Section 36 and the southern most portion of Section 31, as well as the entire Section 32 are lands controlled by the State of Arizona and are not zoned. These lands are leased as cattle grazing land and have an inferred zoning of O2R-AG according to the county.

AIRPORTS

Military Airport: There are no military airports within 25 miles of the subdivision.

Public Airport: There are two international airports offering daily commercial flights with easy access to the subdivision:

Tucson International Airport (TUS) is located 45 miles southwest of the property.

Phoenix Sky Harbor International Airport (PHX) is located 112 miles northwest of the property.

Airport: There are two general aviation airports with easy access to the subdivision:

San Manuel Airport, a general aviation facility, is located 24 miles northwest of the site, in the town of San Manuel.

Marana – Pinal County Airpark, a maintenance and feeder facility, is located 33 miles from the subdivision.

UTILITIES

Electricity: the San Carlos Irrigation Project will provide electric service to the subdivision. An overhead existing service line originally bisected the property and ran diagonally across the southern end of the property in an east to west fashion. This service line was relocated underground immediately adjacent to the newly constructed roadways within the property. Conduit, primary service and transformers have been installed to the lot lines to sufficiently energize lots 1-11, 14-25, 28, 29, 31-35, 41,42, 46, 50-53, and 57-61. Extension of the service line and possible transformers to the lot lines will be required by the lot purchaser in order to fully energize lot numbers 12, 13, 26, 27, 30, 36, 37, 38, 39, 40, 43, 44, 45, 47, 48, 49, 54, 55 and 56 once the driveway/house location is determined by the homebuilder. In every case, each lot purchaser will be required to extend the line from the lot line to the individual home site once the homeowner finalizes design for the home and the driveway. Cost will vary for each lot. Trenching and required conduit is estimated between \$5.00 to \$55.00 per lineal foot depending upon the amount of rock encountered. Additional estimated transformer cost is approximately \$1,800.00 per transformer.

The local area contact for service and repair is:

San Carlos Irrigation Project
P.O Box 250
Coolidge, AZ 85228
(520) 723-5408

Street Lights: Interior street lighting will not be provided.

Telephone: Tucson Copper Hill Estates will have local area service provided by QWEST Telephone. A variety of long distance service providers will be available to each lot. Existing service lines are being installed and the line will bisect the entrance road to the subdivision running in a north to south direction. Underground service is located in trenches installed immediately adjacent to the roadway system throughout the subdivision. Service will be installed to lot lines 1-11, 14-25, 28, 29, 31-35, 41, 42, 46, 50-53, and 57-61. Extension of the service line will be required by the lot purchaser in order to fully service lot numbers 12, 13, 26, 27, 30, 36, 37, 38, 39, 40, 43, 44, 45, 47, 48, 49, 54, 55 and 56 once the driveway/house location is determined by the homebuilder. Direct burial cable will be stubbed adjacent to the lots so that future service may be installed once the driveway/house location is determined by the homebuilder for lot numbers 12, 13, 26, 27, 30, 36, 37, 38, 39, 40, 43, 44, 45, 47, 48, 49, 54, 55 and 56. In every case, each lot purchaser will be required to extend the line from the lot line to the individual home site once the homeowner finalizes design for the home and the driveway. Estimated cost of \$5.00 to \$50.00 per lineal foot depending on the amount of rock encountered (Cost may be minimized through utilization of a joint trench for all dry utilities). The service and connection office of QWEST is:

QWEST Telecommunications
US West Communications

333 E. Wetmore Road, 3rd Floor, Tucson, AZ 85705.

www.qwest.com

Natural Gas: Natural gas service will be available to each lot in Tucson Copper Hill Estates. The service provider is Southwest Gas. The gas line is being installed underground throughout the subdivision immediately adjacent to the interior roadway system to individual lot lines. Gas lines will be installed to lot lines for lots 1-11, 14-25, 28, 29, 31-35, 41,42, 46, 50-53, and 57-61. The gas will be stubbed adjacent to lots 12, 13, 26, 27, 30, 36, 37, 38, 39, 40, 43, 44, 45, 47, 48, 49, 54, 55 and 56 so that future service may be may be installed.

Estimated costs lot purchaser will have to pay for completion of facilities to his lot line: Service will be installed to lot lines for lots 1-11, 14-25, 28, 29, 31-35, 41,42, 46, 50-53, and 57-61. The gas will be stubbed adjacent to lots 12, 13, 26, 27, 30, 36, 37, 38, 39, 40, 43, 44, 45, 47, 48, 49, 54, 55 and 56 so that future service may be may be installed once the driveway/house location is determined by the homebuilder. In every case, each lot purchaser will be required to extend the line from the lot line to the individual home site once the homeowner finalizes design for the home and the driveway. Estimated cost is \$9.00 to \$55.00 per lineal foot depending on the amount of rock encountered (Cost may be minimized through utilization of a joint trench for all dry utilities).

Fees, security deposits and user fees may be charged by the utility based on their customer service criteria. Their local office is:

Southwest Gas
3401 E. Gas Road
Tucson, AZ
(800) 428-7324
www.swgas.com

Water: Water service is being brought to each lot by Tucson Copper Hill Estates, LLC. The water service provider is the Arizona Water Company. Water service will be run to each property line by the developer. Tucson Copper Hill Estates, LLC for lots 1-11, 14-25, 28, 29, 31-35, 41,42, 46, 50-53, and 57-61. Stub outs will be located near the remaining lot lines, but will require additional trenching and pipe installation by the lot builder in order to have water service to the lot line. Estimated costs lot purchaser will have to pay for completion of facilities from lot line to dwelling: (Applicable to all lots) Estimated costs between \$9.00 to \$55.00 per lineal foot depending upon the amount of rock encountered. Their local office is:

Arizona Water Company
460 Avenue A
PO Box 120
San Manuel, AZ 85631
(520) 385-2226
SanManuel@Azwater.com

Sewage Disposal: Three types of individual on-site systems may be utilized depending on the soil conditions of each lot. These are a conventional septic tank/leachfield system, a Wisconsin mound system or an Evapotranspiration (ET) bed.

All proposed systems will require individual soil testing to ascertain soil type so that a determination may be made relative to which system will be required. This will involve hiring an engineering design firm and a soils testing firm. Upon completion of soils tests, a certified design must be completed and submitted to the County for approval of proposed design. An on-site septic system contractor must be hired to construct approved facility. An environmental engineering firm must monitor on-going construction and must certify construction upon completion. Total estimated cost for conventional septic system is \$16,500.00. Total estimated cost for a Wisconsin Mound system is \$23,500.00. Total estimated cost for an ET bed is \$35,000.00.

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: Tucson Copper Hill Estates is located on Madison Road, a public byway that connects into Biosphere Road. The access is guaranteed by easement and agreements in place.

Access within the Subdivision: Private interior hard surfaced roads are being built to each lot.

Developer advises utilities and interior streets to be completed by October 31, 2006

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: A hydrology report was reviewed and approved by Pinal County which determined the flood prone limits of the 100-year storm, The subdivision was designed in accordance with applicable Pinal County standards. As a result of the design, the improvements

were constructed in accordance with approved plans and specifications, and each lot was provided a building site in which there were no drainage hazards from the 100-year storm.

COMMON, COMMUNITY AND RECREATIONAL FACILITIES

Within the Subdivision: Tucson Copper Hill Estates will not offer community recreational facilities. All common areas will be access roadways or natural space.

Within the Master Planned Community: Tucson Copper Hill Estates is not part of a master planned community.

ASSURANCES FOR COMPLETION

Assurances for Completion of Subdivision Facilities: The developers of the subdivision, Tucson Copper Estates, LLC, a Minnesota Corporation, has posted a Subdivision Improvement Performance Bond (#1011178) underwritten by Lexon Insurance Company.

Assurances for Maintenance of Subdivision Facilities: Subdivision maintenance will be under the purview of the Copper Hill Estates Homeowners Association after turnover of rights to the public areas by Tucson Copper Hill Estates LLC.

LOCAL SERVICES AND FACILITIES

Schools: schools in Oracle and the Oro Valley area of Tucson serve Tucson Copper Hill Estates. The schools are:

Oracle Ridge School (Grades pre-K and Kindergarten)
725 N. Carpenter Street
Oracle, AR 85623
Distance from subdivision: 7 miles

Mountain Vista School (Grades 1-8)
2618 W. El Paseo
Oracle, AZ 85623
Distance from subdivision: 7 miles

San Manuel High School (Grades 9-12)
711McNab Parkway
San Manuel, AZ 85631
Distance from subdivision: 16 miles

Canyon Del Oro High School (Grades 9-12)
25 West Calle Concordia
Tucson, AZ 85737
Distance from subdivision: 16 miles

University of Arizona (grades 13-post doctoral)

4040 N. Campbell Ave.
Tucson, AZ

Distance from subdivision: 28.8 miles

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: No shopping facilities will be available within the subdivision. All commercial uses will be prohibited. There are a number of shopping opportunities nearby, including:

Grocery

Hildreth's Market
7609 American Way
Oracle, AZ

Distance from subdivision: 9.8 miles

Safeway
12122 N. Rancho Vistoso
Tucson, AZ

Distance from subdivision: 17.9 miles

Albertson's
10805 N. Oracle Road
Tucson, AZ

Distance from subdivision: 18.4 miles

Target
10555 N. Oracle Road
Tucson, AZ

Distance from subdivision: 17 miles

Wal-Mart Supercenter
7635 N. LaCholla
Tucson, AZ

Distance from subdivision: 18 miles

Shopping Centers and Malls

SB Vistoso Shopping Center
12142 N. Rancho Vistoso
Tucson, AZ

Distance from subdivision: 18 miles

La Encantada
2905 Skyline

Tucson, AZ

Distance from subdivision: 26.6 miles

Home Improvement

Catalina Ace Hardware

16120 N. Oracle Road

Tucson, AZ

Distance from subdivision: 11.2 miles

Home Depot

10855 N. Oracle Road

Tucson, AZ

Distance from subdivision: 18.4 miles

Restaurants and Motels/Lodges

Oracle Inn

77 Oracle Road

Oracle, AZ

Distance from subdivision: 6.8 miles

Nonna Maria's Pizza

441 E. American

Oracle, AZ

Distance from subdivision: 7.4 miles

Lupe's Restaurant

35530 N. Highway 7779

Oracle, AZ

Distance from subdivision: 7.6 miles

Cycle Break Café

1575 W. American

Oracle, AZ

Distance from subdivision: 7.5 miles

Discount Stores (with pharmacies) and Pharmacies

Access Canada (Pharmacy service by mail from Canadian pharmacies)

15930 N. Oracle Road

Tucson, AZ

Distance from subdivision: 11.4 miles

Marana Health Center

13644 N. Sadara Road

Marana, AZ

Distance from subdivision: 34.3 miles

Wal-Mart Supercenter

7635 N. LaCholla

Tucson, AZ

Distance from subdivision: 18 miles

Target

10555 N. Oracle Road

Tucson, AZ

Distance from subdivision: 17 miles

Public Transportation: No mass transit public transportation is available to the site. A number of companies and organizations provide specialized public transportation, including:

Medicare and Medicaid paid taxi service are available through arrangement with the Pinal County Health and Human Services Department, 500 S. Central Avenue, Florence, AZ.

Bus service is available in Oro Valley, Oracle and Marana but does not directly serve the area of the subdivision.

Taxi service is available in Oro Valley and will serve the subdivision based on a mileage charge.

Airport limousine services are available to the subdivision to both Tucson and Phoenix airports through a number of providers.

Medical Facilities: The subdivision will not have any onsite medical services. A number of general and special care providers are available in close proximity to Tucson Copper Hill Estates, including:

Hospitals

Northwest Medical Center

6200 N. La Cholla Blvd

Tucson, AZ

Distance from subdivision: 26.5 miles

Tucson Heart Hospital

4888 N. Stone Ave.

Tucson, AZ

Distance from subdivision: 27.5 miles

Physicians

Joyce Honorof, MD

63701 E. Saddlebrook Blvd

Tucson, AZ

Distance from subdivision: 12.2 miles

Arizona Heart and Vascular Institute
1521 E. Tangerine Road
Oro Valley, AZ

Distance from subdivision: 15.8 miles

Dermatology Center
1551 E. Tangerine Road
Oro Valley, AZ

Distance from subdivision: 15.8 miles

Fire Protection: Fire Protection is available through the Golder Ranch Fire District.

Golder Ranch Fire District
Saddlebrook Station
63735 E. Saddlebrook
Oracle, AZ
(800) 352-3796.

Ambulance Service: Ambulance and emergency medical services are available through the Golder Ranch Fire District.

Golder Ranch Fire District
Saddlebrook Station
63735 E. Saddlebrook
Oracle, AZ
(800) 352-3796.

Police Services: Police services are available through the Pinal County Sheriff's Office.

Pinal County Sheriff's Office
961 Jason Lopez Circle
Florence, AZ 85232
(800) 420-8689

Nearest Sheriff's Substation

1790 Justice Drive
Oracle, AZ
(520) 896-2236

Garbage Services: Tucson Copper Hill Estates has an agreement for services in place with Waste Management, Inc.

Waste Management, Inc.
5200 W. Ina Road

Tucson, AZ 85743
800-796-9696

1 pick up per week @ \$22.50/month plus one-time delivery charge of \$25.00 per container. If service is required more than once a week, extra pick-up charges will be imposed. A fuel surcharge may be imposed at a later date due to rising fuel costs.

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 residential lots for single-family homes.
Zoning: Single Family

Conditions, Reservations and Restrictions: Tucson Copper Hill Estates has imposed the following use restrictions and requirements as part of the subdivision development plan:

No owner or occupant shall permit anything to be done or kept in the Owner's Lot or in or upon any Common Areas that will result in the cancellation, increase in premiums or reduction in coverage of insurance maintained by the Property Owners Association or that would be in violation of any law or other applicable requirement of governmental authorities.

No animals, including horses or other domestic farm animals, fowl or poisonous reptiles of any kind may be kept, bred or maintained in any Lot or in or upon any Common Area, except a reasonable number of commonly accepted household pets in accordance with the Association Rules. No animals shall be kept, bred or raised within the Property for commercial purposes. In no event shall any domestic pet be allowed to run free away from its owners lot without a leash, or conduct itself so as to create a nuisance. Owners, Occupants or other Persons shall immediately clean up their animals' waste from the Common Areas and other portions of the property. All domestic pets must be registered with the Association and must have proof of proper immunization presented with their registration.

No owner or occupant shall permit or suffer anything to be done or kept about or within the owner's lot, or on or about the property, that will obstruct or interfere with the rights of other owners, occupants or other individuals holding the right to use and enjoy the common areas, or annoy them by unreasonable noises or otherwise. No owner or occupant shall commit or permit any nuisance or commit or suffer any illegal act to be committed on or about the property. Each owner and occupant shall comply with the association rules, the requirements of all health authorities and other governmental authorities having jurisdiction over the property. Normal construction activities and parking in connection with the building or improvements on a lot shall not be considered a nuisance or otherwise prohibited by the covenants and deed restrictions, provided they are in compliance with the Design Guidelines and requirements of the Design Review Committee and Board. Lots, common areas and areas of common responsibility shall be kept in a neat and tidy condition during construction periods; trash and debris shall not be permitted to accumulate, and supplies of brick, block, lumber, and other building materials shall be piled only in such areas as may be approved the Design Review Committee or the Board. In

addition, any construction equipment and building materials stored or kept on the Property during construction of improvements may be kept only in areas approved the Design Review Committee or Board, which also may require screening of the storage areas. The Board, in its sole and absolute discretion (but subject to the provisions of the Deed Restrictions, Covenants and Conditions, shall have the right to determine the existence of any unreasonable annoyance or nuisance under the agreements.

Except as specifically permitted by the Association rules, no boats, trailers, buses, motor homes, campers or other vehicles shall be parked or stored up the common areas or upon a lot except within an enclosed garage or as permitted by the design guidelines; no vehicle shall be repaired or rebuilt in any lot or upon the common areas; and, nothing shall be parked on any private streets except in parking areas designated by the board. The board may remove, or cause to be removed, any unauthorized vehicle at the expense of the owner of the vehicle in any manner consistent with the law. The board may determine that any area of the property may be used to store boat and horse trailers, recreational vehicles, etc. at its discretion.

No spotlights, flood lights or other high intensity lighting shall be placed or utilized upon any lot, which in any manner will allow light to be direct or reflected on the common areas, any other lot, or any portion of any of the foregoing, except as may be expressly permitted by the association rules or the design guidelines.

No tennis courts may be lighted, except in accordance with the Design Guidelines and any rules and regulations by the Design Review Committee.

The Board may adopt reasonable rules, restrictions and requirements from time to time regulating the placement, appearance, size, operation, and other aspects of any antennas, satellite dishes, and other similar structures and devices allowed for use on Lots, within the constraints of any applicable law. Any such rules, restrictions and requirements shall take into account aesthetic considerations, available technology, cost, feasible alternatives, and the effect (if any) of applicable laws and other requirements of governmental authorities. The Board shall have the authority (but no obligation) to enter into contracts providing for the availability of cable television and related services to the Property, or to such portions as the Board deems appropriate, on such terms as the Board may elect. If the Board elects to enter into such contracts, the costs of any such service shall be a Common Expense payable by those properties to which service is available (whether or not the Owner elects to receive the service), but the Board may allocate the costs of such service between improved and unimproved properties that are subject to Assessment in such proportions as the Board deems equitable.

No garbage or trash shall be kept, maintained or contained in any Lot so as to be visible from another Lot or the Common Areas except on the day of pick up for the minimum period reasonably required and in containers approved by Association Rules or Design Guidelines.

No incinerators shall be kept or maintained in any Lot.

No refuse pile, garbage or unsightly objects shall be allowed to be placed, accumulated or suffered to remain anywhere on a Lot. No Lot or portion thereof shall be used in whole or in part for the storage or dumping of rubbish of any character whatsoever, nor for the storage of any property or thing that will cause such Lot to appear in an unclear or untidy condition or that will be obnoxious to the eye, except during construction, nor shall any substance, thing or materials be kept upon any Lot that will emit foul or obnoxious odors, or that will cause any noise that will or might unreasonably disturb the peace, quiet, comfort, or serenity of the occupants of surrounding Property.

No portion of the Property shall be used in any manner to drill or maintain a well for potable or irrigation water purposes or to explore for or remove any water, oil or other hydrocarbons or minerals of any kind or earth substance of any kind. Notwithstanding the foregoing or anything to the contrary in this Declaration, Declarant shall have the right to place and maintain within the Property and elsewhere in the Project (a) wells and related facilities for potable or irrigation water purposes, and (b) sewage treatment facilities to accommodate residential, recreational, support services and public uses in the Project.

Owners and occupants of all lots shall maintain safe conditions. Each Owner shall maintain and keep the Owner's Lot at all times in a safe, sound and sanitary condition and repair and shall correct any condition or refrain from any activity that might interfere with the reasonable enjoyment by other Owners and Occupants of their respective Lots or the Common Areas.

Other than barbecues in properly constructed barbecue pits or grills, and firepots in compliance with the Association Rules and the Design Guidelines, or as otherwise expressly permitted in the Association Rules, no open fires shall be permitted on the Lots nor shall any other similar activity or condition be permitted that would tend to increase the insurance rates for the Common Area, or for other Owners.

No portion of any Lot shall be used as a drying or hanging area for laundry of any kind. All laundry facilities shall be provided within the buildings to be constructed on each Lot.

No Lot shall be divided or subdivided other than by the developer through a plat amendment.

No Owner shall erect, construct, maintain, permit or allow any fence or other improvement or other obstruction that would interrupt the normal drainage of the land or within any area designated on a Plat, or other binding document, as a "drainage easement" or similar designation, except that, with the prior consent of applicable governmental authorities and the Design Review Committee, non-permanent structures, including fences, may be erected in those areas that contain only underground closed conduit storm drainage facilities.

An Owner shall be responsible for assuring compliance by any Occupants of the Owner's Lot including, but not limited to, any lessee or other Person who the Owner allows to use the Owner's Lot with all of the provisions of the Articles, Bylaws, Association Rules or Design

Guidelines, all as amended and supplemented from time to time, and shall be jointly and severally responsible for any violations of all applicable Supplemental Declarations, any applicable Neighborhood Declarations, the Articles, Bylaws, Association Rules or Design Guidelines by the lessee or other Person.

No Owner shall cause or permit any thing or condition to exist upon the Property that induces, breeds, or harbors infectious plant disease or noxious insects.

No building, structure, or improvement on the Property shall be permitted to fall into disrepair, and (subject to any provisions of this Declaration, a Supplemental Declaration or a Neighborhood Declaration expressly imposing maintenance and repair obligations on the Association or other Persons) each building, structure and improvements on a Lot shall at all times be kept by the Owner of that Lot in good condition and repair and adequately painted or otherwise finished.

No lines, wires, or other services for the communication or transmission of electric current or power or electromagnetic impulses, including telephone, television, and radio signals, shall be erected, placed, or maintained anywhere in or upon the Property unless they are contained in conduits or cables installed and maintained underground or concealed in, under, or on buildings or other structures approved by the Design Review Committee.

The Homeowners Association may put additional rules, regulations, design criteria and stipulations in place at a later date.

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 Pinal 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 by fee estate in Tucson Copper Hill Estates, LLC, a Minnesota Limited Liability Corporation.

Subdivider's interest in this subdivision is evidenced by two Deed of Trust recorded as Instrument No. 2005-128841 and Instrument 2005-128843 of Official Records of Pinal County Recorder Laura Dean-Lytle.

Trustor: Tucson Copper Hill Estates, LLC, a Minnesota limited liability company

Trustee: Lawrence C. Petrowski, a member of the Bar of the State of Arizona Beneficiary: BankFirst. and First American Title insurance Company

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 June 14, 2006 issued by First American Title Company, 4801 East Washington Street, Suite 130, Phoenix, AZ 85034. **You should obtain a title report and determine the effect of the listed exceptions.**

METHOD OF SALE OR LEASE

Sales:

All lots will be sold fee simple for cash subject to the terms and conditions of the Lot Purchase Contract, the recorded deed restrictions, covenants and conditions of the subdivision with Title to be delivered at Close of Escrow.

Release of Liens and Encumbrances:

Upon close of Escrow, Seller shall convey the Property to Buyer, free on any financing encumbrances by Seller, by causing Escrow Agent to record Seller's standard form warranty deed (the "Deed") in the Official Records of Pinal County, Arizona. At the Close of Escrow, Escrow Agent shall be committed to issue to Buyer, reasonably promptly following the Close of Escrow, a standard coverage owner's policy of title insurance insuring Buyer's title to the Property (the "Title Policy"). The title policy will be subject to all public and private easements and other matters set forth on the final subdivision plan. Buyer agrees to accept the title exceptions set forth in the Title Report.

Use and Occupancy:

Copper Hill Estates restricts the use of all lots to single family homes as restricted by the conditions, covenants and restrictions of the subdivision. Occupancy may take place at Close of Escrow and must be according to the aforementioned conditions, covenants and restrictions of the subdivision.

Leasehold Offering:

Copper Hill Estates does not offer leaseholds.

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 2005 is 10.612800. The estimated property tax for an improved lot (lot with dwelling), based on the above tax rate and average sales price of \$750,000.00, is \$7,959.60. The estimated property tax for an unimproved lot (vacant), based on the above tax rate and average sales price of \$218,500.00 is \$2,318.98.

Special District Tax or Assessments: Tucson Copper Hill Estates is not located in any special taxing districts.

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

PROPERTY OWNERS ASSOCIATIONS

Name and Assessments: Copper Hills Estates Home Owner's Association. Fees will be determined by a board vote after the organization is established.

Control of Association: Election of officers will be conducted at each annual meeting with the first meeting to take place within one year of incorporation.

Title to Common Areas: Title to common areas will revert to the Homeowners Association ninety (90) days following the date on which Tucson Copper Hills Estates, LLC no longer owns any portion of the Property or such earlier date as Tucson Copper Hill Estates, LLC voluntarily declares that the Transition Date has occurred in an instrument recorded by (or with the consent of) Tucson Copper Hill Estates, LLC.

Membership: Membership is restricted to property owners of record. Membership is mandatory for all lot owners.

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.