
EASTMARK®
A PLANNED COMMUNITY
City of Mesa, Arizona

MASTER DISCLOSURE STATEMENT

DMB MESA PROVING GROUNDS LLC
7600 East Doubletree Ranch Road, Suite 300
Scottsdale, Arizona 85258

January 31, 2018

Our desire is for you to be an extremely satisfied customer. An important part of your satisfaction is in knowing as much as possible about your new lot or home and community. We offer this basic information statement as a service and protection for you, the Buyer.

THIS IS AN IMPORTANT DOCUMENT. WE REQUIRE THAT YOU SIGN THE LAST TWO PAGES (“BUYER(S) ACKNOWLEDGEMENT OF RECEIPT”) AS AN INDICATION THAT YOU HAVE RECEIVED, READ AND UNDERSTOOD THIS DISCLOSURE. THE INFORMATION IN THIS DISCLOSURE IS CURRENT AS OF THE DATE SET FORTH ABOVE. INFORMATION CAN CHANGE RAPIDLY; TO CALL THE APPLICABLE GOVERNMENTAL AND PUBLIC AGENCIES, REFERENCED IN THIS DISCLOSURE AND IN THE SUBDIVISION DISCLOSURE REPORT (“PUBLIC REPORT”) PROVIDED TO YOU BY YOUR NEIGHBORHOOD OR OTHER BUILDER FOR THE MOST UP-TO-DATE INFORMATION.

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**EASTMARK COMMUNITY
MASTER DISCLOSURE STATEMENT**

January 31, 2018

Welcome to Eastmark® (the “**Community**”). We are pleased that you (“**Prospective Buyer**”) have decided to purchase a home in our Community. DMB Mesa Proving Grounds LLC, a Delaware limited liability company, is the master developer and founder of the Community (“**Founder**”). If you are purchasing a new home, the home will be, or has been, constructed and sold by one of the several builders in the Community (“**Community Builders**”) and will be sold by their respective Arizona licensed brokers and salespersons.

This Master Disclosure Statement (“**Disclosure**”) discloses to you various matters that might affect your decision to purchase a new home in the Community (**please see below for “Important Notice to Resale Buyers”**). **Please read it carefully prior to signing any documents.** Because much of the information included in this Disclosure has been obtained from other sources (e.g., governmental and other public agencies, public records, etc.), and because the information is subject to change for reasons beyond our control, we cannot guarantee the accuracy or completeness of any information disclosed. After the closing on your lot or home, future updated Disclosures will be provided only to purchasers of new homes offered by Community Builders, and the Founder is not otherwise responsible for advising you of any changes. You should independently verify the information regarding any matter of concern to you. We also recommend that you visit the Community and drive around the general vicinity surrounding the Community on several occasions on different days and at different times to familiarize yourself with physical and other conditions to determine whether there are material factors that might affect your decision to purchase a home in the Community. Since we cannot predict every circumstance that may be material to you as the Buyer, you must satisfy yourself about the decision to purchase a home by independently investigating all matters of concern to you.

As part of your purchase of a home in the Community, you will receive a purchase agreement and other documents related to your transaction (collectively, the “**Purchase Documents**”). This Disclosure is not intended to be a substitute for your Purchase Documents, and it does not amend, modify or supersede your Purchase Documents. If there is an inconsistency regarding the terms of your transaction between your Purchase Documents and this Disclosure, unless otherwise expressly provided herein, your Purchase Documents will control. Prior to entering into your purchase agreement, you will also receive various disclosures (collectively, the “**Community Disclosures**”) and, if you are purchasing a new home, you will receive the Public Report prepared and provided by the Community Builder from whom you are purchasing your new home. Your Community Builder will be identified as the “Subdivider” and the Founder will be identified as the “Master Developer” in such Public Report. The Founder reserves the right to add additional residential communities, designs and types of dwellings, Community Builder and other neighborhood builders to the Community in the future in accordance with the Community Plan or any amendments thereto. This Disclosure provided on behalf of the Founder is not intended to limit or otherwise replace or affect in any manner the provisions of your Purchase Documents, the Community Disclosures, Governing Documents (as defined below) or Public Reports but, rather, this Disclosure should be consulted to determine the Founder's position on important issues current only as of its effective date.

*Except as otherwise noted, all capitalized terms in this Disclosure shall have the meaning given them in the Declaration and any supplements thereto (as such terms are defined below) including that the term “**Unit**” as used herein refers to the land, if any, which is part of the Unit as well as any structures or other improvements on the Unit. The terms “we” or “us” shall refer to the Founder. The term “you” shall refer to Prospective Buyer, as defined above. The term “owner” or “Owner” shall refer to the party(ies) holding*

title to the referenced residential Unit/Lot within the Community or other residential or commercial real property in which the term is used.

For information that will help you, the Prospective Buyer, make informed decisions on which kind of mortgage is best for you, you may visit the NATIONAL ASSOCIATION of REALTORS® (NAR) web site brochure page at www.realtor.com/home-finance.

1. **COMMUNITY:** The Community is a planned multi-use development located on a total of approximately 3,154 acres and is planned as a multi-phased development in the City of Mesa (the “**City**”), Maricopa County (the “**County**”), Arizona. The Community is bounded by Elliot Road to the north, Williams Field Road to the south, Signal Butte Road to the east and Ellsworth Road to the west. The land was originally part of the General Motors Desert Proving Grounds, which was a vehicle testing facility. At this time, the Community is planned to include a multitude of residential neighborhoods of varying density, mixed use retail, commercial, medical and office space, manufacturing uses, light industrial uses, employment uses, post-secondary educational uses, houses of worship, public, private and charter schools, parks, civic, public and other uses including, but not limited to, open space and roads and could also include a resort hotel with convention space and one or more hotels. Construction is currently underway for residential and commercial development and additional facilities will occur within the Community over time. Future development of the Community and surrounding properties is subject to change and cannot be predicted with accuracy, and the Founder cannot guarantee that the development of the Community will include all of the contemplated uses set forth above. If developed as planned, the Community will be developed in a series of phases over a period of years.

2. **DEVELOPMENT PLAN:** The development plan allows for a total of 15,000 residential dwelling units, both for sale and rental units of varying density, plus the potential for a total of 20 million square feet of non-residential development such as commercial, educational, retail, civic, office, resort up to 6,000 resort/hotel rooms), retail and flex/industrial space. The zoning entitlements (the “**Community Plan**”), are contractually authorized for a period of fifty (50) years through an approved Development Agreement with the City. There are very few use restrictions throughout the Community Plan, thereby providing maximum flexibility for developing the property with multiple uses in different locations on the site and which can change or redevelop over time. Importantly, the zoning entitlement allows for residential and non-residential uses on all 3,154 acres (with a couple of minor exceptions), allows land uses to be mixed throughout the property and includes relatively few limitations on building height therefore allowing significant land use density and intensity. A master land use plan which shows land uses with specificity does not exist for the property but rather the ultimate land uses are considered and approved on an ongoing basis. In other words, the new zoning is “form based”, rather than “use based” and it encourages the development of a connected and pedestrian oriented community. Given the inherent flexibility of the zoning framework, decisions on the type and location of uses are determined on an ongoing basis as they are actually proposed. As currently planned, residential neighborhoods in the Community could contain various product types, including non-residential uses along with a diverse mix of housing types, styles and sizes including single family attached and detached homes, active adult/age restricted housing, multi-family homes, condominiums and apartments.

Future development of the Community and surrounding properties is subject to change and cannot be predicted with accuracy, including that the Founder cannot guarantee that the Community Builders will construct the number or types of residential dwellings currently planned or that all the residential dwellings planned for the Community will ultimately be built. The actual number and types of homes built in the Community will be determined by the size of the lots that are platted in future phases and other factors (including, but not limited to, market conditions or other conditions, including the sale of portions of the property or the acquisition of additional property as well as future redevelopment. Additionally, the establishment and operation of nonresidential uses, including educational, retail, commercial, office,

employment, industrial, resort, golf and service uses, are subject to residential population thresholds and other factors including, but not limited to, market conditions. The Founder reserves the right to make changes in the proposed land uses, improvement plans, street patterns and types, architectural styles and designs, size of residences, and the characteristics of other improvements to be built and there can be no assurance that the Community or the subdivision in which your home is located will be developed as proposed, including that the Founder makes no representation as to the timing, location, nature or existence of any residential or nonresidential use. Plans for common areas and open space surrounding residential areas may be affected by such changes, some or all of which may be outside of Founder's control now or in the future. The Founder makes no representation regarding how the property not owned by the Founder within and surrounding the Community or any subdivision will be used or developed. Existing and/or proposed uses and zoning of adjacent property are subject to change and are not within the Founder's control. Also, the Founder reserves the right to sell portions of the property remaining in the Community to one or more other developers who may have the right to request changes in the development plan or to lease portions of the property remaining in the Community for permitted uses (including, but not limited to, grazing of livestock or other agricultural uses). Federal and Arizona State law permits assisted living facilities within planned communities, including residential homes utilized for assisted living. These facilities, if and when constructed, will nevertheless need to comply with the Governing Documents (as defined below) for the Community, as well as any applicable local codes, rules and regulations. You are advised to obtain a copy of the recorded map and correction documents, if any, from the Seller of your home and note all easements, restrictions and statements contained therein. If of interest, you should contact the City Development and Sustainability Department at (480) 644-4273 for up-to-date zoning or uses for adjacent lands.

IMPORTANT NOTICE TO RESALE BUYERS: Land use designations and all other information contained in the Public Report originally prepared by the initial Subdivider for your home's particular subdivision is current only as of the date of the issued Public Report filing or any amendment thereto. Consequently, no assurance can be given to any resale buyer in the Community that any information contained in a Public Report (including a Public Report viewed on the Arizona Department of Real Estate's web site at www.azre.gov) including, but not limited to, information regarding assessments, fees, development plans, schools, utilities, zoning, title exceptions or uses for adjacent land is still accurate and up-to-date and has not otherwise changed since initially described in the Public Report. **Resale buyers should, therefore, make all inquiries of interest to obtain the most accurate and up-to-date information on matters addressed in any Public Report reviewed prior to purchasing a resale Unit.**

3. **DEMOLITION AND REMEDIATION:** Approximately 430,000 square feet of buildings and structures have been recycled, reused or demolished. Approximately 75 miles of asphalt and concrete roadways previously used as testing tracks, has been either removed, recycled, reused or stockpiled for future use in the Community. To date, all of the buildings and structures have been removed along with approximately 20 miles of track. The demolition, recycling and reuse operations are anticipated to be completed by 2020. While the work is in progress, some of the materials removed as part of the demolition, recycling and reuse operations will be temporarily stored on a 150-acre site within the Community currently located at the northeast corner of Ray Road and Ellsworth Road.

Please refer to Section 31 regarding remediation of a solid waste landfill and borrow pit and additional remediation disclosures.

4. **GOVERNING DOCUMENTS:** Your home will be subject to the following documents, which may be amended or supplemented from time to time (collectively, the "**Governing Documents**"):

- a. The Articles of Restatement of the Eastmark Community Alliance, Inc. dated and filed January 12, 2012;

- b. The Bylaws of Eastmark Community Alliance, Inc. adopted July 13, 2011, as amended August 15, 2012;
- c. Amended and Restated Declaration of Covenants, Conditions, Restrictions and Easements for Eastmark, recorded on February 6, 2013, as Instrument No. 2013-0122018, and re-recorded on March 8, 2013, as Instrument No. 2013-0217662 in the Official Records of the County, together with all duly adopted amendments and supplements relating thereto (collectively, the “**Community Alliance Declaration**”);
- d. The Articles of Incorporation of the Eastmark Residential Association, Inc. dated and filed January 26, 2012 and filed February 21, 2012;
- e. The Bylaws of the Eastmark Residential Association, Inc. adopted June 13, 2012;
- f. Amended and Restated Declaration of Covenants, Conditions, Restrictions and Easements for Eastmark Residential Community, recorded on February 6, 2013, as Instrument No. 2013-0122019, and re-recorded on April 30, 2013, as Instrument No. 2013-0391883 in the Official Records of the County, together with all duly adopted amendments and supplements relating thereto (collectively, the “**Residential Declaration**”);
- g. The Articles of Incorporation of Eastmark Community Assembly, Inc. dated and filed January 26, 2012, and refiled February 24, 2012;
- h. The Bylaws of Eastmark Community Assembly, Inc. adopted June 13, 2012;
- i. Amended and Restated Community Recreation Covenant, recorded on February 6, 2013, as Instrument No. 2013-0122020 in the Official Records of the County, together with all duly adopted amendments and supplements relating thereto (collectively, the “**Community Recreation Covenant**”);
- j. Supplemental Declarations recorded from time to time related to subdivided residential lots;
- k. Residential Design Guidelines; and
- l. The 2018 Assessments and Fee Schedule, (a copy of which is attached hereto as **Exhibit A**).

The Governing Documents are available for your inspection in the sales office of the Community Builder from whom you purchase your new home, and in the case of resale homes, from the Residential Association through delivery by your title company). The Governing Documents should be provided to you prior to the purchase of your new home or during the escrow period prior to the purchase of your resale home. In addition, the Governing Documents are made available to home and lot owners on the Community’s web portal described below.

5. **COMMUNITY ALLIANCE:** Eastmark Community Alliance, Inc., an Arizona nonprofit corporation (the “**Community Alliance**”) is responsible for the operation, administration, maintenance, repair and replacement of all of the improvements within the Community Alliance’s responsibility, and to levy and collect assessments, fees or other charges, and enforce the covenants, conditions and restrictions set forth and in accordance with the provisions of the Community Alliance Declaration. The Community Alliance is governed by a Board of Directors. Each owner shall have at least one (1) Membership in the Community Alliance, as set forth in Section 2.2 of the Community Alliance Declaration. Additional terms related to Memberships for other property owners are also specified in the Community Alliance Declaration. If more than one person owns a property, those persons shall designate one such person as the voting representative for that property in a notice to be delivered to the Board of Directors. To fund the Community Alliance’s responsibilities, certain assessments are payable to the Community Alliance: a Regular Assessment, and

Special Assessments and Specific Assessments. *Please refer to Exhibit A attached and incorporated herein for the current Assessment & Fee Schedule.*

NOTE: OWNERS OF A LOT LOCATED WITHIN THE GATED EXECUTIVE CLUB COMMUNITY KNOWN AS “THE ESTATES AT EASTMARK” OR THE AGE RESTRICTED COMMUNITY KNOWN AS “ENCORE AT EASTMARK” DO NOT HAVE MEMBERSHIPS IN THE COMMUNITY ALLIANCE BUT DO CONTRIBUTE TO THE COMMUNITY ALLIANCE AS REIMBURSEMENT FOR MAINTENANCE COSTS ASSOCIATED WITH THE EASTMARK GREAT PARK® AND PERIMETER LANDSCAPING OF THE ESTATES AND ENCORE SUBDIVISIONS. IF YOU ARE BUYING A HOME WITHIN ONE OF THOSE NEIGHBORHOODS, PLEASE CONSULT YOUR PUBLIC REPORT FOR DETAILS OF ASSESSMENTS APPLICABLE TO YOUR HOME.

6. **COMMUNITY ASSEMBLY:** Eastmark Community Assembly, Inc., an Arizona nonprofit corporation (the “**Community Assembly**”), exists to provide education, coordinate with and assist with volunteers and Community clubs. All owners of residential real property in the Community automatically become members of the Community Assembly upon acquisition of a Unit. The Community Assembly is governed by a Board of Directors, the members of which are appointed by the Founder during the Founder Control Period. To fund the Assembly’s activities and responsibilities, an assessment is payable to the Community Assembly. *Please refer to Exhibit A attached and incorporated herein for the current Assessment & Fee Schedule.*

NOTE: OWNERS OF A LOT LOCATED WITHIN THE GATED EXECUTIVE CLUB COMMUNITY KNOWN AS “THE ESTATES AT EASTMARK” OR THE AGE RESTRICTED COMMUNITY KNOWN AS “ENCORE AT EASTMARK” DO NOT HAVE MEMBERSHIPS IN THE COMMUNITY ASSEMBLY. IF YOU ARE BUYING A HOME WITHIN ONE OF THOSE NEIGHBORHOODS, PLEASE CONSULT YOUR PUBLIC REPORT FOR DETAILS OF ASSESSMENTS APPLICABLE TO YOUR HOME.

7. **RESIDENTIAL ASSOCIATION:** Eastmark Residential Association, Inc., an Arizona nonprofit corporation (the “**Residential Association**”), exists to own, operate and/or maintain various common areas and community improvements and to administer and enforce the covenants, conditions and restrictions set forth in the Residential Declaration, including collecting assessments, fees or other charges levied by the Residential Association against members of the Residential Association. All owners of residential real property in the Community automatically become members of the Residential Association upon acquisition of a Unit. The Residential Association is governed by a Board of Directors, the members of which are appointed by the Founder during the Founder Control Period. As a member of the Residential Association, you will have a right to vote (one vote per Unit, regardless of the number of members within the household) and, for purposes of exercising your voting right, owners may be grouped into Neighborhoods and Election Districts, with the goal of implementing a representative voting system for all matters to be voted on by members of the Residential Association. To fund the Residential Association’s activities and responsibilities, certain assessments are levied by, and payable to, the Residential Association. *Please refer to Exhibit A attached and incorporated herein for the current Assessment & Fee Schedule.*

NOTE: OWNERS OF A LOT LOCATED WITHIN THE GATED EXECUTIVE CLUB COMMUNITY KNOWN AS “THE ESTATES AT EASTMARK” OR THE AGE RESTRICTED COMMUNITY KNOWN AS “ENCORE AT EASTMARK” DO NOT HAVE MEMBERSHIPS IN THE RESIDENTIAL ASSOCIATION. IF YOU ARE BUYING A HOME WITHIN ONE OF THOSE NEIGHBORHOODS, PLEASE CONSULT YOUR PUBLIC REPORT FOR DETAILS OF ASSESSMENTS APPLICABLE TO YOUR HOME.

8. **INTELLECTUAL PROPERTY RIGHTS:** The Founder owns the exclusive rights to the state and federally registered “Eastmark®” mark, name, logos and indicia (collectively referred to as the “**Eastmark Marks**”), with all rights reserved. The purchase, lease or sale and related marketing of any property located in the Community does not give any buyer, seller, brokerage, agent of the buyer or seller, or tenant the right to use the Eastmark Marks or any of Founder’s copyright protected materials or works. The use, creation, registration and/or application to register any mark, name, domain name, e-mail address, designation, club name, business name, photograph, drawing, vanity license plates, newsletter, magazine publication, entity name (even if such entity is created for the sole purpose of designing, constructing, marketing, owning, leasing, selling or providing any other services to a lot or home within the Community) or any other identifier of source that is comprised of or incorporates the Eastmark Marks or are confusingly similar to the Eastmark Marks, for any purpose whatsoever, is strictly prohibited without the prior written authorization of the Founder, which can be withheld at the Founder’s sole discretion. The Founder’s marketing and promotional materials, photographs, images, text, renditions and floor plans, Fact Sheets, architectural plans and drawings, web sites, the contents thereof and any other materials or works (including, but not limited, to the entire contents of this Disclosure), whether in print or online, are strictly protected under copyright law. Notwithstanding any and all costs and fees actually incurred by you/your business or your potential ability to secure any of the foregoing from any local or state agency, domain name provider, etc. in violation of the Founder’s rights in the Eastmark Marks, any violation of this provision will constitute an intentional and willful violation of the Founder’s rights and shall subject such individuals to full enforcement and penalties allowed by law.

9. **MANUFACTURING AND INDUSTRIAL USES:** An affiliate of Apple Inc., a California corporation, currently owns an approximately 1.3 million square foot building located on an approximately 133 acre site located at the southwest corner of Elliot Road and Signal Butte Road at the northeastern boundary of the Community (the “**Apple Facility**”). Homes adjacent to the Apple Facility may be subjected to increased lighting, noise, dust and additional pedestrian and vehicular traffic associated with the operation of light industrial facilities.

10. **RETAIL AND ENTERTAINMENT USES:**

- a. **Ellsworth and Ray.** A commercial district at Eastmark is being planned at the northeast corner of Ellsworth Road and Ray Road (the “**Ellsworth/Ray Commercial District**”). The Ellsworth/Ray Commercial District, an approximately 45-acre mixed-use property, may be developed in multiple phases and is anticipated to provide retail, services, amenities, entertainment and office spaces. This first phase is anticipated to include a TBD grocery anchored neighborhood center and is expected to be available consistent with the demands of the marketplace and timeframes designated by future businesses and users.
- b. **Point Twenty-Two and Signal Butte.** Another commercial center at Eastmark is also being planned at the northwest corner of Point Twenty-Two Blvd. and Signal Butte Road (the “**Point Twenty-Two/Signal Butte Commercial Center**”). The Point Twenty-Two/Signal Butte Commercial Center, an approximately 15-acre mixed-use property, may be developed in multiple phases and is also anticipated to provide retail, services, amenities, entertainment and office spaces. This first phase of the Point Twenty-Two/Signal Butte Commercial Center will consist of a Safeway® grocery store, that includes plans for a self-service gas station, with an anticipated opening in late 2019. The rest of the Point Twenty-Two/Signal Butte Commercial Center is expected to be available consistent with the demands of the marketplace and timeframes designated by future businesses and users. Concurrently with the development of future phases of the Community, the Founder may include other retail, commercial and entertainment sites as deemed appropriate.

11. **COMMUNITY FACILITY DISTRICTS:** The majority of property within the Community is located within the boundaries of Eastmark Community Facilities District No. 1 (“**District 1**”), which was formed to finance the construction and acquisition of public infrastructure that benefits the Community. District 1 is planned to include most of the residential land, and certain other property, within the Community. The District has financed and will continue to finance certain public infrastructure through a general obligation property tax, which supports the issuance of general obligation bonds and finances certain operation and maintenance obligations relating to the infrastructure. Special assessments affecting residential units have supported the issuance of assessment bonds in Special Assessment District (“**SAD**”) Nos. 1, 2, 3, 4, 5, 6, and 7. It is anticipated that bonds will be issued for SAD District No. 8 in the first quarter of 2018 and that SAD District No. 9, 10 and 11 will be funded in the third quarter of 2018. The ability to utilize District financing tools has allowed the construction of certain public infrastructure to occur earlier than would otherwise be possible and infrastructure amenities that otherwise might not be available. Property owners in the District also benefit from higher quality public improvements that will be maintained to a higher standard than would otherwise be the case. Each owner of a Unit will participate in the repayment of the bonds in the form of the general obligation tax and special assessments, which appear on each owner’s annual property tax bill. These obligations, like your other property tax liability, may be deductible from federal and state income taxes (however, you should consult your tax professional for further information). In the case of new sales, your Community Builder will provide you with a disclosure statement which sets forth additional specific information regarding the District, including an estimate of the amount of the general obligation taxes and special assessments which may be levied against your home and which you will be required to sign prior to closing the purchase of your new home.

12. **PRIVATE AND CHARTER SCHOOLS:**

a. **BASIS Mesa:** BASIS Mesa is a nationally renowned public charter school currently offering Grades 3-12; BASIS plans to add grades K-2 in the future. For more detailed information, please contact BASIS Mesa at www.basismesa.org.

b. **Sequoia Pathfinder Academy at Eastmark:** Pathfinder Academy at Eastmark is an Edkey public charter school offering Grades K-8 that focuses on STEM (science, technology, engineering and math) principles. The four-acre campus will accommodate up to 400 students. For more detailed information, please contact Pathfinder Academy at Eastmark at www.sequoiapathfinder.org.

13. **DISTRICT SCHOOLS:** There are two public school districts for the Community: (i) Queen Creek Unified School District #95 (the “**Queen Creek District**”), the boundaries of which includes all homes located south of Warner Road, and (ii) Gilbert Public School District #41 (the “**Gilbert District**”), the boundaries of which include all homes north of Warner Road. Students within the Community may attend district schools located in either the Queen Creek District or the Gilbert District, generally depending on the location of the home being purchased and the available capacity of the school. The public schools located in the Queen Creek District are as follows:

Elementary: Gateway Polytechnic Academy School (K-8), 5149 S. Signal Butte, Mesa, Arizona 85212, (480) 987-7440.

Middle: Queen Creek Middle School 6-8), 20435 South Old Ellsworth Road, Queen Creek, Arizona 85142, (480) 987-5940. Please note that Queen Creek Middle School will no longer be in the Eastmark boundary at the start of the 2017-2018 school year due to Gateway Polytechnic Academy adding 8th grade at their school.

High School: Queen Creek High School (9-12), 22149 East Ocotillo Road, Queen Creek, Arizona 85142, (480) 987-5973.

New Queen Creek Unified School District High School Within Eastmark (grades 9-12). The high school will be located between Copernicus Road to the east, Ellsworth Road to the west, Point Twenty-Two Blvd. to the north and Ray Road to the south. The first phase of the high school is currently scheduled to open for the fall 2019/2020 school year. Please note that once the high school is open, homes located adjacent, or near, the high school may be subjected to increased lighting, noise, dust and additional pedestrian and vehicular traffic associated with the operation of the high school.

The public schools located in the Gilbert District are as follows:

Elementary: Canyon Rim Elementary (K-6), 3045 S. Canyon Rim, Mesa, Arizona 85212, (480) 984-3216.

Middle: Desert Ridge Junior High (7-8), 10211 E. Madero Avenue, Mesa, Arizona 85209, (480) 635-2025.

High School: Desert Ridge High School (9-12), 10045 E. Madero Avenue, Mesa, Arizona 85209, (480) 984-8947.

The school enrollment policy falls under the purview of the State of Arizona, is subject to change, and is outside of the Founder's control. Transportation to and from the school for which open enrollment is requested is the responsibility of the parent/guardian. Please contact the individual school for more detailed information.

For further information, including potential future schools that will be designated for the Community, you may contact:

Queen Creek Unified School District	(480) 987-5935	www.qcusd.org
Gilbert Public Schools	(480) 497-3300	www.gilbertschools.net

Although there is no substitute for an onsite visit to the school to talk with principals and teachers, there is a significant amount of information about Arizona's schools on the Internet. Additional information regarding public and charter schools and districts can also be found at www.azed.gov, www.greatschools.org and www.sfb.az.gov.

14. COMMUNITY CENTER, VISITORS CENTER AND NEIGHBORHOOD SALES FACILITIES:

The Founder has designed and constructed a private "Community Center" for the residents of the Community called The 'Mark®, which consists of roughly 7,400 square feet of multi-functional space that accommodates a wide array of community events, activities, clubs and classes, a 4,600 square foot private-Community swimming pool and a recreation center called Bus Stop at The 'Mark for Community residents. The Eastmark Community Life Team is responsible for staffing, programming and maintaining The 'Mark. A portion of The 'Mark is currently being utilized temporarily as a visitor's information center for prospective buyers at the Community, and another portion of The 'Mark is currently being utilized by the Community's governance entities' staff. The 'Mark and other model home and sales facilities utilized by the Founder and the Community Builders will remain open during the active sales period for homes that are the subject of these facilities. Residents living adjacent to or near The 'Mark, or other model home and sales facilities, may be subjected to increased light, noise, dust and additional pedestrian and vehicular traffic. Additionally, these areas may include bathroom facilities, trap fencing, parking areas, signage and

other improvements. At some time in the future, The 'Mark will be limited only to "Community Life" and administrative uses.

15. THE EASTMARK GREAT PARK: A major amenity within the Community is The Eastmark Great Park® (the "**Great Park**"), which is a public park planned to be approximately 106-acres in size at completion including 16 acres designated for a municipal amenity. The Great Park is planned to include both programmed active and passive uses. The first approximately 7-acre phase of the Great Park is completed and features public open spaces, a lake, riparian stream, Ramada, splash pad, Palm Plaza and an Event Pavilion. The second approximately 4-acre phase of the Great Park is also completed and includes restroom facilities, a large climbing play structure known as The Orange Monster™ and public open spaces. Future phases of the Great Park will be completed concurrently with the development of future phases of the Community and will include lighted ball fields, recreational areas, Community amenities and civic facilities. Homes adjacent to public or private facilities or amenities may be subjected to increased lighting, noise, dust and additional pedestrian and vehicular traffic associated with the operation of these facilities. Plans, amenities and timing of all of the Great Park development phases are subject to change.

The Great Park is maintained by the City, and funding of the maintenance of the Great Park is a joint responsibility of the City and the Community Alliance. The City contributes to the cost of maintenance based on their average annual per acre cost to maintain all other parks in the City of Mesa. The Community Alliance pays for enhanced maintenance services.

16. FIRE AND POLICE SAFETY PROTECTION: There may be up to two (2) permanent fire stations within the Community. The first permanent fire station will be located on not less than two (2) and no more than two and one-half (2½) acres and located in Development Unit 7 adjacent to the Great Park west of Eastmark Parkway. A second fire station may be located on not less than two (2) and no more than two and one-half (2½) acres and located in a specific location mutually acceptable to the City and the Founder.

There may be a police substation in the Community-in a specific location mutually acceptable to the City and the Founder.

17. MULTIPLE USES OF UNITS: The Founder may plan future phases of the Community to include parcels within which Community Builders, and other builders, may construct "**Live/Work Units**" allowing for combined residential and business uses. The business uses would take place in an office maintained within a portion of Live/Work Units. Any Live/Work Units may be used entirely for residential use, however, no Live/Work Units may be used entirely for non-residential use. Home-Based Businesses are permitted in the Community provided such business use takes place entirely within the Live/Work Units. Such business use is generally performed with one client at a time, and such business use is consistent with applicable laws, ordinances, and regulations, and other governmental conditions of approval of the development plans of Live/Work Units. The use of any Live/Work Units for a business use shall be subject to various approval requirements of the Community Plan and the Founder and the Community Alliance. There may be additional restrictions applicable to Live/Work Units including, but not limited to, lighting, loading activities, external impacts, signs, parking and vehicular restrictions, and hours of operation. Prior to undertaking any proposed business use, the owner of Live/Work Units shall be required in all cases to submit an application to the Founder and Community Alliance and to obtain certain approvals. Additional specific conditions and requirements applicable to particular Live/Work Units will be included in a recorded Supplemental Declaration.

18. ACCESS AND SECURITY: Although certain neighborhoods within the Community have, or may have, restricted access for privacy purposes, the Community as a whole is not gated and is not otherwise a controlled-access community. Neither the Founder nor the Community Alliance has any affirmative obligation, and we assume no legal duty, to take any measures to provide security or insure the safety,

privacy or security of individuals or property within the Community. Neither the Founder nor the Community Alliance make any representation as to the effectiveness or adequacy of any measures that are, or may have been, taken voluntarily or otherwise by the Founder or any other person, including lighting installed within the Community. Periodically, the Founder and/or Builders may hire private security firms for the purpose of patrolling active construction areas. Private security firms are not responsible for patrolling residential areas; the Mesa Police Department is responsible for patrols within residential areas.

Certain areas in the Community may be subject to on-street parking restrictions due to the requirements of local fire safety codes, street cleaning, restrictive covenants (including handicapped parking areas) or during active construction or other activities and occurrences. These restrictions may preclude you, your tenants or your guests from parking on the street in front of or near your home at any time. Signs may be posted but parking restrictions may or may not be identified with red-painted curbs. Parking restrictions are subject to change. Vehicles parked in “no parking” zones may be towed, at the vehicle owner’s expense, without advance notice. Neither the Founder nor the Community Alliance assumes any liability for any inconvenience and penalties incurred by owners, tenants or guests for non-compliance with posted signs, marked curbs or other parking restrictions.

19. **ONGOING CONSTRUCTION AND SALES ACTIVITY:** As presently planned, the Community will be developed in a series of phases, and additional phases may be completed after you move into your new home. The Community is a master-planned community in active and there will be a significant amount of construction-related activity (e.g., construction traffic, hauling of construction materials) and the resulting dust, dirt, debris and noise at varying times of the day and may include limited extended hours of construction at certain times with approval by the City. Prospective Buyers of the Community should be aware of the potential noise, noxious odors, dust and other activities typically associated with these types of construction activities. The construction of homes and subdivision development phases may cause you some inconvenience (e.g., noise and dust from construction traffic, increased noise from construction activities which may commence earlier during summer hours, travel delays due to construction traffic and prospective buyers visiting the model parks and sales offices). Further, due to ongoing construction and sales activity, public infrastructure, public and private utilities (e.g., water, electricity, telephones, cable television, sewers, storm drains, etc.) within the Community and/or servicing your home may be temporarily interrupted and/or adversely affected. You must exercise extreme caution and observe all signs that may be posted when driving through a construction zone. Construction sites are inherently dangerous and it is your responsibility to supervise children under your care to prevent them from entering areas under construction without permission or supervision and you and your guests, invitees and contractors are required to comply with the applicable rules. If you enter any construction areas, with or without permission, you will be presumed to have assumed all risk of any and all injuries (including death) to any person and/or damage to any property arising from or in any way related to your entry onto your lot or other construction area, and waived any and all claims of any kind or nature against the Founder, the Community Alliance and its and their subsidiaries and related entities, and all of its and their employees, officers, directors, shareholders, contractors, subcontractors, vendors, agents, representatives, consultants, and its and their respective successors and assigns arising from or in any way related to your entry into your lot or other construction area. **IN ADDITION, BY SIGNING THIS DISCLOSURE, YOU AGREE THAT YOU SHALL PROCEED AT YOUR OWN RISK DURING ANY VISIT PRIOR TO MOVE-IN AND YOU RELEASE AND WAIVE ANY CLAIMS AGAINST FOUNDER, THE COMMUNITY ALLIANCE AND ITS AND THEIR SUBSIDIARIES AND RELATED ENTITIES, AND ALL OF ITS AND THEIR EMPLOYEES, OFFICERS, DIRECTORS, SHAREHOLDERS, CONTRACTORS, SUBCONTRACTORS, VENDORS, AGENTS, REPRESENTATIVES, CONSULTANTS, AND ITS AND THEIR RESPECTIVE SUCCESSORS AND ASSIGNS, AND ANY AND ALL OTHER PERSONS OR ENTITIES THAT COULD BE POTENTIALLY LIABLE TO YOU AS A RESULT OF AN INJURY WHICH MAY OCCUR DURING YOUR VISIT TO YOUR LOT OR HOME OR TO ANY PORTION OF THE COMMUNITY.**

20. DRAINAGE: You must not change or interfere with the established drainage pattern(s) on your lot in a manner that would deviate from the Community master drainage plan or the approved drainage plan for your subdivision. The drainage patterns established in the Community master drainage plan and the approved drainage plan for your subdivision have been carefully developed to facilitate proper drainage from slopes and yard drainage to the street or natural swales; any interference with the established drainage patterns as initially constructed, or failure to properly maintain drainage facilities, can cause water to drain inadequately or improperly or to become entrapped within the yard area and could cause structural failure or damage to adjoining property and improvements. The drainage patterns must be maintained so as to ensure continued proper drainage including, without limitation, clearing accumulations of silt and debris after storms and the prevention of incursion of roots and other plant growth which may damage or undermine drainage facilities and patterns. Please note that the construction of improvements, including but not limited to, pools, patios, gazebos, curbs, decks, walks or any other landscape amenity can block, alter, or modify drainage patterns, thereby requiring corrective measures be taken to insure proper water flow. You are strongly advised to consult landscape architects, geotechnical engineers and/or qualified civil engineers or contractors for advice prior to the installation of yard landscaping or any alteration to the drainage patterns. You should be aware that some of the curbs and/or gutters throughout the Community will have a relatively steady flow of drainage water due to ongoing irrigation of public and private landscaped areas. Special care must be taken to minimize and remediate the build-up of algae and debris on your lot that may result from such water flows.

If you change or interfere with the drainage patterns established by the Community master drainage plan or the approved drainage plan for your subdivision, or otherwise fail to conform to applicable requirements, you will be deemed to have assumed all risk of any and all injuries (including death) to any person and/or damage to any property arising from or in any way related to such change, interference or failure to conform, and waived any and all claims of any kind or nature against the Founder, and the Community Alliance, and its and their subsidiaries and related entities, and all of its and their employees, officers, directors, shareholders, contractors, subcontractors, vendors, agents, representatives, consultants, and its and their respective successors and assigns arising from or in any way related to such change, interference or failure to conform. You may also be required to make all modifications necessary to your lot to conform to the Community master drainage plan and the approved drainage plan for your subdivision.

21. SOILS CONSIDERATIONS AND LOT SETTLEMENT: All soil, by its nature, exhibits some expansive and/or subsidence potential. However, based on currently available geological information with respect to ground subsidence in the County, in which the Community is located, the Community is not located within an area known for significant ground subsidence or the presence of earth fissures. Nonetheless, when soil becomes wet it is prone to expand or settle and may cause damage by lifting and cracking improvements built on top of this soil unless adequate precautions have been designed and incorporated into their construction. When preparing to landscape your yard and construct improvements such as masonry walls and planters, slabs, walks, pools, spas, patios and other improvements, including a custom home, you must take special care to accommodate the soils conditions on your property. You will need to obtain, at your own expense, a geology and geotechnical report prior to constructing pools, spas, concrete slabs or other improvements, including a custom home, requiring excavation to ensure proper precautions and stability measures are taken and geotechnical design parameters are recommended. Water should not be allowed to pond near any structures or foundation systems, and the design and placement of landscaping and irrigation systems should be performed such that bearing soils and backfill materials are not subject to moisture infiltration or significant increases in moisture content.

In addition, lots in fill areas or in areas underlain by materials other than bedrock will generally settle over time. This settlement is a natural and predicted occurrence and should be expected throughout the Community. Due to differences in physical characteristics and the variation of the thickness of fill in

different areas, as well as variable subsurface conditions, sometimes the settlement is not uniform. The difference in settlement between different areas is what is termed “differential settlement.”

For further information, you may contact the Arizona Department of Water Resources at (602) 417-2400 or visit their web site at www.azwater.gov/dwr/.

It is your responsibility, and that of your contractors and consultants, to properly design and install any improvements which you construct so as to protect those improvements from damage due to any soil or environmental conditions that may exist on your lot.

The Founder and the Community Alliance shall have no liability or responsibility in connection with said soil or environmental conditions including, but not limited to, the repair of any cracking which may occur to improvements not installed by the Founder or any effects of differential settlement or slope creep.

YOU ARE CAUTIONED REGARDING EXCESSIVE WATERING AND/OR OVERSPRAY OF LANDSCAPE MATERIALS, PARTICULARLY IN CLOSE PROXIMITY TO YOUR HOME OR ANY WALLS. EXCESSIVE WATERING WILL RESULT IN STRUCTURAL OR OTHER PHYSICAL DAMAGE TO YOUR HOME OR WALLS. NEITHER FOUNDER, NOR ANY COMMUNITY BUILDER, NOR YOUR BUILDER SHALL BE RESPONSIBLE FOR ANY DAMAGE TO PERSONS OR PROPERTY CAUSED BY THE ALTERATION OF THE GRADE AND/OR SOILS CONDITIONS BY YOUR REPRESENTATIVE. YOU ARE REQUIRED TO MAINTAIN LOT GRADE AND SOIL CONDITIONS AS OF THE DATE OF CLOSING (AS DEFINED IN YOUR PURCHASE AGREEMENT). IT IS YOUR RESPONSIBILITY TO NOTIFY LANDSCAPE-RELATED PROVIDERS REGARDING SAME.

22. LANDSCAPING: All, or a portion, of your lot, and areas outside the boundaries of your lot, may be maintained by the Community Alliance, Residential Association, the City or the CFD District 1, and under no circumstances are you permitted to alter, adapt or encroach into these areas. All patio area and hardscape area landscaping and hardscape not provided as part of the initial construction of your home is to be installed by you. Installation of any landscape or hardscape is to be completed within the time period outlined in the Supplemental Declaration for your subdivision. In addition, certain Streetscape areas (landscaping within the public right-of-way adjacent to homes) and the Sidewalk Landscape Area (between sidewalk and parallel to public street) is to be maintained by you. In terms of landscape planting, your soils are typically sandy or loamy, and may be low in nutrients. In some cases, you may encounter areas of high salt content or clay. Nutrients and organic amendments can be incorporated to improve existing conditions and plant materials should be selected from local nurseries that are familiar with area soils. In all cases, any improvements to your lot that are visible from neighboring properties must be submitted to and approved prior to installation by Founder or subsequent Reviewer, or the Community Alliance.

23. MAIL BOXES, STREET ADDRESSES, UTILITIES AND STREET LIGHTS: The location of mailboxes and above-ground utility structures are determined by governmental agencies and/or utility companies, not the Founder or the Community Alliance, and the location of these structures may affect your lot. In addition, street lights, signs, pedestals and vaults may be located in front of your home. The Founder makes no representation as to the location of these structures.

Street addresses are determined and approved by the City in coordination with the United States Postal Service and are outside the control and responsibility of either the Founder or your Builder. At the time of execution of your Purchase Documents, while a preliminary street address may have been determined for the lot, the Founder or Builder may not have received the approved Lot Address Map. Therefore, until such approval, the final street address for a home may change from the current determination, and you are strongly encouraged not to rely on any preliminary street address. The Founder assumes no liability or

responsibility for any inconvenience caused by any delay. You will be promptly informed when the final street address for your home has been approved for use.

24. **BUYER IMPROVEMENTS:** All residential lots in the Community are subject to the Covenant, and each subdivision is subject to one or more Supplemental Declarations, all of which are of public record. The Covenant, Supplemental Declaration and other Governing Documents are for the protection of property values within the Community and include restrictions regarding what you may do with your lot and home. In addition, certain requirements and restrictions may exist with respect to improvements to your lot or home and with respect to utility easements and/or City rights of way on, or adjacent to, your lot. If you have any questions concerning the requirements and restrictions imposed by the Governing Documents, please contact Tabatha Long at (623) 374-3046 who represents the Associations' Design Review Board. You may also check with the applicable utility provider, City or other public body if you have any questions concerning utility easements, rights of way or other requirements or restrictions applicable to improvements made to your lot or home. If any improvements constructed on your lot or to your home do not conform to approved Community plans, approved subdivision plans and, where applicable, plans for your lot or home as approved by the Founder or subsequent Reviewer or the Community Alliance, you may be responsible for removing or modifying the improvements to conform to the approved plans. You may also be subject to fines and penalties. Before commencing construction of any improvements visible from neighboring properties, please be sure to check with the Founder or subsequent Reviewer, or the Community Alliance, and, where applicable, utility providers, the City or other public bodies for any requirements, restrictions or required permits.

a. **Leasing and Signage Restrictions:** You acknowledge that it is the policy of Founder and the respective Builders to provide as many people as possible with the opportunity for home ownership, to promote stability in home ownership within the Community, to ensure strict compliance with all state and federal regulations relating to fair housing and to discourage speculation. In accordance with the Governing Documents, all leases, including approved subleases, shall be in writing and shall be for an initial term of at least six (6) months, except with the Community Alliance's prior written consent. Notwithstanding this limitation, in an equitable manner the Community Alliance reserves the right not to impose this restriction under certain situations or during particular time periods of the Community's development. In addition, certain Builders within the Community may impose additional restrictions or policies on leasing or resale terms. If this is an area of interest to you, please carefully consult with the respective Seller of your home for complete details relating to leasing opportunities and anti-investor policies (including restrictions and penalties in the event of "investment flips" within a certain timeframe as further set forth in such policies, Purchase Documents and restrictions placed on the deed itself) with respect to your home prior to entering into a binding Purchase Agreement. None of the Founder (or any affiliate of the Founder), or the Community Alliance has control over or responsibility for any leasing, signage or anti-investor policies and restrictions set forth in the Purchase Documents entered into between you and your Community Builder.

In addition, for posting of signs of any kind, permanent or temporary, (including, but not limited to, "for rent", "for lease", "for sale", "open house", and similar real estate signs), please refer to the For Sale/For Lease Signs and Open House Signage Policy, of the Residential Design Guidelines. The Community Alliance and the Design Review Committee reserve all rights to create additional or modified signage criteria and signage design criteria in the future, subject to applicable laws.

25. **VIEWS AND LOT PREMIUMS:** No representation or warranty is made by the Founder with respect to the presence or absence of any current or future view, or scene from any portion of your home. Any view from the Community of surrounding areas, the Great Park, or across open space areas is not part of the value of the Community, or any home purchased in the Community, and is not guaranteed. Future development and Community landscape and other improvements may affect such view. We specifically disclaim any representation or assurance that any home will enjoy any view. Any such view or scene may

change, be blocked or interfered with depending upon activities undertaken on other land. It is important to note that the Community is a mixed-use planned community and, as such, the Community includes a range of residential and non-residential uses that vary in density, intensity and height as permitted in the approved Community Plan, as amended, on file with the City. Accordingly, development may occur in any area, adjacent to or within close proximity to any lot that may alter or diminish views. Additionally, homes adjacent to public or private facilities or amenities may be subjected to increased lighting, noise, dust and additional pedestrian and vehicular traffic associated with the operation of these facilities that may alter or diminish views.

It is your responsibility to evaluate the location of the home and lot you are purchasing within the Community and determine the acceptability of the location and any assigned lot premium. Real property values fluctuate and are subject to change based upon market conditions that are outside the control of the Founder and the Community Alliance. Modifications made by the Founder in the course of the development of the rest of the Community may affect the value of your home and lot, in addition to your use and enjoyment of your home and lot. **THE FOUNDER IS NOT RESPONSIBLE OR LIABLE FOR THE IMPACT OF SUCH CHANGES. NO SALES PERSON, EMPLOYEE OR AGENT HAS THE AUTHORITY TO MAKE ANY REPRESENTATIONS WHICH CONTRADICT THE FOREGOING STATEMENTS AND YOU SHOULD NOT RELY ON ANY REPRESENTATIONS MADE BY ANY SUCH SALES REPRESENTATIVE IN CONNECTION WITH A PURCHASE WITHIN THE COMMUNITY, INCLUDING THAT NO REPRESENTATION OR WARRANTY IS MADE AS TO WHAT PRODUCT WILL BE BUILT ON ANY ADJACENT LOT OR LAND.**

26. **OVERFLIGHTS:** Phoenix Mesa Gateway Airport (the “**Airport**”) is an active commercial and general aviation training, military aircraft, large aircraft flight-testing and cargo operations facility located approximately one-fourth (¼) mile southwest of the Community. Originally, the Airport was part of the former Williams Air Force Base, which trained pilots and instructors for over 50 years. Williams Air Force Base closed in 1993, and then reopened in 1994 as Williams Gateway Airport (now Phoenix Mesa Gateway Airport). The Airport is open 24 hours a day and has a wide variety of tenants and a diverse group of airport users including commercial, military and cargo operators. It is anticipated the Airport will expand its operations and flight activity in the future. Additionally, the commercial and passenger terminal is currently located on the west side of the Airport runways. The Airport plans to build a new terminal on the east side of the runways as demand dictates. The Community is located within the “territory in the vicinity of a public airport” (A.R.S. §28-8486). Such boundaries are subject to change and outside the control of the Founder and the Community Alliance. The Airport cannot mandate flight restrictions, but has developed voluntary Fly Friendly Procedures that pilots are encouraged to utilize in order to minimize the noise exposure. The Community will be affected by aircraft overflight for aircraft departing from and/or arriving to the Airport and the increased noise and accident potential attendant thereto. The Federal Aviation Administration has established height restrictions for the Airport and they vary from 120 feet to 310 feet. Due to operational commitments and exceptions, residents within the Community will, at varying times of the day and night, routinely see and hear general and military aircraft (including the possibility of low flying helicopters) and experience varying degrees of noise, vibrations, fumes, dust, fuel and lubricant particles, and any other effects that may be caused by the operation of aircraft utilizing the Airport. Weather conditions, such as low clouds and winds, may amplify sounds and reduce flying levels. The Founder and the Community Alliance have no control over flight patterns, which are subject to change, and are not liable for injury, damage or nuisance of any kind to persons or property (including but not limited to noise or air pollution, crashes, emergency landings affecting the Community) that may arise at any time in the future in connection with the operation of aircraft over the Community, or aircrafts landing at or taking off from, or aircraft operating at or on, the Airport. The Community is subject to overflight by general aviation and recreational aircraft including, without limitation, hot air balloons, fixed wing aircraft, ultralights, hang gliders and helicopters. Residents within the Community may experience increased noise, vibration or other disturbance or interference resulting from such overflights. The Founder has recorded an Avigation

Easement over the entire Community. For further information regarding current and future flight patterns, aircraft volume and flight operations, contact Phoenix Mesa Gateway Airport at their web site at www.gatewayairport.com, or the Phoenix Mesa Gateway Airport at (480) 988-7600.

27. **GRAZING OPERATIONS:** Undeveloped portions of the Community are subject to a grazing lease agreement that Founder entered into with Timberline Cattle Co., L.L.C. (“**Timberline**”) for the purpose of livestock grazing. As phases of the Community are developed, the Founder provides Timberline a thirty (30) days’ notice not to graze the land to be developed. Prospective Buyers of the Community should be aware of the potential noise, noxious odors, dust and related grazing activities typically associated with this type of land use. All grazing use is subject to change.

28. **FREEWAYS:** The Community is located in the vicinity of freeways, including US 60 (Superstition Freeway), which is located approximately three (3) miles north of the Community, and State Route 101 (Pima Freeway), which is located approximately fifteen (15) miles west of the Community, and the Loop 202 Santan Freeway, which is located approximately one-half (1/2) mile west of the Community, and State Route 24 that extends from the Loop 202 Santan Freeway south to the Airport, which is located one-half (½) mile west of the Community. State Route 24 may be extended to the east in the future. Freeways and related roadways and intersections may result in additional noise, dust, lighting and pedestrian and vehicular traffic typically associated with these types of facilities. These areas may present a safety hazard to unsupervised children, animals and adults. If of interest to you, the Arizona Department of Transportation [Intermodal Transport Division](http://www.azdot.gov/projects/) web site provides schedules, maps and other information of new freeway construction in the state and is found at <http://www.azdot.gov/projects/>.

29. **WATER TREATMENT PLANT AND CITY WELL SITES:** The City is in the final design phase of a planned water treatment plant located at the northeast corner of Elliot Road and Signal Butte Road. The facility is expected to be completed between 2018 and 2020. The facility will be owned, operated and maintained by the City of Mesa. The City of Mesa will acquire between four and six well sites within Eastmark capable of supplying water for the potable supply system. These wells will be located on the property at approximately half-mile intervals. All well sites will be roughly 150’x150’ in size. Construction and maintenance of the well sites and operation of the well pumps are likely to create noise at varying times.

30. **NON-POTABLE WATER:** Applicable law requires conformance to standards for the operation of any non-potable water system to meet regulatory requirements. The Great Park currently has one lake that is filled with potable water. Once the water enters the lake it becomes non-potable water. The Great Park is irrigated with the lake non-potable water. Lakes may be included in future phases of The Great Park. Non-potable water is not suitable for human consumption, but the non-potable water is suitable for incidental body contact. However, as with any water spray, the repeated spray of non-potable water may stain or discolor personal property, fencing and structural improvements over time.

31. **SOLID WASTE LANDFILLS:** A closed and inactive, non-municipal solid waste landfill the (“**Closed SWLF**”) was located along the northern boundary of the Ray Road alignment and just west of the Crismon Road alignment. The Closed SWLF was approximately ten (10) acres in size and received construction, office, landscape, automotive, and other miscellaneous wastes and was used from the early 1960s until November 1988 by General Motors. The Closed SWLF received closure from the Arizona Department of Environmental Quality (“**ADEQ**”) in July 1995. Although the Founder was under no regulatory compulsion to remediate the site and there was no evidence that the site posed a threat to human health or the environment, in 2014 the Founder remediated the Closed SWLF under ADEQ’s Voluntary Remediation Program (“**VRP**”). Under the VRP, the Closed SWLF was characterized, and landfilled materials and other site features that may have potentially caused environmental impacts at the site were removed. Soil remaining in these areas was remediated such that contaminant levels were below Soil

Remediation Levels. A solid waste landfill closure report submitted in 2014 by the Founder has been approved by ADEQ.

A closed and inactive, non-municipal solid waste landfill (the “**Borrow Pit**”) was previously located in Development Unit 7 along the eastern boundary of the Community, adjacent to Signal Butte Road between Warner Road and Ray Road. The Borrow Pit was approximately 7-acres in size, and the soil excavated from the pit was used to construct test tracks. Once the soil was removed, the Borrow Pit was used to dispose of buried automotive parts, construction debris and landscape debris. In 2008 the Founder remediated the Borrow Pit under ADEQ’s VRP. Under the VRP, the Borrow Pit was characterized, and landfilled materials and other site features that may have potentially caused environmental impacts at the site were removed. Soil remaining in these areas was remediated such that contaminant levels were below Soil Remediation Levels. In addition, the Founder further characterized groundwater underlying the Borrow Pit site and demonstrated that there were no chemicals of concern in the groundwater above aquifer water quality standards. In October 2009 ADEQ issued a NFA determination stating that no further action is required to address potential soil impacts and the former Borrow Pit does not pose a threat to residential uses at the site.

32. FLOOD CONTROL CHANNEL: The Powerline Floodway is a flood control channel located adjacent to and just south of the Ray Road alignment. The facility is owned, operated and maintained by the Flood Control District of Maricopa County. Potential impacts to nearby residents include periodic maintenance traffic, noise, vibration and additional light. Neither the Founder nor the Community Alliance have any control over the use, maintenance or operation of the channel. For further information, contact the Flood Control District of Maricopa County at (602) 506-1501 or at their web site at www.fcd.maricopa.gov/.

33. STORMWATER DETENTION AND RETENTION BASIN PARKS: Three (3) stormwater detention basin parks are located just north of Elliot Road along the northern boundary of the Community. The detention basin parks are owned and maintained as parks by the City. There are numerous detention basins located throughout the Community. All of the neighborhood parks, and portions of the Great Park, are utilized as detention basins, and there may be standing water in the detention basins at times. The Great Park lake also serves as a retention basin. Standing water in the detention basins and the Great Park lake pose a hazard to unattended children or animals and has the potential to cause odors and attract mosquitoes, among other insects.

34. UTILITY EASEMENTS AND WATER TRANSMISSION LINES: Above-ground and underground utility, water and sewer collection and transmission lines will run throughout the Community. Maintenance and repair of these lines may cause disturbance and/or inconvenience to residents due to the location of the lines. Other potential impacts include the possible obstruction of views, an increase in noise and dust levels in the area of these facilities during construction and, where applicable, proximity to electromagnetic fields. The utility, water and sewer collection and transmission lines are subject to easements in favor of the utility and water and sewer providers. Lots affected by such easements may be subject to restrictions, including the prohibition against the placing of structures, hardscaping, sprinkler systems or landscaping (including trees) within the easement area and in front of electrical equipment. Any encroachment of improvements on your lot within such restricted easement areas are subject to the prior written consent of the utility, water or sewer provider. Neither the Founder nor the Community Alliance have any control over the configuration, location or use, maintenance or care of the utility, water and sewer collection and transmission lines, including the placement of electrical boxes owned by the electric utility provider and used to monitor power usage.

The question of whether proximate exposure to electromagnetic fields (“**EMF**”) generated by electrical transmission lines, and other electrical sources, presents long-term health risks has been examined by the

scientific community, within which there is significant disagreement. Neither the Founder nor the Community Alliance has any special knowledge or expertise on this issue, and we assume no legal duty to advise Buyers regarding any potential impacts from EMF.

35. **UTILITY RATES:** Rates and charges for utility service in the Community are established by the individual utility provider (i.e. Salt River Project (“SRP”) for electric, Southwest Gas Corporation (“Southwest”) for natural gas, Cox Communications (“Cox”) for cable/internet, Century Link (“CenturyLink”) for cable/internet, and the City for garbage collection, water and wastewater, collectively “Providers”. These rates and charges for utility service are set and determined by each individual Provider or the Arizona Corporation Commission (“ACC”) as applicable, pursuant to rate applications filed by the Providers. The Providers and Founder, and/or Community Builders have agreements with one another relating to utility facilities and infrastructure necessary to provide utility service to the Community. Those agreements, in addition to construction and expansion of utility facilities may impact the Providers’ future utility rates for providing utility service to the Community. The amount of any such utility rate increase is in the control of the Provider and, therefore, is subject to change as determined by the Provider and/or ACC. You should contact the Providers regarding any changes in utility rates, charges and/or fees for providing utility service to the Community.

36. **WIRELESS AND MICROWAVE FACILITIES:** The Founder and its licensees have entered, or will enter, into agreements with multiple wireless communication providers for the establishment of wireless communication facilities on portions of the Community. These facilities that may be established from time to time may include microwave and high-band facilities, antenna towers or poles, satellite transmission and receiving dishes, utility lines, transmission lines, equipment shelters, electronic equipment, transmitting and receiving antennas, generators and other wireless facilities, including supporting equipment and structures. Such facilities may be visible from portions of the Community. The City has a microwave tower located two (2) miles southeast of the Community, and another microwave tower located ten (10) miles northwest of the Community. Height restrictions have been established for these microwave towers. Potential impacts include the possible obstruction of views, proximity to electromagnetic fields and an increase in noise and dust levels in the area of these facilities during construction and less significant noise levels after completion. The Founder and the Community Alliance have no control over the use, maintenance or operation of the wireless communications facilities. An approximately 100 foot tall wireless communication facility is located approximately one-quarter (¼) mile north of Point Twenty-Two Blvd. just east of Ellsworth Road adjacent to the SRP substation site. A second approximately 100 foot tall wireless communication facility will be constructed at the northwest corner of Signal Butte and Ray Roads

37. **ADDITIONAL CONDITIONS AND NON-RESIDENTIAL USES IN THE VICINITY OF THE COMMUNITY:** In addition to all other statements in this Disclosure, the following additional non-residential uses and conditions exist on adjacent land and land in the vicinity of the Community:

- a. **ASU Polytechnic Campus:** Arizona State University at the Polytechnic Campus, 7001 East Williams Field Road, Mesa, Arizona, (480) 727-3278, www.poly.asu.edu is located one (1) mile from the southwestern boundary of the Community. The campus is home for professional and technological programs and shares more than 600 acres with Chandler-Gilbert Community College, Mesa Community College, Embry-Riddle Aeronautical University, a City owned research laboratory and a Maricopa County elementary school.
- b. **Gilbert Medical:** Gilbert Hospital, 5656 South Power Road, Gilbert, Arizona 85295, (480) 984-2000 is located approximately four (4) miles southwest of the Community. Mercy Gilbert Medical Center, 3555 South Val Vista Drive, Gilbert, Arizona 85297, (480) 728-8000 is located approximately nine and one-half (9½) miles southwest of the Community.

- c. Mountain Vista Medical: Mountain Vista Medical Center, 1301 South Crismon Road, Mesa, Arizona 85209, (480) 358-6100 is located approximately seven (7) miles northwest of the Community.
- d. Banner Health: Banner Ironwood Medical Center, 37000 North Gantzel Road, San Tan Valley, Arizona 85140, (480) 394-4000 is located approximately seven (7) miles southeast of the Community. Banner Gateway Medical Center, 1900 North Higley Road, Gilbert, Arizona 85234, (480) 543-2000 is located approximately seven and one-half (7½) miles northwest of the Community.
- e. Arizona General Hospital – East Mesa: This acute-care medical facility is currently under construction at the northwest corner of Ellsworth Road and Elliot Road located approximately one-quarter (¼) mile from the north end of the Community. Founder has no information as to the anticipated opening date.
- f. FUJIFILM ARCH Chemicals Inc.: FUJIFILM ARCH Chemicals Inc., 6550 South Mountain Road, Mesa, Arizona is a specialty chemical manufacturer for electronic materials and is located approximately one (1) mile from the southeastern boundary of the Community.
- g. Electric Power Steel Plant: There is an electric power steel plant located two (2) miles from the southeastern boundary of the Community.
- h. TRW: An occupant safety systems (airbags) facility is located approximately two (2) miles at the southeastern boundary of the Community.
- i. San Tan Expansion Gas Supply Pipeline: A 24-inch natural gas line is located in a utility corridor within the Union Pacific Railroad right-of-way to serve the Santan Expansion project located at Warner and Val Vista Roads, which is approximately seven (7) miles from the western boundary of the Community.
- j. Town of Queen Creek: Queen Creek town limits are located one (1) mile from the southern boundary of the Community.
- k. Pegasus Airpark: A privately owned and gated aviation community with homes built around one airport runway located approximately nine (9) miles from the southern boundary of the Community in Queen Creek, Arizona.
- l. San Tan Mountain Regional Park: A Maricopa County park consisting of over 10,000 acres of parks and facilities is located approximately ten (10) miles from the southern boundary of the Community in Queen Creek, Arizona.
- m. Radio Communications Site: Radio communications equipment is located on land adjacent to the north boundary of the Community. The owners of that equipment have an access easement through portions of the Community to gain access to the communications equipment site and to use certain portions of the Community as staging areas for the maintenance, replacement or repair of radio communications equipment located within the communications equipment site.
- n. Existing Fire Stations: A City fire station facility is located at the northeast corner of Signal Butte and Elliot Roads.
- o. Salt River Project Substations: The Salt River Project (“SRP”) Browning power substation is located approximately one-half (½) mile north of the Community just east of Signal Butte Road. The Luna SRP substation is located along the southern boundary of the Apple manufacturing facility just west of Signal Butte Road. The McGinnis substation is located along the western property line of the Apple manufacturing facility just south of Elliot Road. SRP owns a substation site located approximately one quarter (¼) mile north of Point Twenty-Two Blvd. just east of Ellsworth Road. SRP may also construct a substation at a location to be determined near

the intersections of Elliot Road and Crismon Road. SRP reserves the right to construct dedicated substations for users within the Community that have high energy demands.

- p. Salt River Project Power Lines: There are three (3) existing 69kV power lines located along the northern, eastern and western boundaries of the Community. The northern 69KV power line is located along the southern side of Elliot Road from Signal Butte Road to the McGinnis substation. The eastern 69kV power line is located along the western side of Signal Butte Road from Elliot Road to Ray Road. SRP is planning to extend the eastern 69kV power line along Signal Butte Road from Ray Road to Williams Field Road, then west along Williams Field Road. The western 69kV power line is located along the western side of Ellsworth Road from Elliot Road to Warner Road. SRP is planning to extend the western 69kV power line along Ellsworth Road from Warner Road to Ray Road. SRP may also construct a new 69kV power line along the northern or southern side of Elliot Road from the McGinnis substation to Ellsworth Road. A 500kV power line is located one-half (½) mile north of Elliot Road. For further information, contact SRP at (602) 236-2872 or e-mail at 69kv@sprnet.com.
- q. State Land: Land owned and maintained by the Arizona State Land Department, is located at Elliot and Warner Roads and adjacent to the western boundary of the Community. Future use of this parcel has not been determined, but may include commercial development. For further information, see their web site at www.land.az.gov.
- r. County Land: Land owned and maintained by Maricopa County is located adjacent to the southern boundary of the Community.
- s. Residential Home Builders: Pulte Homes and Standard Pacific Homes are developing single family residential homes east and adjacent to the Community.
- t. Church Facility: A Church of Latter Day Saints facility is located at the southwest corner of Signal Butte and Point Twenty-Two Blvd.
- u. The Learning Experience Academy of Early Education: The Learning Experience Academy of Early Education is constructing an approximately 9,800 square foot facility located just north of the Sequoia Pathfinder Academy at Eastmark. The facility is scheduled to open in the first half of 2018.
- v. Handlebar Diner: Founder has constructed an approximately 500 square foot 1950's-style diner located north of the Community Center just east of Inspirian Parkway, which is operated by an independent operator. The diner opened in April of 2017 and serves food along with alcoholic and non-alcoholic beverages.
- w. Apartments. An apartment complex is to be developed on land located on the north side of Ray Road, immediately west of the new Queen Creek Unified School District high school site. Please note that once the apartments are completed, homes located near the apartments may be subjected to increased lighting, noise, dust and additional pedestrian and vehicular traffic associated with the apartments.
- x. Steadfast Farm. Steadfast Farm LLC will operate a small (approximately 2 acre) community-based commercial produce farming operation located just north of Ray Road and east of Inspirian Parkway. The operation may include educational opportunities as well as a farmer's market. The farm will start operations in 2018. Please note that once the farm operations commence, homes located near the farm may be subjected to increased noise, dust, odors and additional pedestrian and vehicular traffic associated with the farm.

The above information is provided for informational purposes only and the Founder does not represent or warrant that the above uses, and other uses referenced in this Disclosure, comprise an accurate, complete or current list of non-residential uses and conditions and you are advised that such uses and conditions are subject to change. We recommend that you conduct your own investigation of such uses and conditions, including contacting the City, the school districts or other special taxing districts, the Community Alliance, the Arizona Department of Real Estate, or any federal, state, county or other public or quasi-public entity or authority having jurisdiction over any portion of the Community or other appropriate individual to obtain such information as you deem necessary or advisable. Additionally, please be aware that homes situated adjacent to or in the vicinity of property used for multi-family sites, or non-residential purposes including utility facilities, schools, worship sites, streets and roadways, open space areas, construction-related operations and/or other recreational amenities of the Community, may experience an additional amount of noise, dust, lighting, signage, and pedestrian and vehicular traffic typically associated with such uses, conditions and facilities.

38. **SEX OFFENDER WEB SITE:** The Arizona Department of Public Safety's Sex Offender Info Center web site found at www.azdps.gov/services/public/sex-offender#offendersearch enables the public to search for registered Arizona sex offenders by name or ZIP Code. If of interest, you may wish to check this site before purchasing a home. This site allows the criminal justice community to promote public awareness but does not provide information regarding all levels of sex offenders. Please note that no real estate professional is obligated under Arizona law to disclose to you any information about individuals impacted by this issue.

39. **PUBLIC TRANSPORTATION:** As of the date of this Disclosure, there is no public transportation available to the Community. For information pertaining to bus route times and stop locations, you may contact the Valley Metro Transit System at (602) 253-5000 or log onto their web site at www.valleymetro.org.

40. **NO WARRANTY BY FOUNDER:** Although the Founder has master-planned and developed certain portions of the infrastructure of the Community, the homes within the Community are built by Community Builders and other Builders, who are independent building contractors that are solely responsible for their products and workmanship. As such, none of the Founder or the Community Alliance has control over or responsibility for any warranty representation, financial or other pre- or post-closing obligation made by Builders and set forth in your home's purchase and/or construction agreement or any other issues related to the construction of your home.

41. **MARKETING MATERIALS ARE NOT AN OFFER:** All photographs, renderings and site plans provided in connection with any marketing materials for the Community should not be construed as the actual finished plans or final intended development for any area or portion. Any collateral material or web site material should not be considered an offering of any purchase or lease of a lot or home and exact details can and all such information should be obtained directly from the party with whom you have entered into Purchase Documents for your home, or from the applicable regulatory agency. The Founder assumes no obligation to ensure, or liability as to, the accuracy, contents or completeness of any marketing material, web site or representation (verbal or written) outside of its direct control.

42. **NO AFFILIATION WITH NEIGHBORHOOD BUILDER OR OTHER BUILDER:** The Founder will receive certain payments from Community Builders or other Builders that purchase property in the Community for the purpose of improvements and resale to buyers such as you including, in some instances, payments determined in part based on the sales price of the property once improved with a home and other improvements. Notwithstanding such payments, the Founder is not in partnership or otherwise affiliated with any such Community Builder or other Builder and the Founder has, and assumes, no liability or obligation to the buyers of such property or any successor to such buyers with respect to any claim

concerning the property, home or other improvements including, without limitation, any claim concerning any design or construction defect involving such property, home or other improvements.

43. **MODEL RELEASE:** By voluntarily participating in various Community events sponsored by the Founder, the Community Alliance from time to time either before or after the closing of your lot or home (“**Community Sponsored Events**”), you acknowledge and agree that photographs or film footage taken of participants at any Community Sponsored Event (“**Participants**”) may be subsequently used by the Founder and its affiliates, Brookfield Residential or DMB Associates, Inc., and the respective affiliates, legal representatives, agents, and assigns of each (collectively, “**DMB**”) for commercial purposes in advertising and marketing materials including, but not limited to, the DMB® or Brookfield Newsletter or other newsletters, magazine, publications, invitations, billboards, Community calendars, www.eastmark.com and other affiliated web sites, and affiliated marketing and public relations materials. In addition, by attending such Community Sponsored Events, and without the need for a subsequent acknowledgement, you further acknowledge and agree, on your behalf and on behalf of your minor children and guests, to allow such uses and waive any right to pre-approval, royalties or other compensation arising from or related to the use of such photographs or film footage, which shall remain the sole copyrighted property of the Founder.

44. **BUYER ACKNOWLEDGEMENT AND DISCLAIMER:** You acknowledge and agree that no sales person, employee or agent of the Founder, the Community Alliance or any Community Builder, or other Builder has the authority to interpret, change or modify the terms of any documents whatsoever including, but not limited to, any purchase documents or the Governing Documents. You also acknowledge and agree that no representation or promise has been made to you by any sales person, employee or agent upon whom you are relying in connection with the purchase of your lot or home. Additionally, no representation or promise, whether oral or in writing, made by any sales person, employee or agent shall be binding on the Founder or the Community Alliance unless provided in writing by an authorized officer of the Founder or the Community Alliance.

EXHIBIT A

2018 Assessment and Fee Schedule

(See Attached)



Eastmark Assessment & Fee Schedule

Eastmark Community Alliance, Inc., Eastmark Residential Association, Inc. & Eastmark Community Assembly, Inc.
 Adopted November 8, 2017 | Effective January 1, 2018

Monthly Assessments	
Eastmark Community Alliance, Inc. (Community Alliance Declaration - Article 4, Paragraph 4.1)	\$43
Eastmark Residential Association, Inc. (Residential Association Declaration - Article 7, Paragraph 7.1)	\$42
Eastmark Community Assembly, Inc. (Community Recreation Covenant - Article 4, Paragraph 4.1)	\$10
Innovation Park Neighborhood (Residential Association Declaration - Article 7, Paragraph 7.3) (Supplemental Declarations for Eastmark Parcels 3-1; 3-2; 3-3, Paragraph 5)	\$23
Inspirian Park Neighborhood Area 1 [CalAtlantic] (Residential Association Declaration - Article 7, Paragraph 7.3) (Supplemental Residential Declaration for Eastmark DU ^{3/4} , Parcels ^{3/4} 1-3, Paragraph 5)	\$25
Inspirian Park Neighborhood Area 2 [Ashton Woods] (Residential Association Declaration - Article 7, Paragraph 7.3) (Supplemental Residential Declaration for Eastmark DU ^{3/4} , Parcels ^{3/4} 1-3, Paragraph 5)	\$23
Inspirian Park Neighborhood Area 3 [Pinnacle West] (Residential Association Declaration - Article 7, Paragraph 7.3) (Supplemental Residential Declaration for Eastmark DU ^{3/4} , Parcels ^{3/4} 1-3, Paragraph 5)	\$25
David Weekley Neighborhood Area (Residential Association Declaration - Article 7, Paragraph 7.3) (Supplemental Residential Declaration for Eastmark DU 6, Parcels 6-7 and 6-8, Paragraph 5)	\$34

Delinquency & Legal Fees	
(Community Alliance Declaration - Article 4, Paragraphs 4.10 & 4.11) (Residential Association Declaration - Article 7, Paragraphs 7.11 & 7.12) (Community Recreation Covenant - Article 4, Paragraph 4.11) (DMB Community Life, Inc. Management Contract 2018, unless otherwise stated)	
Late Fee (Assessed monthly on the 16th)	\$15
Demand Fee (Assessed after the 2nd month Delinquent)	\$35
Returned Check Fee	\$25
Pre-Lien Fee (Assessed after the 3rd month Delinquent)	\$70
Collection Agent Fee	\$125
Payment Agreement Default Letter	\$85
Record Notice of Lien	\$185
Delinquency Lawsuit	\$275 & up
Post-Judgment Collection Service	\$135 & up



Property Transfer Fees	
(ARS 33-1806 Resale of units; information required; fees; civil penalty; definition) (DMB Community Life, Inc. Management Contract 2018, unless otherwise stated)	
Builder Transfer	
First Home Buyer Transfer Fee; per lot	\$100
Builder Community Recreation Program Fee (Community Recreation Covenant – Article 4, Paragraph 4.7)	\$250
Capital Start-Up Fee – 1/4 of the Annual Residential Association Assessment (Residential Association Declaration – Article 7, Paragraph 7.16)	\$126
Upfront Monthly Assessments Collected at Closing – 2 mo.	\$190
Innovation Park Neighborhood Prepaid Monthly Assessment Collected at Closing – 2 mo.	\$236
Inspirian Park Neighborhood Area 1 Prepaid Monthly Assessment Collected at Closing 2 mo.	\$240
Inspirian Park Neighborhood Area 2 Prepaid Monthly Assessment Collected at Closing 2 mo.	\$236
Inspirian Park Neighborhood Area 3 Prepaid Monthly Assessment Collected at Closing 2 mo.	\$240
David Weekley Neighborhood Area Prepaid Monthly Assessment Collected at Closing 2 mo.	\$258
Resale Transfer	
Resale Transfer Fee	\$300
Resale Disclosure Fee	\$75
Recreation Program Fee (Community Recreation Covenant – Article 4, Paragraph 4.6)	½ of 1% of Gross Sales Price + \$250
Prepaid Monthly Assessment Collected at Closing – 2 mo.	\$190
Innovation Park Neighborhood Prepaid Monthly Assessment Collected at Closing – 2 mo.	\$236
Inspirian Park Neighborhood Area 1 Prepaid Monthly Assessment Collected at Closing 2 mo.	\$240
Inspirian Park Neighborhood Area 2 Prepaid Monthly Assessment Collected at Closing 2 mo.	\$236
Inspirian Park Neighborhood Area 3 Prepaid Monthly Assessment Collected at Closing 2 mo.	\$240
David Weekley Neighborhood Area Prepaid Monthly Assessment Collected at Closing 2 mo.	\$258
Builder-to-Builder Transfer	
Builder-to-Builder Transfer Fee; per lot	\$50
Commercial Property Transfer	
Commercial Property (Community Alliance Declaration – Article 4, Paragraph 4.6)	\$100



Non-Exempt Transfer	
Any Non-Exempt Transfer Other Than a Sale (Community Recreation Covenant – Article 4, Paragraph 4.6.2)	½ of 1% of the Estimated Fair Market Value + \$250

Property Setup Fees	
(ARS 33-1806 Resale of units; information required; fees; civil penalty; definition) (ARS 33-1806.01 Rental property; member and agent information; fee; disclosure) (DMB Community Life, Inc. Management Contract 2018, unless otherwise stated)	
Tenant Account Set-up Fee	\$25
Foreclosure Set-up Fee	\$400
Administrative Transfer Set-up Fee (Applicable for exempt RPF Transfers – Community Recreation Covenant, Article 4, Paragraph 4.6.2)	\$75
Third-Party Disclosure Fees (homewisedocs.com)	\$25
Resale Rush Fee – 72 hours	\$100
Resale Update Fee – After 30 days	\$50

Schedule of Monetary Penalties for Noncompliance	
(Residential Association Declaration – Article 4, Paragraph 4.2.2 (iv) & (v))	
Amenity Violation	\$100
Animals & Pets	\$50
Commercial Vehicle, Recreational Vehicle, Inoperable Vehicle Violation	\$150
Exterior Architectural Maintenance; Missing/Damaged Elements	\$150
Landscape Maintenance Violation(s)	\$150
Short-Term Property Rental	\$500
Specific Assessment – Self-Help	\$150 & up
Trash/Recycling Container Stored in Unapproved Location / Unapproved Signage	\$25
Unapproved Architectural Modification(s)	\$200
Vehicular Gate Access Violation	\$100

Design Review Submittal Fees	
(Residential Association Declaration – Article 9, Paragraph 9.2.2)	
Residential Application	\$0



Commercial Application	\$0
Retroactive Design Review Application Fee <i>(non-refundable fee for work completed prior to Design Review Approval)</i>	\$50
Custom Home Design Review Fee	\$4000
Additional Custom Home Reviews – Each submittal	\$250

Vehicular Gate Access Tag	
First & Second Gate Tag – Supplied as a Courtesy for New Owners	\$0
Additional/Replacement Tags	\$35/each

Amenity Access Cards (maximum two (2) per lot)	
First & Second Card – Supplied as a Courtesy for New Owners	\$0
Amenity Access Cards - Replacement	\$25/each

BUYER(S) ACKNOWLEDGMENT OF RECEIPT

The undersigned represent that I/we have read and understand the matters set forth in this Disclosure dated January 31, 2018, and have received a copy for my/our records. I/we acknowledge and agree that I/we are solely responsible to make certain that I/we understand the contents of this Disclosure and will take whatever steps are necessary to do so, including without limitation, consulting an attorney, interpreter, engineer, or any other person whose advice or assistance may be necessary to fully understand the matters set forth herein. I/we acknowledge and agree that I/we have considered the possible effect of such matters in my/our decision to purchase a new or resale home in the Community. I (We) also realize that it contains important information affecting my (our) rights and obligations and I (we) have familiarized myself (ourselves) with its contents to my (our) satisfaction.

DATED THIS _____ DAY OF _____, 20__

BUYER'S NAME (Please print): _____

BUYER'S SIGNATURE: _____

BUYER'S NAME (Please print): _____

BUYER'S SIGNATURE: _____

NAME OF BUILDER: _____

PROPERTY ADDRESS: _____

LOT NUMBER: _____ PARCEL NO.: _____

CURRENT ADDRESS: _____

(BUYER'S COPY – RETAIN FOR YOUR RECORDS)

BUYER(S) ACKNOWLEDGMENT OF RECEIPT

The undersigned represent that I/we have read and understand the matters set forth in this Disclosure dated January 31, 2018, and have received a copy for my/our records. I/we acknowledge and agree that I/we are solely responsible to make certain that I/we understand the contents of this Disclosure and will take whatever steps are necessary to do so, including without limitation, consulting an attorney, interpreter, engineer, or any other person whose advice or assistance may be necessary to fully understand the matters set forth herein. I/we acknowledge and agree that I/we have considered the possible effect of such matters in my/our decision to purchase a new or resale home in the Community. I (We) also realize that it contains important information affecting my (our) rights and obligations and I (we) have familiarized myself (ourselves) with its contents to my (our) satisfaction.

DATED THIS _____ DAY OF _____, 20__

BUYER'S NAME (Please print): _____

BUYER'S SIGNATURE: _____

BUYER'S NAME (Please print): _____

BUYER'S SIGNATURE: _____

NAME OF BUILDER: _____

PROPERTY ADDRESS: _____

LOT NUMBER: _____ PARCEL NO.: _____

CURRENT ADDRESS: _____

(FOUNDER'S COPY – FOR FIRST RETAIL SALE FROM BUILDER TO FIRST INITIAL
BUYER, SELLER TO DETACH AND DELIVER TO FOUNDER
VIA E-MAIL AT gordonh@biskindlaw.com)

(ASSOCIATION'S COPY – FOR ALL RETAIL SALES AFTER FIRST INITIAL BUYER,
ESCROW COMPANY TO DETACH AND DELIVER TO EASTMARK RESIDENTIAL
ASSOCIATION, INC. VIA E-MAIL AT tlong@dmbcommunitylife.com)