



STATE OF ARIZONA
DEPARTMENT OF REAL ESTATE

JANE DEE HULL
GOVERNOR

JERRY A. HOLT
COMMISSIONER

2910 NORTH 44TH STREET, SUITE 100 PHOENIX, ARIZONA 85018
TELEPHONE (602) 468-1414 FACSIMILE (602) 468-0562

400 NORTH CONGRESS, SUITE 523 TUCSON, ARIZONA 85701
TELEPHONE (520) 628-6940 FACSIMILE (520) 628-6941

May 18, 2001

Circle G Pegasus, L.L.C.
2220 South Country Club, Suite 107
Mesa, Arizona 85210

Registration No.: DM00-022198
Subdivision: Pegasus Airpark Unit One aka Pegasus Air Park

Gentlemen:

This is to acknowledge issuance of the public report for the above referenced development. This property may now be offered for sale.

A copy of the public report must be given to the prospective purchaser, allowing ample time for review, prior to signing the purchase contract and receipt for public report. The developer shall obtain the purchaser's signature on the receipt form approved by this Department. Signed receipts shall be maintained at the office of the developer for a period of not less than five (5) years. Receipts shall be subject to inspection at any reasonable time by the Department. The receipt form enclosed with this letter is approved by this Department and must be used when the prospective purchaser receives a copy of the public report.

Sincerely,

Jerry A. Holt, Commissioner

STATE OF ARIZONA
DEPARTMENT OF REAL ESTATE

SUBDIVISION PUBLIC REPORT

FOR
Pegasus Airpark Unit One

aka Pegasus Air Park

Registration No. DM00-022198

SUBDIVIDER

Circle G Pegasus, L.L.C.
2220 South Country Club, Suite 107
Mesa, Arizona 85210

May 18, 2001

Effective Date

PROPERTY REPORT DISCLAIMER

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

PHOENIX OFFICE:
2910 N. 44th Street
First Floor
Phoenix, Arizona 85018
(602) 468-1414 ext. 400

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

THE ARIZONA DEPARTMENT OF REAL ESTATE

REQUIRES THAT:

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

RECOMMENDS:

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

ARIZONA LAW STATES:

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

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

REGISTRATION NO. DM00-022198

Pegasus Airpark Unit One aka Pegasus Air Park

GENERAL

This report includes Lots 1 through 49, inclusive.

The map of this subdivision is recorded in Book 556 of Maps, page 03 records of Maricopa County, State of Arizona.

The subdivision is approximately 74.5826 acres in size. It has been divided into 49 lots and Tracts A, B, C, D, and O as recorded in Book 556, page 03, records of Maricopa County, and Tracts G through N as shown on the Map of Dedication for Pegasus Parkway in Book 556, page 04, records of Maricopa County.

Lot boundaries will be staked at corners and radii with 1/2" rebar.

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

SUBDIVISION LOCATION

Location: North of Empire Boulevard and east of Ellsworth Road at Achilles Way and Pegasus Parkway, Queen Creek, Maricopa County, Arizona.

SUBDIVISION CHARACTERISTICS

Topography: Relatively flat, undeveloped former agricultural land.

Flooding and Drainage: Subdivider advises this subdivision is not subject to any known flooding or drainage problems.

Gregory K. Dunnan, P.E. of AGRA Engineering Global Solutions in his letter of September 22, 2000, states the following:

Re: Pegasus Air Park

A portion of the SE 1/4 of Section 34, T2S, R7E, G&SRB&M
Queen Creek Arizona

“This is to certify that I, Gregory K. Dunnan, a Registered Civil Engineer in the State of Arizona, have designed the street and lot improvements for Pegasus Air Park, investigated the drainage affecting this project, and established minimum finished floor elevations on the site grading and drainage plan, which are above the 100-year frequency storm and further certify that this project is not subject to flooding from such storm and lies within a designated Flood Zone “X” as shown on the current FEMA map (Map No. 04013C3075 D-3075 of 4350, effective: 4/15/88).”

Individual Lot Preparation and Maintenance:

**DRAINAGE IN ACCORDANCE WITH THE APPROVED GRADING AND DRAINAGE PLANS.
DEVELOPER HAS ESTABLISHED APPROPRIATE STREET GRADES, AS**

REGISTRATION NO. DM00-022198

Pegasus Airpark Unit One aka Pegasus Air Park

REQUIRED BY THE PROPER GOVERNMENTAL AUTHORITIES, WITHIN PEGASUS AIRPARK, AND SAID FINAL GRADES SHALL NOT BE DISTURBED IN ANY MANNER WHICH MAY ADVERSELY AFFECT ANY OTHER RESIDENTIAL UNIT OR REAL PROPERTY WHETHER WITHIN THE SUBDIVISION OR ELSEWHERE. LOT OWNERS SHALL BE RESPONSIBLE TO INSURE THAT THE RETENTION REQUIREMENTS ARE MET AT ALL TIMES.

EACH LOT OWNER SHALL HAVE THE RESPONSIBILITY OF ENGINEERING, GRADING AND OTHERWISE PREPARING HIS LOT FOR THE CONSTRUCTION OF ANY IMPROVEMENTS THEREON, INCLUDING WITHOUT LIMITATION THE OBLIGATION TO PAY ALL ENGINEERING FEES AND COSTS ASSOCIATED WITH SITE PREPARATION, SUCH AS THE REMOVAL AND DISPOSAL OF EXCESS DIRT OR THE PURCHASE AND PLACEMENT OF ADDITIONAL FILL DIRT.

EACH LOT SHALL PROVIDE FOR ITS STORM WATER RETENTION AND THE STORM WATER RETENTION OF THE HALF STREET ADJACENT TO EACH LOT IN ACCORDANCE WITH APPROVED GRADING PLANS AND DRAINAGE REPORT. THE LOT OWNER SHALL BE RESPONSIBLE TO ENSURE THAT THE RETENTION REQUIREMENTS ARE PROVIDED FOR AT ALL TIMES. INDIVIDUAL LOTS ARE REQUIRED TO RETAIN A MINIMUM OF 12,000 CUBIC FEET OF STORM WATER ON-SITE.

EACH OWNER OF AN IRRIGATED LOT (LOTS 1 THRU 13) SHALL BE RESPONSIBLE TO "LASER" OR OTHERWISE PROPERLY LEVEL AND GRADE HIS LOT SO AS TO PROVIDE FOR PROPER IRRIGATION AND SO AS TO ASSURE THAT ALL IRRIGATION WATER WILL BE RETAINED ON THE LOT. DRAINAGE PLANS ARE TO BE APPROVED BY THE TOWN OF QUEEN CREEK AND SHALL BE SUBORDINATE TO THE TOWN OF QUEEN CREEK SUBDIVISION REGULATIONS.

NOTE: LOTS 22 THRU 29 AND 46 THRU 49 ARE SUBJECT TO OFF SITE DRAINAGE FROM THE ADJACENT TAXIWAY TO THE SOUTH AND SHALL BE CONSTRUCTED ACCORDINGLY.

EACH LOT OWNER IS RESPONSIBLE FOR THEIR LOT AS SPECIFIED ON THE RECORDED PLAT AND AS STATED IN THE RECORDED COVENANTS CONDITIONS AND RESTRICTIONS.

Soils: Subdivider advises this subdivision is subject to soil conditions as follows:

Scott R. Smith, P.E. of Construction Inspection & Testing Co. states in the Executive Summary (ADRE R4-28-A1203 Requirement) Soils investigation Executive Summary of February 25, 2000 the following:

Project: Pegasus Air Park
Ellsworth and Empire Boulevard
Maricopa County, Arizona
CIT 97-6968

REGISTRATION NO. DM00-022198

Pegasus Airpark Unit One aka Pegasus Air Park

“THE PURPOSE OF THE SOILS INVESTIGATION REPORT IS TO PRESENT GENERAL INFORMATION CONCERNING THE ENGINEERING CHARACTERISTICS OF THE SOILS AND TO SUBMIT RECOMMENDATIONS FOR THE DESIGN OF FOUNDATIONS AND SITE PREPARATION IN ACCORDANCE WITH FHA/VA/TOWN OF QUEEN CREEK REQUIREMENTS FOR THE PROPOSED DEVELOPMENT LOCATED AT ELLSWORTH ROAD AND EMPIRE BOULEVARD.

IT IS UNDERSTOOD THAT THE PROPOSED DEVELOPMENT WILL CONSIST OF ONE AND/OR TWO LEVEL SINGLE FAMILY RESIDENCE OF MASONRY AND/OR WOOD AND/OR STEEL FRAME CONSTRUCTION IMPOSING RELATIVELY LIGHT FOUNDATION LOADS. BASEMENTS MAY BE PROPOSED. MAXIMUM STRUCTURE LOADS ON THE ORDER OF 2.5 KIPS PER LINEAL FOOT ARE ANTICIPATED AND THE GRADING WILL CONSIST OF CONSIDERABLE CUTS AND FILLS TO OBTAIN FINISH GRADE ELEVATIONS.

THE SITE ENCOMPASSES APPROXIMATELY 320 ACRES OF RELATIVELY FLAT UNDERDEVELOPED AGRICULTURAL LAND THAT HAS A SLIGHT DOWNWARD SLOPE TOWARD THE NORTH. THE DEVELOPMENT IS CENTERED AROUND A PRIVATE AIR STRIP THAT IS PART OF THE PROJECT.

SPECIALIZED TREATMENT OF EXISTING SOILS WITHIN FOUNDATION AREAS IS REQUIRED. ALL LOTS ARE SUBJECT TO COMPRESSIBLE SOIL CONDITIONS REQUIRING OVER-EXCAVATION AND RECOMPACTION BELOW FOOTINGS. ALL STRUCTURAL FILL MATERIAL WILL REQUIRE COMPACTION TO SPECIFIED DENSITY.

TOTAL AND DIFFERENTIAL SETTLEMENTS FROM ASSUMED LOADS WILL BE WITHIN GENERALLY ACCEPTED TOLERANCE PROVIDED THAT GRADING OPERATIONS ARE PERFORMED AS SPECIFIED AND NO MAJOR CHANGES IN MOISTURE CONTENT OF FOUNDATION BEARING SOILS OCCUR AND THAT POSITIVE DRAINAGE AWAY FROM STRUCTURES IS MAINTAINED.

DURING AND AFTER CONSTRUCTION OF BUILDING, STRUCTURAL FOUNDATION/FLOOR SLAB BEARING SOILS SHOULD NOT BE EXPOSED TO MOISTURE INFILTRATION OR MOISTURE CONTENT FLUCTUATIONS. PROPER DRAINAGE OF SURFACE WATER AND ROOF RUNOFF WATER AWAY FROM THE STRUCTURES SHOULD BE PROVIDED DURING CONSTRUCTION AS WELL AS THROUGHOUT THEIR LIFE. IN NO CASE SHOULD LONG-TERM PONDING BE ALLOWED NEAR STRUCTURES. PROPER DESIGNING AND PLACEMENT OF YARD VEGETATION AND IRRIGATION SYSTEMS SHOULD BE USED SO THAT STRUCTURAL FOUNDATION/FLOOR SLAB BEARING SOILS ARE NOT EXPOSED TO MOISTURE INFILTRATION OR MOISTURE CONTENT FLUCTUATIONS.

BASED ON THE FINDINGS PRESENTED IN THIS REPORT, THE SITE IS CONSIDERED SUITABLE FOR SINGLE FAMILY RESIDENCES IMPOSING RELATIVELY LIGHT FOUNDATION LOADS PROVIDED FLOOR/FOUNDATION SYSTEMS ARE PROPERLY

REGISTRATION NO. DM00-022198

Pegasus Airpark Unit One aka Pegasus Air Park

DESIGNED, SPECIFIED COMPACTION FOR FILL MATERIAL IS USED AND FOUNDATION BEARING SOILS ARE NOT EXPOSED TO MOISTURE INFILTRATION OR MOISTURE CONTENT FLUCTUATION.”

Adjacent Lands and Vicinity: North of this subdivision are existing single-family residential homes zoned R-1-43 Rural Estate District (one acre per dwelling unit); east, west and south are agricultural land zoned A-1 Agriculture One District (10 acres per dwell unit).

This subdivision may be subject to the effects of dust and possible occasional spraying due to agricultural activity in the area.

Lots 1 through 13 shall have horse privileges.

AIRPORTS

Public Airport: Chandler Municipal Airport is approximately 10 miles; Williams Gateway Airport is approximately 8 miles northwest.

Pegasus Airpark is adjacent to the South, a part of this offering, and subject to any and all effects caused by the operation of aircraft landing at, or taking off, or the operation of Pegasus Airpark Airport. Each lot shall be subject to noise or sound attenuation measures satisfactorily to the Town of Queen Creek and which are consistent with requirements for properties located in areas designated as Airpark Overflight Area III.

THESE PROPERTIES, DUE TO THEIR PROXIMITY TO WILLIAMS GATEWAY AIRPORT, ARE LIKELY TO EXPERIENCE AIRCRAFT OVERFLIGHTS, WHICH COULD GENERATE NOISE LEVELS THAT MAY BE OF CONCERN TO SOME INDIVIDUALS. THE MIX OF AIR TRAFFIC CONSISTS OF CARGO, COMMERCIAL, CHARTER, CORPORATE, GENERAL AVIATION AND MILITARY AIRCRAFT.

UTILITIES

Electricity: Salt River Project (602) 236-8888. Cost to purchasers to complete facilities from lot line to dwelling is approximately \$100.00 for extension of transmission line. Purchasers will be required to pay \$19.00 plus tax service establishment fee for Monday through Friday service with 1 day notice; \$33.00 plus tax for same day service and Saturday service. Maximum refundable deposit of \$160.00 may be required.

Street Lights: Street lights are limited to the intersection of Ellsworth and Pegasus Parkway and one on Pegasus at the entrance of subdivision.

Telephone: Qwest Communications 1-800-244-1111 . Cost to purchaser to complete facilities from lot line to dwelling is approximately \$100.00. Purchasers will be required to pay \$46.50 minimum installation fee. Additional optional features available. May be required to pay an activation fee. Possible zone connect fee of \$53 .50 for extended areas.

IT IS POSSIBLE THAT YOU MAY NOT HAVE TELEPHONE SERVICE AT THE TIME OF CLOSING. YOU ARE ADVISED TO CONTACT YOUR SERVICE PROVIDER TO

DETERMINE THE STATUS OF TELEPHONE SERVICE. YOU MAY ALSO WANT TO CONSIDER TEMPORARY ALTERNATIVES, I.E. CELLULAR TELEPHONE.

Natural Gas: Southwest Gas (602) 862-1999. Costs to purchasers to complete facilities from lot line to dwelling are approximately \$100.00 and \$30.00 service establishment fee. Refundable deposit, a minimum of \$65.00, may be required.

Owners shall be subject to a one-time possible special assessment, required minimum usage charge, the amount, which shall not exceed \$1,500.00. Possible minimum usage charge is as stated in 3.35 of Declaration of Covenants, Conditions and restrictions for Pegasus Airpark.

Water: Queen Creek Water Company (480) 987-3240. Cost to purchaser to complete facilities from lot line to dwelling is \$315.00 meter charge, main line extension hookup fee \$740.00, extension transmission line from property to dwelling \$100.00 and Fire Flow fee \$215.00. In addition purchasers will be required to pay a \$15.00 service establishment fee.

Queen Creek Water: Irrigation - \$.40 per 1000 gallons plus 6.75% tax turn-on that dollar amount, plus \$.0065 per 1000 gallons for water use fee.

Subdivider advises that the completion dates to the lot lines for the above utilities are January 1, 2002.

Sewage Disposal: Subdivider advises that individual sewage disposal systems are to be used for sewage disposal. There is no assurance that an individual system can be installed. Prior to purchase you should contact the State and local health departments for specifications and requirements. You should satisfy yourself as to the cost of installing the system.

If an individual sewage disposal system cannot be installed, no refund of the purchase price of the lot will be made.

Mark Harambasic of Basic Drilling Co., in his proposal of February 14, 2001 states:

JOB LOCATION: Pegasus Airpark Phase I
Ellsworth and Ocotillo Road

JOB DESCRIPTION: Maricopa County Dept. of Environmental Services requirement on each individual lot Seepage Pit Performance Test (SPPT) as follows:
Drill test hole 1 8”x3 5’ total, furnish water for pre-soak and testing, engineered percolation test and report

JOB PRICE: Approximately \$850.00

JOB DESCRIPTION: Septic Tank system for maximum 5 countable rooms, maximum 4 bathrooms and maximum 32 fixture units
Based on 1”/5 minute percolation rate:
1 - 1500 Gallon Septic Tank (3’ inlet depth), distribution box

REGISTRATION NO. DM00-022198

Pegasus Airpark Unit One aka Pegasus Air Park

2 Seepage Pits 5' x 32' eff. Depth or equal *

Note: A site investigation including soils evaluation and/or percolation test (perc test), and/or Seepage Pit Performance Test is required for each location.

JOB EXCLUSIONS: Piping to house, backfilling removal of excess spoil, and sales tax

JOB PRICE: \$3,274.03 PLUS \$260.00 PERMIT FEE (CURRENT FEE) Price good for 60 days.

If you have any questions please feel free to call 480-983-6787

*Mandatory additional soil testing at the time of application for a septic system installation permit could be indicative of the use of professionally engineered alternative-design septic disposal systems. Alternative design septic disposal systems may also be necessary to achieve mandated septic system effluent quality standards. Contact the Maricopa County Environmental Services Dept. Phone: (602) 506-6666
THE ABOVE COSTS ARE SUBJECT TO CHANGE BY SERVICE PROVIDERS. YOU SHOULD CONTACT THE ABOVE PROVIDERS REGARDING EXTENSION RULES AND REGULATIONS, SERVICE CONNECTIONS AND COSTS INVOLVED.

IMPACT FEES:

Purchaser will be required to pay Town of Queen Creek impact fees in the amount of:

Town Building and Vehicle	\$ 600.00
Town Library	\$ 616.00
Parks, Open Space, Recreation	\$3,229.00
Public Safety	\$ 185.00
Total Impact Fees Town of Queen Creek	\$4,630.00

STREETS, ROADS AND DRAINAGE

Access to the Subdivision: Asphalt paved streets are complete with the exception of Pegasus Parkway from Ellsworth Road to the entrance of the Subdivision and from Achilles Way from the subdivision south to Empire Boulevard. Subdivider advises that Pegasus Parkway is to be completed by January 31, 2002 and will be maintained by the Town of Queen Creek. Subdivider advises Achilles Way is to be completed by January 31, 2002 and to be maintained by Pegasus Airpark Homeowners Association.

Access within the Subdivision: Asphalt paved private streets to be completed by January 31, 2002 and will be maintained by the Pegasus Airpark Homeowners Association.

Flood and Drainage: The Subdivider will establish appropriate street grade in accordance with the approved grading and drainage plans.

Each lot owner shall have the responsibility of engineering, grading and otherwise preparing his lot for any improvements thereon including without limitation the obligation to pay all

REGISTRATION NO. DM00-022198

Pegasus Airpark Unit One aka Pegasus Air Park

engineering fees and costs associated with the site preparation, such as the removal and disposal of excess dirt of the purchase and placement of additional fill dirt.

Each lot shall provide for its storm water retention and the storm water retention of the half street adjacent to each lot in accordance with approved grading plans and drainage report. The lot owner shall be responsible to ensure that the retention requirements are provided for at all times. Individual lots are required to retain a minimum of 12,000 cf. of storm water on-site.

Each owner of an irrigated lot (Lots 1 through 13) shall be responsible to “laser” or otherwise properly level and grade the lot so as to provide for proper irrigation and so as to assure that all irrigation water will be retained on the lot. Drainage plans are to be approved by the Town of Queen Creek and shall be subordinate to the Town of Queen Creek’s subdivision regulations.

NOTE: Lots 22 through 29 and 46 through 49 are subject to off-site drainage from the adjacent taxiway to the south and shall be constructed accordingly.

COMMON, COMMUNITY AND RECREATIONAL FACILITIES

Within the Subdivision: Common Areas which specifically include the private roads, equestrian trails or easements, the irrigation easements, tracts or areas dedicated for landscaping along the entry road, and landscape areas within open spaces, arterial streets and collector rights-of-way created or dedicated specifically for the benefit of Pegasus Airpark, and are to be maintained by the Pegasus Airpark Homeowners Association.

Subdivider advises that the completion dates for the above amenities are January 31, 2002.

The taxiways and runways are to be owned and maintained by the Pegasus Airpark Flight Association.

OWNERS OF LOTS NUMBERED 14, 17, 18, 33, 34, 41 AND 42 SHALL BE RESPONSIBLE FOR THE INSTALLATION AND THE PAYMENT OF ALL COSTS OF CONSTRUCTION AND MAINTENANCE OF THE WALL (OR FENCING) AND THE INSTALLATION AND MAINTENANCE OF THE LANDSCAPING ADJACENT TO THE SIDE YARD STREETS OF SUCH LOTS, RESPECTIVELY. SUCH WALLS (INCLUDING PILLARS) THEREOF SHALL BE CONSTRUCTED IN ACCORDANCE WITH AND PURSUANT TO THE DESIGN PREPARED THEREFORE BY PD/SAUREY ASSOCIATED.

Within the Master Planned Community: Subdivider advises that this subdivision is not part of a master planned community.

ASSURANCES FOR COMPLETION

Assurances for Completion of Subdivision Facilities: Subdivider has provided a subdivision improvement bond for completion of Pegasus Airpark Unit One infrastructure amenities, Pegasus Airpark taxiways, runway, and entry way.

REGISTRATION NO. DM00-022198

Pegasus Airpark Unit One aka Pegasus Air Park

Assurances for Maintenance of Subdivision Facilities: As cited in the CC & R's the Homeowners Association will be responsible for maintenance of the private common area amenities. Lot owners to maintain lot retention and drainage as stated per the recorded plat. Town of Queen Creek to maintain public right of ways, public drainage easements and Empire Boulevard. Utility companies to maintain their respective utilities.

Schools: **Queen Creek** Elementary (K-5) 23636 S. 204th Street, approximately 2 miles, Queen Creek Middle School (6-8) 20435 S. Ellsworth, at Ellsworth and Queen Creek Road approximately 4 miles; Queen Creek High School (9-12) 20435 S. Ellsworth, approximately 4 miles at Queen Creek Road and Ellsworth Road.

Bus Transportation is available.

SCHOOL FACILITIES AND BUS SERVICE MAY CHANGE. YOU SHOULD CONTACT THE LOCAL SCHOOL BOARD REGARDING THE CURRENT LOCATION OF SCHOOLS AND BUS SERVICE.

Shopping Facilities: Circle K at Ellsworth and Ocotillo Road approximately 3 miles from subdivision.

Public Transportation: Subdivider advises public transportation is not available.

Medical Facilities: Valley Lutheran Hospital - 6644 E. Baywood Avenue - Mesa, Arizona -approximately 12 miles from this subdivision.

Fire Protection: Provided by Rural Metro - enrollment fee of \$30.00 and an annual fee based on square footage of home.

SUBSCRIPTION COSTS ANNUAL FEES FOR NEW HOME BUYERS IS AS FOLLOWS:

1 - 1300 sq. ft.	\$126.00
1400 - 1699 sq. ft.	\$165.00
1700 - 2999 sq. ft.	\$209.00
2100 - 2599 sq. ft.	\$268.00
2600 - 3199 sq. ft.	\$333.00
3200 - 3699 sq. ft.	\$417.00
3700 and over sq. ft.	footage X .125

Ambulance Service: Subdivider advises that this subdivision is within a 911 area.

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

Garbage Services: Provided by A.J. Waste to homeowners. Cost is \$57.00 per quarter.

REGISTRATION NO. DM00-022198

Pegasus Airpark Unit One aka Pegasus Air Park

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

SUBDIVISION USE AND RESTRICTIONS

Use: This offering is for unimproved (vacant) lots only.

Zoning: Single family residential

Conditions, Reservations and Restrictions: You are advised that the Declaration of Covenants, Conditions and Restrictions for this subdivision provides for an architectural control committee.

Restrictions and Other Matters of Record: Conditions, reservations and restrictions that may run with the land including City or County zoning restrictions should be investigated by you. Copies of those items that are recorded may be inspected at the Office of the Maricopa County Recorder. Information about zoning may be obtained at the Office of the Town of Queen Creek Planning and Zoning Department. Restrictions are recorded as cited in the following title exceptions and per the subdivision plat.

TITLE

Title to this subdivision is vested in Circle G Pegasus L.L.C., an Arizona limited liability company.

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

Title is subject, among other things, to all taxes, assessments, covenants, conditions, restrictions, limitations, reservations, rights, obligations, powers, easements, rights of way, liens, and charges of record. **YOU SHOULD INVESTIGATE THE TITLE AND SATISFY YOURSELF AS TO WHAT EFFECT, IF ANY, THESE MATTERS MAY HAVE ON THE USE OF THE LAND.** Title exceptions affecting the condition of title are listed in the Preliminary Title Report dated March 16, 2001, issued by Lawyers Title Insurance Company. **You should obtain a title report and determine the effect of the listed exceptions.**

EXCEPTIONS: SEE EXHIBIT "A" ATTACHED

METHOD OF SALE

Sales: Your vested interest/ownership interest in the property will be evidenced by the subdivider delivering a recorded deed to you and by your signing a promissory note and mortgage or Deed of Trust for the unpaid balance, if any. *You should read these documents before signing them.*

Cash sales will be accepted; lot purchasers may take title upon close of escrow and recordation.

Release of Liens and Encumbrances: Developer has advised that arrangements have been made with the lender in the aforementioned Deed of Trust for the release of individual lots.

REGISTRATION NO. DM00-022198

Pegasus Airpark Unit One aka Pegasus Air Park

Use and Occupancy: Upon close of escrow.

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

TAXES AND ASSESSMENTS

Real Property Taxes: The combined primary and secondary property tax rate for this subdivision for the year 2000 is \$12.6629 per \$100.00 assessed valuation. The estimated property tax for an unimproved lot (vacant), based on the above tax rate and average sales price of \$141,000.00 is \$1,512.85

Special District Tax or Assessments: None

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

PROPERTY OWNERS ASSOCIATIONS

Name and Assessments: Pegasus Airpark Homeowners Association. Property Owners will be required to pay assessments in the amount of \$480.00 annually to Pegasus Airpark Homeowners Association.

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

Control of Association: Pegasus Airpark Homeowners Association - The Class C Membership (Declarant) shall cease and be converted to a Class A Membership (Lot Owners), Class B Member (Owners of Lots within Additional Properties) or both, on the happening of any of the following events, whichever first occurs, (i) when all lots have been conveyed to purchasers, (ii) when the Declarant notifies the association in writing that it relinquishes its Class B membership or (iii) on April 1, 2020. (See Article 6 of the Declaration of Covenants, Conditions and Restrictions for Pegasus Airpark)

Title to Common Areas: Title will be conveyed to the Association upon completion of the common areas or as required by VA and FHA if applicable. (Tracts A, B, C, D and O, (Pegasus Air Park Unit One) and G through N (Map of Dedication of Pegasus Parkway).

Name and Assessments: The Pegasus Airpark Flight Association:

Membership fee - Declarant shall determine the membership fee upon the sale of all lots as stated in 4.11 of declaration.

Membership in the association is reserved to members as follows:

REGISTRATION NO. DM00-022198

Pegasus Airpark Unit One aka Pegasus Air Park

THE OWNERS OF LOTS HAVING RUNWAY ACCESS AND ALL PERSONS RENTING OR LEASING A TIE-DOWN FROM THE PEGASUS AIRPARK FLIGHT ASSOCIATION, AN ARIZONA NON-PROFIT CORPORATION, OR OWNING A TIE-DOWN, IF SUCH ARE AVAILABLE FOR PRIVATE OWNERSHIP, SHALL BE MANDATORY MEMBERS OF THE PEGASUS AIRPARK FLIGHT ASSOCIATION REGARDLESS OF WHETHER SUCH OWNER OR PERSON IS AN ACTIVE PILOT OR AIRCRAFT OWNER, AND SHALL BE SUBJECT TO ALL RULES, REGULATIONS AND ASSESSMENTS ESTABLISHED OR IMPOSED BY THE FLIGHT ASSOCIATION.

Control of Association: - The class B Membership (Declarant) shall cease and be converted to Class A Membership (Lot Owners) upon the happening of any of the following events, whichever first occurs; (i) when all Lots within the Pegasus Airpark Residential Property and all Aircraft Storage Spaces within the Pegasus Aircraft Storage Condominium have been conveyed to Owners by Declarant, (ii) when the Declarant notifies the Association in writing that it relinquishes its Class B memberships, or (iii) on April 1, 2020.

Pegasus Aircraft Storage Condominium

THIS ASSOCIATION IS A PROPOSED ASSOCIATION AND IS NOT YET LEGALLY FORMED AND OPERATIONAL.

Every person owning or renting an Aircraft Storage Space shall be a member of both the Flight Association and the Storage Condominium Association.

Pegasus Airpark Non-Residential Membership

ALL PERSONS RENTING OR LEASING A TIE-DOWN FROM THE PEGASUS AIRPARK FLIGHT ASSOCIATION, AN ARIZONA NONPROFIT CORPORATION, OR OWNING A TIE-DOWN, IF SUCH ARE AVAILABLE FOR PRIVATE OWNERSHIP, SHALL BE MANDATORY MEMBERS OF THE PEGASUS AIRPARK FLIGHT ASSOCIATION.

Non- Residential Memberships, however, will not be liable for memberships fees to the Pegasus Airpark Homeowners Association.

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

YOU ARE ADVISED TO READ THE RECORDED DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS, ARTICLES OF INCORPORATION, AND BYLAWS FOR THIS SUBDIVISION TO DETERMINE THE RIGHTS OF LOT OWNERS TO PARTICIPATE IN THE CONTROL OF THE PROPERTY OWNERS' ASSOCIATION AND TO DETERMINE THE RIGHTS, DUTIES AND LIMITATIONS OF OWNERS IN AND TO USE OF THEIR LOT.

REGISTRATION NO. DM00-022198

Pegasus Airpark Unit One aka Pegasus Air Park

Exhibit "A"

1. RESERVATIONS contained in the Patent from the United States of America, reading as follows: Subject to any vested and accrued water rights for mining, agricultural, manufacturing, or other purposes, and rights to ditches and reservoirs used in connection with such water rights as may be recognized and acknowledged by the local customs, laws and decisions of courts; and there is reserved from the lands hereby granted, a right of way thereon for ditches or canals constructed by the authority of the United States of America.
2. WATER RIGHTS, claims or title to water, whether or not shown by the public record.
3. TAXES AND ASSESSMENTS collectible by the County Treasurer not yet due and payable for the following year:

Year: 2001
4. TAXES AND ASSESSMENTS collectible by the County Treasurer for the following year:

Year: 2000 First half plus interest and penalties
5. TAXES AND ASSESSMENTS collectible by the County Treasurer for the following year:

Year: 2000 Second half
6. Liabilities and obligations imposed upon said land by reason of its inclusion within:

PEGASUS AIRPARK HOMEOWNERS ASSOCIATION
7. EASEMENT and rights incident thereto, as set forth in instrument:

Recorded in Document No. : 88-497251
Purpose: roadway
Affects: North 20 feet of Lots 1 to 13
8. ANY ACTION that may be taken by Flood Control District named below to acquire property or rights of way for flood control as disclosed by instrument:

Recorded in Document No. : 00-211209
Name: Queen Creek, Sanoqui Wash and Rittenhouse Channel Drainage Improvements
9. DECLARATION of COVENANTS, CONDITIONS and RESTRICTIONS for PEGASUS AIRPARK UNIT 1 REGARDING MEMBERSHIP in the CENTRAL ARIZONA GROUNDWATER REPLENISHMENT DISTRICT recorded in Document No. 2000-760089.

REGISTRATION NO. DM00-022198

Pegasus Airpark Unit One aka Pegasus Air Park

10. AGREEMENT and NOTICE of MUNICIPAL PROVIDER REPORTING REQUIREMENTS for PEGASUS AIRPARK UNIT 1 REGARDING MEMBERSHIP in the CENTRAL ARIZONA GROUNDWATER REPLENISHMENT DISTRICT recorded in Document No. 2000-760090.

11. DEED OF TRUST given to secure the original amount shown below, and any other amount payable under the terms thereof:

Amount: \$2,307,690.52

Dated: October 30, 2000

Recorded: November 15, 2000

Document No.: 2000-873310

Trustor: CIRCLE G AT PEGASUS, L.L.C., an Arizona limited liability company

Trustee: ATI Title Agency of Arizona, Incorporated

Beneficiary: QUEEN CREEK TEN, INC., a Texas corporation

12. Pegasus Airpark is subject to noise levels from aircraft based therein and may experience aircraft overflights and noise from a variety of aircraft due to its close proximity to Williams Gateway Airport. Each Lot shall be subject to noise or sound attenuation measures satisfactory to the Town of Queen Creek and which are consistent with requirements for properties located in areas designated as Airport Overflight Area III as disclosed on the recorded plat in Book 556 of Maps, page 3.

13. Covenants, conditions, restrictions, and other matters contained in instrument recorded in

Document No.: 2001-183803

NOTE: This exception omits any covenant, condition or restriction based on race, color, religion, sex, handicap, familial status or national origin as provided in 42 U.S.C. § 3604, unless and only to the extent that the covenant (a) is not in violation of state or federal law, (b) is exempt under 42 U.S.C § 3607, or relates to a handicap, but does not discriminate against handicapped people.

14. Covenants, conditions, restrictions, and other matters contained in instrument recorded in

Document No.: 2001-183805

NOTE: This exception omits any covenant, condition or restriction based on race, color, religion, sex, handicap, familial status or national origin as provided in 42 U.S.C. § 3604, unless and only to the extent that the covenant (a) is not in violation of state or federal law, (b) is exempt under 42 U.S.C § 3607, or relates to a handicap, but does not discriminate against handicapped people.

15. EASEMENTS as shown on the plat recorded in Book 556 of Maps, page 3.

REGISTRATION NO. DM00-022 198

Pegasus Airpark Unit One aka Pegasus Air Park

16. Covenants, conditions and restrictions as shown on the recorded plat shown below:

Recorded in Book 556 of Maps,
Page 3

NOTE: This exception omits any covenant, condition or restriction based on race, color, religion, sex, handicap, familial status or national origin as provided in 42 U.S.C. §3604, unless and only to the extent that the covenant (a) is not in violation of state or federal law, (b) is exempt under 42 U.S.C. §3607, or relates to a handicap, but does not discriminate against handicapped people.