



**RESOLUTION 2007-712**

**A RESOLUTION OF THE MAYOR AND COMMON COUNCIL  
OF THE TOWN OF CAMP VERDE, YAVAPAI COUNTY, ARIZONA,  
APPROVING THE DEVELOPMENT AGREEMENT BETWEEN THE TOWN OF CAMP VERDE  
AND CAMP VERDE HOMESTEAD, LLC; VERDE RIVER PROPERTIES, LLC; R & R  
HOMESTEAD, LLC; A.L.D. DEVELOPMENT, INC; RIVER EDGE 12, LLC; AND HAVEN  
HOMES, INC. FOR THE MAINTENANCE OF THE TRAILS SYSTEM WITHIN SIMONTON  
RANCH, A PLANNED AREA DEVELOPMENT, AND AUTHORIZING THE MAYOR TO  
EXECUTE THE AGREEMENT.**

**RECITALS:**

- A. The Town has the authority to enter into development agreements pursuant to ARS §9-500.05.
- B. It is determined in the best interest of the Town that it enters into the development agreement with **Camp Verde Homestead, LLC; Verde River Properties, LLC; R & R Homestead, LLC; A.L.D. Development, INC; River Edge 12, LLC; And Haven Homes, INC.** for the maintenance of the trail system within Simonton Ranch PAD.

**NOW THEREFORE, BE IT RESOLVED:**

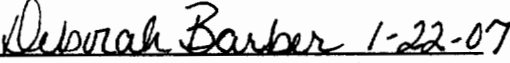
1. The development agreement between the Town and Camp Verde Homestead, LLC; Verde River Properties, LLC; R & R Homestead, LLC; A.L.D. Development, INC; River Edge 12, LLC; and Haven Homes, INC. is approved.
2. The Mayor is authorized to execute the agreement for and on behalf of the Town.

PASSED, APPROVED AND ADOPTED this 17<sup>th</sup> day of January 2007.

  
\_\_\_\_\_  
Tony Gioia, Mayor

  
\_\_\_\_\_  
Date

Attest:

  
\_\_\_\_\_  
Deborah Barber, Town Clerk

Approved as to form:

  
\_\_\_\_\_  
Town Attorney

**When recorded, return to:**

Town of Camp Verde  
Attn: Town Manager  
473 South Main Street, Suite 102  
Camp Verde, Arizona 86322

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**TRAIL MAINTENANCE AGREEMENT**

This Trail Maintenance Agreement (this "*Agreement*") is made to be effective as of the date recorded in the official records of Yavapai County, Arizona (the "*Effective Date*"), among the following:

CAMP VERDE HOMESTEAD, LLC, an Arizona limited liability company ("*CV Homestead*");

VERDE RIVER PROPERTIES, LLC, an Arizona limited liability company ("*VR Properties*");

R & R HOMESTEAD, LLC, an Arizona limited liability company ("*RR Homestead*");

A.L.D. DEVELOPMENT, INC., an Arizona corporation ("*ALD Development*");

RIVER EDGE 12, LLC, an Arizona limited liability company ("*River Edge 12*");

HAVEN HOMES, INC., an Arizona corporation, formerly known as Haven Homes Builders, Inc. ("*Haven Homes*"); and

TOWN OF CAMP VERDE, ARIZONA, a municipal corporation (the "*Town*").

The foregoing entities, each the Associations (as defined in Recital K below) and their respective successors and assigns are referred to individually as a "*Party*" and collectively as the "*Parties*."

**RECITALS:**

A. CV Homestead owns the real property described in Exhibit A attached hereto and by reference incorporated herein (the "*CV Homestead Property*").

B. VR Properties Homestead owns the real property described in Exhibit B attached hereto and by reference incorporated herein (the "*VR Properties Property*").

C. RR Homestead owns the real property described in Exhibit C attached hereto and by reference incorporated herein (the "*RR Homestead Property*").

D. ALD Development owns the real property described in Exhibit D attached hereto and by reference incorporated herein (the "*ALD Development Property*").

E. River Edge 12 owns the real property described in Exhibit E attached hereto and by reference incorporated herein (the "*River Edge 12 Property*").

F. Haven Homes owns the real property described in Exhibit F attached hereto and by reference incorporated herein (the "*Haven Homes Property*").

G. CV Homestead and Haven Homes each own a portion of the real property described in Exhibit G attached hereto and by reference incorporated herein (the "*Tract D Property*"). Collectively, CV Homestead and Haven Homes own all of the Tract D Property.

H. The CV Homestead Property, the VR Properties Property, the RR Homestead Property, the ALD Development Property, the River Edge 12 Property, the Haven Homes Property and the Tract D Property are referred to individually as a "*Property*" and collectively as the "*Properties*."

I. CV Homestead, VR Properties, RR Homestead, ALD Development, River Edge 12 and Haven Homes and all future owners of all or any portion of the Properties are referred to individually as an "*Owner*" and collectively as the "*Owners*."

J. Haven Homes and CV Homestead have obtained approval from the Town for a residential subdivision plat known as "Silverado at Simonton Ranch," which includes the Haven Homes Property and the Tract D Property and was recorded on July 6, 2006, in Book 57 of Maps and Plat, Page 67, records of the Yavapai County Recorder, Yavapai County, Arizona (the "*Silverado Plat*"). In connection with such approval, the Town required Haven Homes and CV Homestead to dedicate a portion of the real property included in the Silverado Plat for use as part of a recreational trail system (the "*Trail System*"), as shown on the Silverado Plat. Accordingly, the Town currently owns the portion of the Trail System shown on the Silverado Plat.

K. The Owners, other than Haven Homes, currently intend to seek approval from the Town for residential subdivision plats for their respective Properties (each a "*Plat*"). As part of the approval of such plats, the Town intends to require the dedication of a portion of such Owners' Property for use as part of the Trail System.

L. In connection with the approval and recording of each Plat, the Town will require the formation of a homeowners' association by the Owner of the Property covered by the Plat being recorded (each an "*Association*").

M. The Parties acknowledge that the Trail System may connect to and be part of a larger trail system that runs beyond the boundaries of the Properties. However, this Agreement pertains only to that portion of the larger trail system shown on and dedicated by the respective subdivision plats recorded or to be recorded for the Properties.

N. The Parties are entering into this Agreement pursuant to A.R.S. Section 9-500.05 to establish certain rights and obligations with respect to the Trail System, as more particularly set forth below.

THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound the Parties hereby agree as follows:

**AGREEMENTS:**

1. Recitals; Definitions. The Recitals above are incorporated herein and are true statements of fact binding on the Parties.

2. Obligation to Dedicate Trail System. Each Plat submitted to the Town for approval shall include the dedication of a trail area, which shall become part of the Trail System upon the approval and recording of such Plat. The exact location and configuration of such trail area on the Plat shall be subject to the Town's approval.

3. Maintenance of Trail System. Each Association, at its expense, shall be responsible to take the following actions with respect to the portion of the Trail System dedicated in the recorded Plat of the Property for which such Association has been formed: (a) spray appropriate herbicides on such area to control weeds once during each calendar quarter; and (b) keep such area reasonably free of man-made trash and litter. By accepting the responsibility of acting as the Association for any Property or portion thereof, an Association shall be deemed to have accepted the obligations contained in this Agreement with respect to such Property or portion thereof. Each Owner shall specifically include the foregoing obligations in: (a) the declaration of covenants, conditions and restrictions governing the Association formed for all or any portion of such Owner's Property; (b) the formation documents of such Association; or (c) a separate written assumption of such obligations. No Association may terminate or alter its obligations under this Agreement without the Town's prior written consent, which may be given or withheld in the Town's sole discretion. An Association shall not have any obligations under this Agreement unless and until a Plat has been recorded for the portion of the Properties for which such Association has been formed to act as the homeowners' association. Except for the maintenance to be performed by the Associations under this Section 3, no Association or Owner shall have any responsibility for the maintenance, operation or repair of the Trail System. Each Association that has become responsible for the maintenance obligations under this Section 3 is referred to as a "*Responsible Association.*"

4. Easements for Maintenance Obligations.

4.1 Reservation and Grant of Easements. Each Owner hereby reserves, and the Town hereby grants and conveys, the following easements (the "*Easements*") to the Associations with respect to the portion of the Trail System dedicated to the Town on each Plat recorded for such Owner's Property (the "*Easement Area*") a perpetual appurtenant nonexclusive easement over, across and under the Easement Area for the purpose of: (a) fulfilling each Association's maintenance obligations under this Agreement; and (b) ingress and egress over the Easement Area for the use of each Association and all officers, employees, contractors and agents of each Association for the purposes of fulfilling such Association's maintenance obligations under this Agreement.

4.2 Effective Date of Easements. The Parties intend that the Easements relating to each Property shall be effective as of the date a Plat is recorded for such Property in the official records of Yavapai County, Arizona. Accordingly, the Town's grant of the Easements shall be effective immediately for the portion of the Trail System dedicated on the Silverado Plat. If Plats have not been recorded for all of the Properties by 11:59 p.m., M.S.T., on the date that is 20 years immediately following the Effective Date (the "*Plat Recording Deadline*"), then this Agreement shall be deemed terminated with respect to the portion of the Properties for which no Plat has been recorded and the Easements relating to such portion of the Properties shall be deemed null and void. However, this Agreement and the Easements shall continue in full force and effect for all portions of the Properties covered by Plats recorded by the Plat Recording Deadline.

5. Insurance.

5.1 Required Coverage. The Town shall obtain and maintain commercial general liability insurance coverage, including personal injury, bodily injury (including wrongful death), contractual liability and broad form property damage, with the following limits: (i) general aggregate--not less than \$2,000,000; and (ii) per occurrence combined single limit--not less than \$2,000,000. Such insurance shall be issued by an

issued by an Arizona risk retention pool authorized to do business by the State of Arizona, shall name each Responsible Association as additional insureds, shall specifically provide that the insurance afforded by such policy for the benefit of each Responsible Association shall be primary, and any insurance carried by each Responsible Association shall be excess and non-contributing, shall include a waiver of subrogation with respect to each Responsible Association and shall provide that the coverage may not be cancelled, terminated or modified without giving each Responsible Association at least 30 days' prior notice. From time to time, a Responsible Association may require that the policy limits in this Section 5 be increased to reflect increases in the amount of coverage then commonly accepted in the State of Arizona for commercial liability policies.

5.2 Evidence of Insurance. The Town agrees to deliver to each Responsible Association, as soon as practicable after obtaining the required insurance, but in no event later than 10 Business Days (as defined in Section 11 below) after the Town receives notice that such Association has become a Responsible Association, certified copies of each such insurance policy (or certificates from the insurance company evidencing the existence of such insurance and the Town's compliance with the provisions of Section 5.1 above). The Town shall cause replacement policies or certificates to be delivered to each Responsible Association not fewer than 30 days prior to the expiration of any such policy or policies. If any such initial or replacement policies or certificates are not furnished within the time(s) specified herein, a Responsible Association may request such policies or certificates, and if the Town fails to provide them within 10 Business Days immediately following receipt of such request, the Town shall in default under this Agreement without the benefit of any additional notice or cure period provided in Section 7.1 below, and each Responsible Association shall have the right, but not the obligation, to procure such policies and certificates with respect to the portion of the Trail System for which such Responsible Association has maintenance obligations, at the Town's expense. The Town shall immediately reimburse such Responsible Association for the costs of obtaining such insurance along with interest thereon at the rate of 18% per annum from the date such costs are incurred until paid in full. Such reimbursement shall be due immediately.

6. Indemnification.

6.1 Indemnification by Associations. Each Responsible Association shall indemnify, defend and hold harmless the Town and the Town's employees, agents, successors and assigns (collectively, "*Town Indemnified Parties*") from and against, any and all claims, damages, judgments, suits, causes of action, losses, liabilities and expenses, including attorneys' fees and court costs (collectively, "*Town Indemnified Claims*") (except to the extent caused by the negligence or wilfull misconduct of Town or any Town Indemnified Parties), caused by or arising or resulting from any act or omission of the indemnifying Association or any of such Association's agents, employees or contractors in fulfilling the maintenance obligations of such Association under this Agreement. In case any action or proceeding is brought against the Town or any Town Indemnified Parties by reason of any such Town Indemnified Claims, the indemnifying Association, upon notice from the Town, shall defend the same at such Association's expense.

6.2 Indemnification by the Town. The Town shall indemnify, defend and hold harmless each Association and each Owner and the employees, agents, successors and assigns of the Associations and/or Owners (collectively, "*Association/Owner Indemnified Parties*") from and against, any and all claims, damages, judgments, suits, causes of action, losses, liabilities and expenses, including attorneys' fees and court costs (collectively, "*Association/Owner own Indemnified Claims*") (except to the extent caused by the negligence or wilfull misconduct of an Association, Owner or any Association/Owner Indemnified Parties), caused by or arising or resulting from any act or omission of Town or any of the Town's agents, employees or contractors with respect to the Trail System or any use, activity or condition in, on, above or under the Trail System. In case any action or proceeding is brought against any Association, Owner or any Association/Owner Indemnified Parties by reason of any such Association/Owner Indemnified Claims, the Town, upon notice from an Association or Owner, shall defend the same at the Town's expense. Anything in

this Section 6.2 to the contrary notwithstanding, the Town's indemnification obligations under this Section 6.2 shall be limited to the cumulative total of: (a) insurance proceeds available to pay for such indemnification obligations; and (b) funds available to the Town for the budget year in which such indemnification obligations arise.

7. Enforcement.

7.1 General. The failure of any Party to fulfill, satisfy or comply with any provision of this Agreement shall be a default by such Party under this Agreement, except that, other than a default under Section 5.1 above, no Party shall be in default under this Agreement unless such failure has not been cured within 30 days immediately following the date such Party receives notice of such failure from any other Party. Each Party may enforce this Agreement and may exercise all remedies available at law or in equity.

7.2 No Termination on Default. No default under this Agreement shall entitle any Party to cancel, rescind or otherwise terminate this Agreement, but this limitation shall not affect in any manner any other rights or remedies that any Party may have by reason of such default.

7.3 Attorneys' Fees. If there is any litigation or other proceeding between any Parties to enforce or interpret any provisions of this Agreement or rights arising under this Agreement, the losing Party in such litigation or proceeding, as determined by the court, shall pay to the prevailing Party, as determined by the court, all costs and expenses, including, without limitation, reasonable attorneys' fees incurred by the prevailing Party, such costs, expenses and fees to be determined by the court sitting without a jury.

8. Covenants Running with Land; Successors. The easements granted in this Agreement and the covenants, restrictions and provisions of this Agreement shall: (a) run with the land; and (b) shall be binding on and inure to the benefit of the Parties and their respective successors and assigns, and all subsequent owners of the Properties or any portion thereof.

9. No Third Party Rights; No Partnership. Nothing contained in this Agreement shall be deemed to grant or confirm to any entity or person, except as specifically provided, the right to assert or exercise a separate or independent right to enforce this Agreement, or a separate or independent right to enjoy any of the benefits or privileges granted, it being understood that such rights are forever expressly held, retained and shall be exercised solely as provided in this Agreement. Nothing contained in this Agreement shall be deemed or construed to create the relationship of principal and agent, limited or general partnership, joint venture or any other associations between or among the Parties with respect to this Agreement or anything contained herein.

10. Estoppel Certificates. Within 20 days following receipt of a written request from any other Party, the other Parties shall execute and deliver to the requesting Party an estoppel certificate certifying: (a) that this Agreement is unmodified and in full force and effect (or, if modified, that this Agreement is in full force and effect as modified, and stating the date and nature of such modifications); (b) that to the representing Party's knowledge, there are not any defaults under this Agreement except as specified in such certificate; and (c) such other matters relating to this Agreement as are reasonably requested. Any such estoppel certificate delivered pursuant to this Section may be relied upon by any lender, purchaser or prospective purchaser of any portion of the Properties, as well as their successors and assigns.

11. Notices. All notices, requests, demands or other communications (collectively, "Notice") required or permitted under this Agreement shall be in writing and may be personally delivered or transmitted by overnight carrier or by certified mail, return-receipt requested, postage prepaid, addressed to as follows:

The Town:

Town of Camp Verde  
Attn: Town Manager  
473 South Main Street, Suite 102  
Camp Verde, Arizona 86322

Each Association:

The domestic address for each Association  
shown on the then current records of the Arizona Corporation

Notice given in accordance with the terms hereof shall be deemed received on the date of receipt if personally delivered or upon the date three Business Days after posting if transmitted by mail or one Business Day after depositing such Notice with an overnight carrier. Any Party may change the address for receiving Notice by giving prior notice of such change to the other Parties. The inability to deliver a Notice because of a changed address of which no Notice was given, or rejection or other refusal to accept any Notice, shall be deemed to be the receipt of the Notice as of the date of such inability to deliver, rejection or refusal to accept. Any Notice to be given by any Party may be given by legal counsel for such Party. As used in this Agreement, "*Business Day*" shall mean a day other than a Saturday, Sunday or a day observed as a legal holiday by the United States government, the State of Arizona or the County of Yavapai, Arizona.

12. Entire Agreement. This Agreement constitutes the entire agreement between the Parties with respect to the subject matter hereof. Any prior agreements or understandings between the Parties concerning the subject matter hereof are superseded and replaced by this Agreement and are hereby rendered null and void.

13. Time of the Essence. The Parties expressly and specifically agree time is of the essence of this Agreement and all provisions, obligations and conditions thereof. All time periods set forth herein in terms of "*days*" refer to calendar days. Whenever notice must be given, documents delivered or an act done under this Agreement on a day that is not a Business Day, the notice may be given, document delivered or act done on the next following day that is a Business Day.

14. Force Majeure. Except with respect to the obligations to provide insurance coverage under Section 5 above, if a Party is unable to meet any deadline under this Agreement because of delays from causes beyond the reasonable control of such Party, including, without limitation, acts of God, war, acts of terrorism, strikes, work stoppages, unavailability of or delay in receiving labor or materials, defaults by contractors or subcontractors, weather conditions, or fire or other casualty, then such deadline shall be deemed extended automatically for a period of time equal to the length of such delays.

15. Governing Law. This Agreement together with all attachments and exhibits shall be governed by, and construed and enforced in accordance with, the internal substantive laws of the State of Arizona (without reference to choice of law principles).

16. Construction. This Agreement is the result of negotiations between the Parties, none of whom has acted under any duress or compulsion, whether legal, economic or otherwise. Accordingly, the terms and provisions hereof shall be construed in accordance with their usual and customary meanings. The Parties hereby waive the application of any rule of law which otherwise might be applicable to the construction of this Agreement that ambiguous or conflicting terms or provisions should be construed against the Party who (or whose attorney) prepared this Agreement or any earlier draft of the same.

17. Interpretation. If there is any specific and direct conflict between, or any ambiguity resulting from, the terms and provisions of this Agreement and the terms and provisions of any document, instrument or other agreement executed in connection herewith or in furtherance hereof, including any exhibits hereto, the same shall be consistently interpreted in such manner as to give effect to the general purposes and intention as expressed in this Agreement, which shall be deemed to prevail and control. All references to "Sections" shall be to the numbered sections of this Agreement unless specifically stated otherwise. In this Agreement (unless the context requires otherwise), the masculine, feminine and neuter genders and the singular and the plural shall be deemed to include one another, as appropriate.

18. Severability. If any term or provision of this Agreement shall, to any extent, be determined by a court of competent jurisdiction to be invalid or unenforceable, the remainder of this Agreement shall not be affected thereby, but such term or provision shall be reduced or otherwise modified by such court or authority only to the minimum extent necessary to make it valid and enforceable, and each term and provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law. If any term or provision cannot be reduced or modified to make it reasonable and permit its enforcement, it shall be severed from this Agreement and the remaining terms shall be interpreted in such a way as to give maximum validity and enforceability to this Agreement. It is the intention of the Parties that if any provision of this Agreement is capable of two constructions, one of which would render the provision void and the other of which would render the provision valid, then the provision shall have the meaning which renders it valid.

19. Amendment. This Agreement may only be amended or terminated by the agreement of the: (a) the Town; (b) each Responsible Association; and (d) each of the Owners or their respective successors and assigns (except an Owner's consent and signature shall not be required if there is a Responsible Association for such Owner's Property), *without* requiring the consent or signatures of any other owners of any portion of the Properties or any other person or entity. No amendment or termination of this Agreement shall be effective until a written instrument setting forth its terms has been executed by all of the required Parties (and/or their successors or assigns), acknowledged and recorded in the records of Yavapai County, Arizona.

20. Miscellaneous. The waiver by any entity or person of any right granted to it hereunder shall not be deemed to be a waiver of any other right granted hereunder, nor shall the same be deemed to be a waiver of a subsequent right obtained by reason of the continuation of any matter previously waived. The headings in this Agreement are for reference only and shall not limit or define the meaning of any provision of this Agreement. The Parties agree to execute promptly such other documents and perform such other acts as may be reasonably necessary to carry out the purpose and intent of this Agreement. All exhibits attached hereto are by this reference incorporated herein.

*[Remainder of Page Intentionally Blank]*



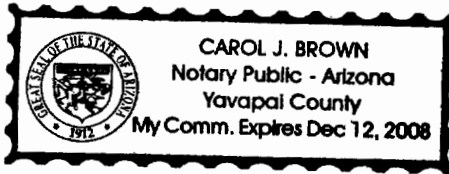
STATE OF ARIZONA            )  
  ) ss.  
County of Maricopa            )

The foregoing instrument was acknowledged before me this 18 day of January, <sup>2007 ~~2/8~~</sup> 2006, by Tony Giza, the Mayor of THE TOWN OF CAMP VERDE, ARIZONA, an Arizona municipal corporation, on behalf of such corporation.

Carol J. Brown  
Notary Public

My commission expires:

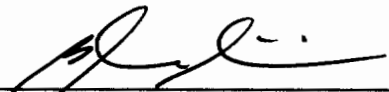
12/12/08



21. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument. The partially executed signature page of any counterpart of this Agreement may be attached to any other partially executed counterpart of this Agreement without impairing the legal effect of the signature(s) on such signature page.

The Parties have executed this Agreement to be effective as of the Effective Date.

CAMP VERDE HOMESTEAD, LLC,  
an Arizona limited liability company

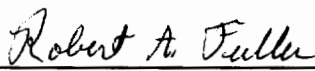
By:   
G. Scott Simonton, Manager

VERDE RIVER PROPERTIES, LLC,  
an Arizona limited liability company

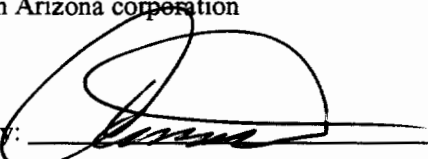
By: Simco Properties, LLC  
an Arizona limited liability company,  
Manager

By:   
G. Scott Simonton, Manager

R & R HOMESTEAD, LLC,  
an Arizona limited liability company

By:   
Its: Manager/Member

A.L.D. DEVELOPMENT, INC.,  
an Arizona corporation

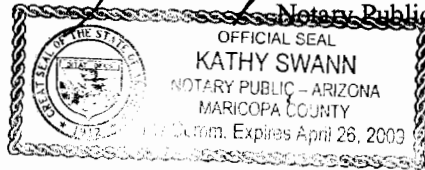
By:   
Its: PRESIDENT

STATE OF ARIZONA )  
 ) ss.  
County of Maricopa )

The foregoing instrument was acknowledged before me this 18 day of June, 2007, by G. Scott Simonton, Manager of CAMP VERDE HOMESTEAD, LLC, an Arizona limited liability company, on behalf of such company.

*Kathy Swann*

My commission expires:  
4/26/09

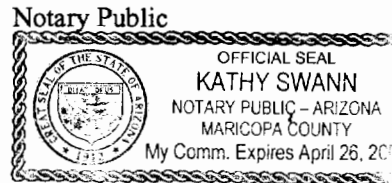


STATE OF ARIZONA )  
 ) ss.  
County of Maricopa )

The foregoing instrument was acknowledged before me this 18 day of June, 2007, by G. Scott Simonton, Manager of Simco Properties, LLC, an Arizona limited liability company, on behalf of such company acting as Manager of VERDE RIVER PROPERTIES, LLC, an Arizona limited liability company, on behalf of such company.

*Kathy Swann*

My commission expires:  
4/26/09

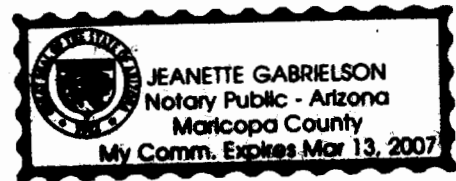


STATE OF ARIZONA ) Arizona  
 ) ss.  
County of Maricopa ) Maricopa

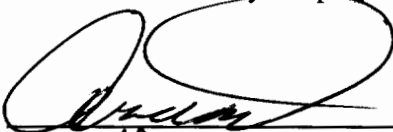
The foregoing instrument was acknowledged before me this 20 day of Feb., 2006, by Robert A Fuller, Member of R & R HOMESTEAD, LLC, an Arizona limited liability company, on behalf of such company.

*Jeanette Gabrielson*

My commission expires:  
Mar 13 2007





RIVER EDGE 12, LLC,  
an Arizona limited liability company

By:  \_\_\_\_\_

Its: <sup>AD</sup> ~~PRESIDENT MANAGING MEMBER~~ \_\_\_\_\_

HAVEN HOMES, INC.,  
an Arizona corporation

By:  \_\_\_\_\_

Its:  \_\_\_\_\_

TOWN OF CAMP VERDE, ARIZONA,  
an Arizona municipal corporation

By:  \_\_\_\_\_

Its:  \_\_\_\_\_

STATE OF ARIZONA )  
 ) ss.  
County of Maricopa )

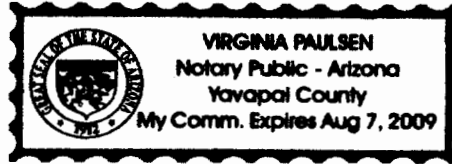
The foregoing instrument was acknowledged before me this 1 day of FEBRUARY, 2006, by AL DUPUY, the PRESIDENT of A.L.D. DEVELOPMENT, INC., an Arizona corporation, on behalf of such corporation.

*[Signature]*

Virginia Paulsen  
Notary Public

My commission expires:

8-7-2009



STATE OF ARIZONA )  
 ) ss.  
County of Maricopa )

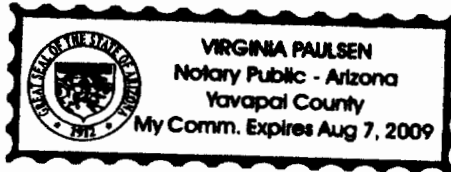
The foregoing instrument was acknowledged before me this 1 day of FEBRUARY, 2006, by AL DUPUY, Member of RIVER EDGE 12, LLC, an Arizona limited liability company, on behalf of such company.

*[Signature]*

Virginia Paulsen  
Notary Public

My commission expires:

8-7-2009



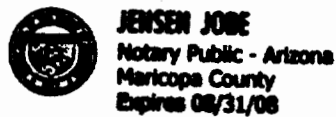
STATE OF ARIZONA )  
 ) ss.  
County of Maricopa )

The foregoing instrument was acknowledged before me this 13<sup>TH</sup> day of FEBRUARY, 2006, by JOE JOBE, the PRESIDENT of HAVEN HOMES, INC., an Arizona corporation, on behalf of such corporation.

Joe Jobe  
Notary Public

My commission expires:

8-31-08



## EXHIBIT A

### Legal Description of CV Homestead Property

#### Parcel 17:

That part of the Southeast Quarter of Section 25, and part of the Northeast Quarter of Section 36, Township 14 North, Range 4 East, of the Gila and Salt River Meridian, Yavapai County, Arizona, more particularly described as follows:

Commencing at the East Quarter Corner of said Section 36 from which the Center of said Section 36 bears North 89 degrees 58 minutes 04 seconds West, a distance of 2645.84 feet;

Thence North 01 degrees 48 minutes 50 seconds East, along the East Line of said Section 36, a distance of 1341.86 feet;

Thence South 89 degrees 11 minutes 05 seconds West, a distance of 1038.36 feet;

Thence North 00 degrees 48 minutes 55 seconds West, a distance of 270.89 feet;

Thence North 89 degrees 59 minutes 02 seconds West, a distance of 65.66 feet;

Thence North 08 degrees 24 minutes 55 seconds West, a distance of 991.72 feet to the POINT OF BEGINNING;

Thence continuing North 08 degrees 24 minutes 55 seconds West, a distance of 17.84 feet to the beginning of a non-tangent curve whose radius point bears South 81 degrees 03 minutes 28 seconds West, a distance of 3864.79 feet;

Thence Northerly along arc of said curve through a central angle of 03 degrees 49 minutes 57 seconds, an arc length of 258.51 feet to a point of non-tangency;

Thence South 76 degrees 28 minutes 08 seconds West, a distance of 900.10 feet to the beginning of a non-tangent curve whose radius point bears South 77 degrees 27 minutes 17 seconds West, a distance of 2964.79 feet, said curve being the Easterly right-of-way of AZ State Route 260;

Thence Northerly along the arc of said curve and right-of-way, through a central angle of 00 degrees 57 minutes 59 seconds, an arc length of 50.00 feet to a point of non-tangency;

Thence North 76 degrees 28 minutes 08 seconds East, a distance of 900.00 feet to the beginning of a non-tangent curve whose radius point bears South 76 degrees 29 minutes 02 seconds West, a distance of 3864.79 feet;

Thence Northerly along the arc of said curve through a central angle of 08 degrees 31 minutes 19 seconds, an arc length of 574.83 feet to a point of non-tangency;

Thence North 65 degrees 29 minutes 50 seconds East, a distance of 369.81 feet;

Thence North 82 degrees 27 minutes 13 seconds East, a distance of 700.58 feet;  
Thence South 31 degrees 50 minutes 08 seconds West, a distance of 152.96 feet;  
Thence South 08 degrees 38 minutes 34 seconds East, a distance of 153.11 feet;  
Thence South 19 degrees 07 minutes 31 seconds West, a distance of 476.79 feet;  
Thence South 33 degrees 18 minutes 36 seconds West, a distance of 264.66 feet;  
Thence North 83 degrees 55 minutes 39 seconds West, a distance of 52.00 feet;  
Thence South 29 degrees 26 minutes 07 seconds West, a distance of 176.87 feet;  
Thence North 49 degrees 39 minutes 30 seconds West, a distance of 105.38 feet;  
Thence South 69 degrees 46 minutes 31 seconds West, a distance of 228.93 feet to the POINT OF BEGINNING.

**Parcel 18 (Portion not in Silverado at Simonton Ranch Plat):**

That part of the Southeast Quarter of Section 25 and of the Northeast Quarter of Section 36, Township 14 North, Range 4 East, and that part of the Northwest Quarter of Section 31 Township 14 North, Range 5 East, of the Gila and Salt River Meridian, Yavapai County, Arizona, more particularly described as follows:

Commencing at the West Quarter Corner of said Section 31 from which the Northwest Quarter Corner of said Section 31 bears North 01 degrees 48 minutes 50 seconds East, a distance of 2645.28 feet;

Thence North 01 degrees 48 minutes 50 seconds East along the West line of said Section 31, a distance of 1322.72 feet;

Thence North 89 degrees 11 minutes 26 seconds East, a distance of 272.88 feet to the POINT OF BEGINNING;

Thence North 00 degrees 48 minutes 34 seconds West, a distance of 264.29 feet to the beginning of a tangent curve whose radius point bears South 89 degrees 11 minutes 26 seconds West, a distance of 446.00 feet;

Thence Northerly along the arc of said curve through a central angle of 00 degrees 51 minutes 54 seconds, an arc length of 6.73 feet to a point of non tangency;

Thence North 89 degrees 59 minutes 02 seconds West, a distance of 1260.48 feet;

Thence South 00 degrees 48 minutes 55 seconds East, a distance of 270.16 feet;

Thence South 89 degrees 11 minutes 05 seconds West, a distance of 50.00 feet;

Thence North 00 degrees 48 minutes 55 seconds West, a distance of 270.89 feet;

Thence North 89 degrees 59 minutes 02 seconds West, a distance of 65.66 feet;

Thence North 08 degrees 24 minutes 55 seconds West, a distance of 991.72 feet;

Thence North 69 degrees 46 minutes 31 seconds East, a distance of 228.93 feet;

Thence South 49 degrees 39 minutes 30 seconds East, a distance of 105.38 feet;

Thence North 29 degrees 26 minutes 07 seconds East, a distance of 176.87 feet;

Thence South 83 degrees 55 minutes 39 seconds East, a distance of 52.00 feet;

Thence North 33 degrees 18 minutes 36 seconds East, a distance of 264.66 feet;

Thence North 19 degrees 07 minutes 31 seconds East, a distance of 476.79 feet;

Thence North 08 degrees 38 minutes 34 seconds West, a distance of 153.11 feet;

Thence South 47 degrees 54 minutes 49 seconds East, a distance of 236.26 feet;

Thence North 89 degrees 26 minutes 19 seconds East, a distance of 25.00 feet;

Thence South 00 degrees 33 minutes 41 seconds East, a distance of 76.84 feet to the beginning of a tangent curve whose radius point bears South 89 degrees 26 minutes 18 seconds West, a distance of 100.00 feet;

Thence Southerly along the arc of said curve through a central angle of 32 degrees 21 minutes 15 seconds, an arc length of 56.47 feet to a point of tangency;

Thence South 31 degrees 47 minutes 34 seconds West, a distance of 310.64 feet to the beginning of a tangent curve whose radius point bears South 58 degrees 12 minutes 26 seconds East, a distance of 500.00 feet;

Thence Southerly along the arc of said curve through a central angle of 84 degrees 59 minutes 24 seconds, an arc length of 741.68 feet to a point of tangency;

Thence South 53 degrees 11 minutes 51 seconds East, a distance of 627.98 feet to the beginning of a tangent curve whose radius point bears South 36 degrees 48 minutes 09 seconds West, a distance of 480.00 feet;

Thence Southerly along the arc of said curve through a central angle of 52 degrees 23 minutes 17 seconds, an arc length of 438.89 feet to a point of tangency;

Thence South 00 degrees 48 minutes 34 seconds East, a distance of 264.29 feet;

Thence South 89 degrees 11 minutes 26 seconds West, a distance of 34.00 feet to the POINT OF BEGINNING.



EXCEPT those portions lying within the plat of SILVERADO AT SIMONTON RANCH, recorded in Book 57 of Maps and Plat, Page 67, records of the Yavapai County Recorder, Yavapai County, Arizona.

**EXHIBIT B**

**Legal Description of VR Properties Property**

**Parcel 12, Lot 1:**

That Part of the Southeast Quarter of Section 25, Township 14 North, Range 4 East, and the Southwest Quarter of Section 30, Township 14 North, Range 5 East, of the Gila and Salt River Meridian, Yavapai County, Arizona, more particularly described as follows:

Commencing at the West Quarter Corner of said Section 30, monumented with an aluminum capped iron bar marked "LS 12218", from which the Center of said Section bears North 89 degrees 48 minutes 00 seconds East, a distance of 2339.24 feet;

Thence South 01 degrees 50 minutes 26 seconds West, a distance of 1321.04 feet to the POINT OF BEGINNING;

Thence North 89 degrees 53 minutes 49 seconds East, a distance of 716.05 feet;

Thence South 00 degrees 06 minutes 11 seconds East, a distance of 383.67 feet;

Thence South 86 degrees 17 minutes 36 seconds West, a distance of 176.45 feet;

Thence South 83 degrees 07 minutes 47 seconds West, a distance of 121.36 feet;

Thence South 89 degrees 52 minutes 30 seconds West, a distance of 148.75 feet;

Thence North 76 degrees 36 minutes 49 seconds West, a distance of 34.90 feet;

Thence North 51 degrees 47 minutes 23 seconds West, a distance of 112.98 feet;

Thence North 47 degrees 50 minutes 25 seconds West, a distance of 131.39 feet;

Thence North 31 degrees 39 minutes 02 seconds West, a distance of 106.31 feet;

Thence North 21 degrees 32 minutes 18 seconds West, a distance of 123.85 feet;

Thence North 31 degrees 29 minutes 16 seconds West, a distance of 42.98 feet;

Thence North 89 degrees 53 minutes 49 seconds East, a distance of 72.40 feet to the POINT OF BEGINNING.

**Parcel 16:**

That part of the Southeast Quarter of Section 25, Township 14 North, Range 4 East, of the Gila and Salt River Meridian, Yavapai County, Arizona, more particularly described as follows:

Commencing at the Center of said Section 25, monumented with a marked stone, from which the East Quarter Corner of said Section 25, monumented with an Iron Bar with Aluminum Cap marked LS 12218, bears South 89 degrees 50 minutes 00 seconds East, a distance of 2,648.54 feet;

Thence South 89 degrees 50 minutes 00 seconds East, along the East-West Midsection Line of said Section 25, a distance of 1,639.29 feet;

Thence South 36 degrees 46 minutes 24 seconds East, departing said East-West Midsection Line, a distance of 325.83 feet;

Thence South 37 degrees 35 minutes 25 seconds East, a distance of 104.97 feet;

Thence South 37 degrees 33 minutes 01 seconds East, a distance of 181.47 feet;

Thence South 37 degrees 05 minutes 03 seconds East, a distance of 224.76 feet to the POINT OF BEGINNING;

Thence continuing South 37 degrees 05 minutes 03 seconds East, a distance of 43.28 feet;

Thence South 31 degrees 13 minutes 14 seconds East, a distance of 70.13 feet;

Thence South 24 degrees 05 minutes 59 seconds East, a distance of 94.27 feet;

Thence South 20 degrees 51 minutes 13 seconds East, a distance of 86.79 feet;

Thence South 34 degrees 50 minutes 09 seconds East, a distance of 154.03 feet;

Thence South 31 degrees 29 minutes 16 seconds East, a distance of 278.31 feet;

Thence South 77 degrees 05 minutes 30 seconds West, a distance of 366.84 feet;

Thence South 30 degrees 41 minutes 07 seconds West, a distance of 222.64 feet;

Thence South 82 degrees 27 minutes 13 seconds West, a distance of 700.58 feet;

Thence South 65 degrees 29 minutes 50 seconds West, a distance of 369.81 feet to a point on a 3,864.79-foot radius non-tangent curve, whose center bears South 67 degrees 57 minutes 43 seconds West;

Thence Northwesterly, along said curve, through a central angle of 11 degrees 22 minutes 24 seconds, a distance of 767.17 feet;

Thence South 77 degrees 46 minutes 38 seconds West, a distance of 263.53 feet to a point on a 550.00-foot radius non-tangent curve, whose center bears South 09 degrees 55 minutes 24 seconds East;

Thence Westerly, along said curve, through a central angle of 02 degrees 55 minutes 27 seconds, a distance of 28.07 feet;

Thence North 18 degrees 04 minutes 16 seconds West, a distance of 49.93 feet;

Thence North 82 degrees 16 minutes 42 seconds East, a distance of 307.85 feet to the beginning of a tangent curve of 300.00-foot radius, concave Northerly;

Thence Northeasterly, along said curve, through a central angle of 14 degrees 11 minutes 36 seconds, a distance of 74.32 feet;

Thence North 68 degrees 05 minutes 06 seconds East, a distance of 962.02 feet to the beginning of a tangent curve of 1,000.00-foot radius, concave Southerly;

Thence Northeasterly, along said curve, through a central angle of 30 degrees 37 minutes 33 seconds, a distance of 534.52 feet to the POINT OF BEGINNING.

**EXHIBIT C**

**Legal Description of RR Homestead Property**

**Parcel 14:**

That part of the Southwest Quarter of Section 30, Northwest Quarter of Section 31, Township 14 North, Range 5 East, of the Gila and Salt River Meridian, Yavapai County, Arizona, more particularly described as follows:

Commencing at the North Quarter Corner of said Section 31 from which the Northwest Corner of said Section 31 bears South 89 degrees 59 minutes 25 seconds West, a distance of 2428.11 feet;

Thence South 00 degrees 14 minutes 06 seconds East, along the North-South Midsection line of said Section 31, a distance of 87.73 feet;

Thence South 89 degrees 59 minutes 32 seconds West, a distance of 50.00 feet to the POINT OF BEGINNING;

Thence South 00 degrees 14 minutes 06 seconds East, a distance of 572.86 feet;

Thence South 89 degrees 58 minutes 51 seconds West, a distance of 1273.04 feet;

Thence South 00 degrees 15 minutes 01 seconds East, a distance of 645.05 feet;

Thence South 89 degrees 11 minutes 33 seconds West, a distance of 20.00 feet;

Thence North 00 degrees 15 minutes 01 seconds West, a distance of 645.34 feet;

Thence North 89 degrees 59 minutes 02 seconds West, a distance of 203.75 feet;

Thence North 11 degrees 00 minutes 13 seconds West, a distance of 225.58 feet;

Thence North 07 degrees 51 minutes 58 seconds West, a distance of 283.37 feet;

Thence North 12 degrees 46 minutes 24 seconds East, a distance of 226.91 feet;

Thence North 44 degrees 01 minutes 06 seconds East, a distance of 186.33 feet;

Thence North 24 degrees 35 minutes 24 seconds East, a distance of 159.76 feet;

Thence North 43 degrees 19 minutes 54 seconds East, a distance of 239.21 feet;

Thence North 00 degrees 01 minutes 25 seconds West, a distance of 78.92 feet;

Thence North 56 degrees 26 minutes 58 seconds East, a distance of 102.34 feet;

Thence North 22 degrees 19 minutes 02 seconds East, a distance of 20.11 feet;

Thence South 56 degrees 46 minutes 08 seconds East, a distance of 33.21 feet;

Thence South 72 degrees 01 minutes 09 seconds East, a distance of 129.49 feet;

Thence South 65 degrees 08 minutes 42 seconds East, a distance of 370.02 feet;

Thence South 58 degrees 52 minutes 51 seconds East, a distance of 83.47 feet;

Thence South 37 degrees 30 minutes 47 seconds East, a distance of 174.46 feet;

Thence South 48 degrees 26 minutes 32 seconds East, a distance of 546.20 feet to the POINT OF BEGINNING.

## EXHIBIT D

### Legal Description of ALD Development Property

#### **Parcel 13:**

That Part of the Southwest Quarter of Section 30, Northwest Quarter of Section 31, Township 14 North, Range 5 East, of the Gila and Salt River Meridian, Yavapai County, Arizona, more particularly described as follows:

Commencing at the North Quarter Corner of said Section 31 from which the Northwest Corner of said Section 31 bears South 89 degrees 59 minutes 25 seconds West, a distance of 2428.11 feet;

Thence South 89 degrees 59 minutes 27 seconds West, a distance of 50.00 feet to the POINT OF BEGINNING;

Thence South 00 degrees 14 minutes 06 seconds East, a distance of 87.73 feet;

Thence North 48 degrees 26 minutes 32 seconds West, a distance of 546.20 feet;

Thence North 37 degrees 30 minutes 47 seconds West, a distance of 174.46 feet;

Thence North 58 degrees 52 minutes 51 seconds West, a distance of 83.47 feet;

Thence North 65 degrees 08 minutes 42 seconds West, a distance of 370.02 feet;

Thence North 72 degrees 01 minutes 09 seconds West, a distance of 129.49 feet;

Thence North 56 degrees 46 minutes 08 seconds West, a distance of 33.21 feet;

Thence North 22 degrees 19 minutes 02 seconds East, a distance of 202.14 feet;

Thence North 51 degrees 12 minutes 28 seconds East, a distance of 182.00 feet;

Thence North 49 degrees 47 minutes 27 seconds East, a distance of 86.14 feet;

Thence North 10 degrees 57 minutes 35 seconds East, a distance of 164.07 feet;

Thence South 76 degrees 26 minutes 09 seconds East, a distance of 777.31 feet;

Thence South 00 degrees 05 minutes 13 seconds East, a distance of 1005.23 feet to the POINT OF BEGINNING.

## **EXHIBIT E**

### **Legal Description of River Edge 12 Property**

#### **Parcel 12, Lot 2:**

That part of the Southwest Quarter of Section 30, Township 14 North, Range 5 East, of the Gila and Salt River Meridian, Yavapai County, Arizona, more particularly described as follows:

Commencing at the West Quarter Corner of said Section 30, monumented with an aluminum capped iron bar marked "LS 12218", from which the Center of said Section bears North 89 degrees 48 minutes 00 seconds East, a distance of 2339.24 feet;

Thence South 01 degrees 50 minutes 26 seconds West, a distance of 1321.04 feet;

Thence North 89 degrees 53 minutes 49 seconds East, a distance of 716.05 feet to the POINT OF BEGINNING;

Thence continuing North 89 degrees 53 minutes 49 seconds East, a distance of 531.31 feet;

Thence South 67 degrees 27 minutes 52 seconds East, a distance of 341.40 feet;

Thence South 76 degrees 26 minutes 09 seconds East, a distance of 16.29 feet;

Thence South 10 degrees 57 minutes 35 seconds West, a distance of 164.07 feet;

Thence South 49 degrees 47 minutes 27 seconds West, a distance of 86.14 feet;

Thence South 51 degrees 12 minutes 28 seconds West, a distance of 182.00 feet;

Thence South 22 degrees 19 minutes 02 seconds West, a distance of 202.14 feet;

Thence North 56 degrees 46 minutes 08 seconds West, a distance of 56.01 feet;

Thence North 40 degrees 32 minutes 49 seconds West, a distance of 103.11 feet;

Thence North 48 degrees 04 minutes 15 seconds West, a distance of 164.13 feet;

Thence North 54 degrees 07 minutes 26 seconds West, a distance of 71.29 feet;

Thence North 75 degrees 10 minutes 49 seconds West, a distance of 55.96 feet;

Thence North 86 degrees 49 minutes 52 seconds West, a distance of 48.16 feet;

Thence South 86 degrees 17 minutes 36 seconds West, a distance of 150.56 feet;

Thence North 00 degrees 06 minutes 11 seconds West, a distance of 383.67 feet to the POINT OF BEGINNING.



**EXHIBIT F**

**Legal Description of Haven Homes Property**

Lots 1 through 252, inclusive, SILVERADO AT SIMONTON RANCH, recorded in Book 57 of Maps and Plat, Page 67, records of the Yavapai County Recorder, Yavapai County, Arizona.

Tracts A, B, C and E through Q, inclusive, SILVERADO AT SIMONTON RANCH, recorded in Book 57 of Maps and Plat, Page 67, records of the Yavapai County Recorder, Yavapai County, Arizona.

**EXHIBIT G**

**Legal Description of Tract D Property**

Tract D, SILVERADO AT SIMONTON RANCH, recorded in Book 57 of Maps and Plat, Page 67, records of the Yavapai County Recorder, Yavapai County, Arizona.

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9-500.05. Development agreements; public safety; definitions

A. A municipality, by resolution or ordinance, may enter into development agreements relating to property in the municipality and to property located outside the incorporated area of the municipality. If the development agreement relates to property located outside the incorporated area of the municipality, the development agreement does not become operative unless annexation proceedings to annex the property to the municipality are completed within the period of time specified by the development agreement or any extension of such time.

B. A development agreement shall be consistent with the municipality's general plan or specific plan, if any, as defined in section 9-461, applicable to the property on the date the development agreement is executed.

C. A development agreement may be amended, or cancelled in whole or in part, by mutual consent of the parties to the development agreement or by their successors in interest or assigns.

D. No later than ten days after a municipality enters into a development agreement, the municipality shall record a copy of the agreement with the county recorder of the county in which the property subject to the development agreement is located, and the recordation constitutes notice of the development agreement to all persons. The burdens of the development agreement are binding on, and the benefits of the development agreement inure to, the parties to the agreement and to all their successors in interest and assigns.

E. Section 32-2181 does not apply to development agreements under this section.

F. Notwithstanding any other law, a municipality may provide by resolution or ordinance for public safety purposes, and with the written consent of an owner of property that has been granted a development agreement pursuant to this section, an owner of a protected development right pursuant to chapter 11 of this title or the owner of any other residential or commercial development subject to the supervision of a municipality pursuant to this title, for the application and enforcement of speed limits, vehicle weight restrictions or other safety measures on a private road that is located in any development in the municipality and that is open to and used by the public. A municipality may require payment from the property owner of the actual cost of signs for speed limits or other restrictions applicable on the private road, before their installation.

G. Notwithstanding section 19-142, subsection B, a decision by the governing body involving a development agreement may not be enacted as an emergency measure and that decision is not effective for at least thirty days after final approval of the development agreement.

H. In this section, unless the context otherwise requires:

1. "Development agreement" means an agreement between a municipality and a community facilities district pursuant to section 48-709, a landowner or any other person having an interest in real property that may specify or otherwise relate to any of the following:

(a) The duration of the development agreement.

(b) The permitted uses of property subject to the development agreement.

(c) The density and intensity of uses and the maximum height and size of proposed buildings within such property.

(d) Provisions for reservation or dedication of land for public purposes and provisions to protect environmentally sensitive lands.

(e) Provisions for preservation and restoration of historic structures.

(f) The phasing or time of construction or development on property subject to the development agreement.

(g) Conditions, terms, restrictions and requirements for public infrastructure and the financing of public infrastructure and subsequent reimbursements over time.

- (h) Conditions, terms, restrictions and requirements for annexation of property by the municipality and the phasing or timing of annexation of property by the municipality.
  - (i) Conditions, terms, restrictions and requirements of deannexation of property from one municipality to another municipality and the phasing or timing of deannexation of property from one municipality to another municipality.
  - (j) Conditions, terms, restrictions and requirements relating to the governing body's intent to form a special taxing district pursuant to title 48.
  - (k) Any other matters relating to the development of the property.
2. "Governing body" means the body or board which by law is constituted as the legislative body of the municipality.
  3. "Municipality" means an incorporated city or town.