

AMENDED

SUBDIVISION DISCLOSURE REPORT

(PUBLIC REPORT)

FOR

Amended Sagebrush Trails Estates Tract 3815

Registration No. DM07-053245

SUBDIVIDER

RRP ENTERPRISES, LLC
3537 Winifred Way
Lake Havasu City, Arizona 86404

February 12, 2007
Amended
Effective Date

PROPERTY REPORT DISCLAIMER

This report is NOT A RECOMMENDATION OR AN ENDORSEMENT by the State of Arizona of this land but is provided for informational purposes ONLY. The report reflects information provided by the sub divider 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 sub divider and/or the sub divider'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.

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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.
1. CONTRACTS OR AGREEMENTS FOR THE PURCHASE OF AN UNIMPROVED LOT (WITHOUT A BUILDING)* MAY BE RESCINDED BY YOU WITHOUT CAUSE BY SENDING OR DELIVERING WRITTEN NOTICE OF RESCISSION BY MIDNIGHT OF THE SEVENTH CALENDAR DAY FOLLOWING THE SIGNING.
1. IF YOU HAVE SIGNED A PURCHASE AGREEMENT FOR THE PURCHASE OF AN UNIMPROVED LOT (WITHOUT A BUILDING)* PRIOR TO INSPECTING THE LOT, YOU HAVE SIX MONTHS TO INSPECT AND UPON INSPECTION MAY RESCIND THE PURCHASE AGREEMENT.

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

GENERAL

This report includes: Lots 1 through 96, inclusive, of Sagebrush Trails Estates Tract 3815, according to the First Amended Final Plat recorded August 13, 2009 at Fee No. 2009-049867 in the office of the Recorder of Mohave County, Arizona.

Except therefrom all coal, oil, gas and mineral deposits, as reserved in instrument recorded in Book 59 of Deeds, Page 459.

The map of this subdivision is recorded at Fee No.2009-049867, records of Mohave County, Arizona.

The subdivision is approximately 640 acres in size. It has been divided into 96 lots. Lot boundaries will be staked.

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

SUBDIVISION LOCATION

Location: Section 3, Township 14 North, Range 17 West of the Gila and Salt River Base and Meridian, Mohave County, Arizona.

UTILITIES

Electricity: UniSource Energy Company

Cost to purchaser to complete facilities from lot line to dwelling is:

Varies depending on the distance from lot line to the dwelling. See attached exhibit "B"

All purchasers will be required to pay a \$156.00 a year for the water system maintenance and monthly and yearly water test and a \$21.00 service establishment charge is required per each residential meter.

Water: Sagebrush Trails Domestic Water Improvement District

Cost to the purchaser to complete facilities to the lot line:

With meter is approximately \$700.00

Cost to purchaser to complete facilities from lot line to dwelling is:

Varies depending on the distance from lot line to dwelling with it being approximately \$4.00 to \$6.00 a foot for trenching.

All purchasers will be required to pay \$156.00 a year for the water system maintenance and monthly and yearly water testing. A monthly charge of \$25.00 to \$85.00 depending on the size of meter and pipe selected and will include the first 3,000 gallons of water. Additional water usage charge will range from .005 cents per gallon of water to a total of 5,000 gallons - 75 cents per 100 gallons from 10,000 gallons and up. Fees and/or deposits are subject to change, please contact the Water Improvement District for further details. Once service is established, direct user charges will apply.

NOTE: In a letter dated October 6, 2005 from the Arizona Department of Water Resources states there is adequate water to satisfy the applicant's 100-year projected water demand... "However, the legal availability of the water withdrawn from wells in this area may be the subject of court action

in the future as part of a determination of surface water rights. Whether future court action will have an effect on the legal availability of the water supply for the proposed subdivision cannot be determined at this time.”

UTILITIES

SUBDIVIDER HAS MADE NO PROVISIONS FOR THE INSTALLATION OR EXTENSION OF UTILITIES. YOU WILL BE REQUIRED TO BEAR ALL COSTS FOR INSTALLATION OR EXTENSION OF UTILITIES.

CONTACT THE ABOVE UTILITIES REGARDING EXTENSION RULES AND REGULATIONS, SERVICE CONNECTIONS AND COSTS INVOLVED.

Sewage Disposal: Individual sewage disposal systems

Estimated cost to purchasers to complete:

See attached exhibit “C”

NOTE: No purchase price refund will be offered if an operational individual system cannot be installed.

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 SPECIFICATION AND REQUIREMENTS. YOU SHOULD SATISFY YOURSELF AS TO THE COST OF INSTALLING THE SYSTEM.

Garbage Services: Fisher Trash Company

All purchasers will pay \$30.00 per month. Fees and/or deposits are subject to change, please contact the utility company for further details. Once service is established, direct user charges will apply.

PURCHASERS ARE ADVISED TO CONTACT THE ABOVE LISTED PROVIDERS REGARDING EXTENSION RULES, REGULATIONS, SERVICE CONNECTIONS, INSTALLATION CHARGES, ACCOUNT SET-UP FEES AND THE COSTS INVOLVED. COSTS ARE SUBJECT TO CHANGE BY THE SERVICE PROVIDERS.

STREETS, ROADS AND DRAINAGE

Access to the Subdivision: Is completed. Maintenance provided by Mohave County. Purchasers cost is included in property taxes.

Access within the Subdivision: Is completed. Maintenance provided by Mohave County. Purchasers cost is included in property taxes.

Arizona State Trust Land: The Arizona State Land Department administers over 9.3 million acres of State Trust Land. This is not public land. Trust land may be subject to future development and may not be preserved or saved for open space without compensation.

A person must have prior approval to use State Trust Land. Temporary recreational use is allowed with certain restrictions and conditions through purchase of a recreational permit. Use of State Trust Land without proper approval is a trespass.

MANY ROADS ON RURAL TRUST LANDS ARE NOT LEGAL TRAVEL ROUTES, EXCEPT FOR STATE LESSEES AND HUNTERS, AND DO NOT PROVIDE LEGAL ACCESS TO PRIVATE LAND. STATE TRUST LAND MAY BE SOLD OR LEASED FOR USES WHICH MAY EXCLUDE RECREATION. RECREATION IS A TEMPORARY USE THAT MAY BE

TERMINATED AT ANY TIME.

For additional information, visit the State Land Department web page at www.land.state.az.us, or call (602) 542-4631.

LOCAL SERVICES AND FACILITIES

Schools: Elementary - approximately 25 miles; Junior High and High School - approximately 50 miles.

PURCHASERS ARE ADVISED THAT SCHOOL BOUNDARIES AND SCHOOL BUS TRANSPORTATION MAY CHANGE. YOU SHOULD CONTACT THE ELEMENTARY SCHOOL DISTRICT AND THE HIGH SCHOOL DISTRICT AT REGARDING THE CURRENT LOCATION OF SCHOOLS AND BUS SERVICE.

Shopping Facilities: A small store in Yucca approximately 25 miles and in Kingman and Lake Havasu City approximately 50 miles.

Medical Facilities: Kingman Regional Medical Center - 50 miles and Lake Havasu City Regional Medical Center - 50 miles.

Fire Protection: Not available.

Ambulance Service: Available by dialing 911.

Police Services: Mohave County Sheriff's Department.

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

COMMON, COMMUNITY AND RECREATIONAL FACILITIES

Within the Subdivision: Seller advises there is a completed private runway and taxi ways easements in said subdivision.

NOTE: Purchasers are advised that Sagebrush Trails Estates Tract 3815 is subject to noise levels from aircraft based therein and may experience aircraft over-flights and noise from a variety of aircraft. Each lot shall be subject to noise or sound attenuation.

ASSURANCES FOR COMPLETION OF IMPROVEMENTS

Assurances for Completion of Subdivision Facilities: All facilities are completed as offered.

Assurances for Maintenance of Subdivision Facilities: Utility companies to maintain their respective utilities; Mohave County to Maintain the roads and The Property Owners Association will maintain the private run way and taxiways.

PROPERTY OWNERS ASSOCIATIONS

Name and Assessments: Sagebrush Trails Estates Property Owners Association.

Association dues are approximately \$110.00 a year and in addition, owners of runway (Air strip)

Lots 6, 7, 16, 17, 18, 19, 20, 21, 28, 29, 30, 31, 32, 33, 40, 41, 42, 43, 44, 45, 52, 53, 54, 55, 56, 57, 64, 65, 66, 67, 68, 69, 76, 77, 78, 79, 80, 81, 90 and Lot 91 shall be subject to assessments for the purpose of maintaining the runway and adjoining taxiways as determined by the Association. Seller suggest that Purchasers become familiar with the covenants, conditions and restrictions for complete explanation.

Control of Association: Until such time as fifty-one percent (51%) of the Lots have been conveyed and transferred to Purchasers.

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

SUBDIVISION CHARACTERISTICS

Topography: Land is flat terrain and gently rolling hills.

Flooding and Drainage: Sub divider advises this subdivision is not subject to any known flooding of draining problems.

Bruce A. Mitchell of Mitchell Associates, states in his letter dated January 31, 2007 that:

“The only FEMA Flood Insurance Rate Map, Community Panel 040058 - 0113A indicates the area is primarily Zone “C” (area of minimal flooding) with a small area of Lots 13, 14 & 14 showing a classification of “A” (area of 100 year flood; base elevation and flood hazard factors not determined). Better rate maps should be available in the future and inquiries should be directed to the Mohave County Flood Plain Administration. The storm runoff will exit the subdivision in the same manner and location as it presently does. Pre and post runoff differences are small for these large (5 acre) Lots. The subdivision was designed such that all strom runoff will be carried around and through the site in existing or new streets.

Soils: Sub divider advises that the subdivision is not subject to subsidence or expansive soils.

Adjacent Lands and Vicinity: A - General and A - R of R - O/A - Residential. All adjacent lands consist of 160, 80, 40 and 10 acres projects with deed restriction for residential, commercial and non-commercial farming and ranching.

SUBDIVISION USE AND RESTRICTIONS

Use: This offering is for unimproved Lots.

“Unimproved lots or a parcel” means a lot or parcel of a subdivision that is not an improved lot or parcel.

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

AIRPORTS

Public Airport: Kingman Municipal Airport is located 50 miles north of the Development. Lake Havasu City Airport is located 19 miles west of the Development.

NOTE: Sagebrush Trails Estates run way (air strip and taxi ways) runs North and South are contiguous to Lots 6, 7, 16, 17, 18, 19, 20, 21, 28, 29, 30, 31, 32, 33, 40, 41, 42, 43, 44, 45, 52, 53, 54, 55, 56, 57, 64, 65, 66, 67, 68, 69, 76, 77, 78, 79, 80, 81, 90 and Lot 91. Said development is subject to noise levels from aircraft based therein and may experience aircraft over-flights and noise from a variety of aircraft due to its proximity.

TITLE

Title to this subdivision is vested in First American Title Insurance Agency of Mohave, Inc., an Arizona Corporation as Trustee under Trust 4837.

Sub divider's interest in this subdivision is evidenced by Sub divider being the only beneficiary of Trust 4837.

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 August 19, 2009 issued by First American Title. **You should obtain a title report and determine the effect of the listed exceptions.**

EXCEPTIONS: SEE EXHIBIT "A" ATTACHED

METHOD OF SALE OR LEASE

Sales: The Sub divider delivering a recorded agreement for sale from Trustee will evidence your vested interest/ownership interest in the property. You should read these documents before signing them.

Use and Occupancy: Purchaser will be permitted to use and occupy his/her Lot 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 2008 is 4.49 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 \$40,000.00, is \$191.60 .

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

YOU ARE ADVISED TO READ THE RECORDED DECLARATION OF (COVENANTS, CONDITIONS AND RESTRICTIONS), ARTICLES OF INCORPORATION, DECLARATION OF CONDOMINIUM, BYLAWS FOR THIS SUBDIVISION TO DETERMINE THE RIGHTS OF LOT/UNIT OWNERS TO PARTICIPATE IN THE CONTROL OF THE PROPERTY OWNERS' ASSOCIATION AND TO DETERMINE THE RIGHTS, DUTIES AND LIMITATIONS OF OWNERS IN AND TO USE OF THEIR LOT/UNITS. FURTHER, YOU SHOULD DETERMINE FOR YOURSELF IF SUBDIVIDER'S ARRANGEMENTS AND PLANS FOR THE PAYMENT OF ASSESSMENTS ON UNSOLD LOTS/UNITS WILL BE SUFFICIENT TO FULFILL THE NEEDS, DEMANDS AND FINANCIAL OBLIGATIONS OF THE ASSOCIATION, AS SET FORTH IN THE DECLARATION AND BYLAWS.

EXHIBIT "A"
EXCEPTION

1. Add valorem taxes.
2. Any charges upon said land by reason of its inclusion in Santa Fe Ranch County Improvement District.
3. Any charges upon said land by reason of its inclusion in Sagebrush Trails Property Owners Association.
4. Any charges upon said land by reason of its inclusion in Sagebrush Trails Domestic Water Improvement District.
5. Covenants, conditions and restrictions in the document recorded as Book 7566, Page 476 of Official Records, but deleting any covenant, condition or restriction indicating a preference, limitation or discrimination based on race, color, religion, sex, handicap, familial status or national origin, to the extent such covenants, conditions or restrictions violate Title 42, Section 3604(c), of the United States Code.
6. Easements, restrictions, reservations, conditions and set-back lines as set forth on the amended plat recorded at Fee No. 2009-049867.
7. The right to enter upon said land, prospect for, mine and remove all coal, oil, gas, and other mineral deposits as reserved in Deed recorded as Book 59 of Deeds, Page 459.
8. The rights of the Santa Fe Pacific Railroad Company, its successors and assigns, to appropriate rights of way and rights incident to the operation of railways, as reserved in Deed recorded as Book 59 of Deeds, page 459.
9. An easement for range division fence and incidental purposes, recorded as Book 59 of Deeds, Page 459. (Undefined)

NOTE: Notice of Establishment/Activation of Private-Use Airport Sagebrush Trails Estates was recorded August 13, 2009 in Book 7561, Page 801 of Official Records.

EXHIBIT "B"
ELECTRICITY

UniSource would need to construct a single-phase overhead electric distribution line at varying distances from available to nearest lot to approximately 10,560 feet to reach the properties indicated. The final route is subject to traversable terrain and being able to acquire necessary easements and permits.

UniSource will extend its single-phase overhead distribution line a distance of up to 400 feet without charge to a customer whom UniSource considers permanent. For a single-phase overhead electric line extension in excess of 400 feet, the cost is approximately \$11.00 per foot. Advancement of the total cost of construction to UniSource is required prior to the construction of our electric facilities. The advance is subject to refund.

The above listed properties are within UniSource service area. Electric service will be provided in accordance with UniSource's Rules and Regulations on file with and approved by The Arizona Corporation Commission.

EXHIBIT "C"
INDIVIDUAL SEWAGE DISPOSAL SYSTEM

Estimated cost of Percolation Test (depending on location and soil types)	\$300.00-\$800.00 per test
Estimated cost of Permit (conventional residential)	\$335.00 - \$585 each
Estimated cost of a 1000 gallon septic tank (minimum size-3 bedroom)	\$1,300.42 (delivery & install additional)
Estimated cost of Effluent Filter	\$43.89 and up
Estimated cost of Leach Rock (starting at 24 yards)	\$42.00-\$46.00 per yard (delivery additional)
Estimated cost of Pipes and Fittings (depending on size)	\$500.00 and up
Estimated cost of Backhoe, Installation and Labor rate (varies)	\$90.00 per hour
Estimated cost of delivery charges of Tank (varies by supplier)	\$85.00 per hour
Estimated cost of Portage charges on Equipment (varies by contractor)	\$85.00 per hour
State tax (combined/calculated rate)	7.85% - 9.85%

NOTE: Systems need to measure from property lines, surveyed corners or monuments to ensure location of system is correct and meets required setbacks. Surveys are not included in the cost of a septic system. Additional terms and conditions may apply to the installation of a septic system. There is no assurance that an individual system can be installed. Prior to purchase, you should contact the state and local health departments for specification and requirements. You should satisfy yourself as to the cost of installing the system. If a system cannot be installed, Purchasers will not be offered a refund of the purchase price.