

STATE OF ARIZONA  
DEPARTMENT OF REAL ESTATE

**SUBDIVISION PUBLIC REPORT**

FOR  
**ARIZONA SUN SITES UNIT 5**

Registration No. DM98-014864

**SUBDIVIDER**

CAMINO REAL LAND CORPORATION  
834 KILANI AVENUE, SUITE 205  
WAHIAWA, HAWAII 96787

Effective Date

MARCH 26, 1998

FIRST AMENDMENT: February 27, 2008

**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. 44<sup>th</sup> Street  
Suite 100  
Phoenix, Arizona 85018  
(602) 468-1414 ext. 400

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

**THE ARIZONA DEPARTMENT OF REAL ESTATE**

**REQUIRES THAT:**

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

**RECOMMENDS:**

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

**ARIZONA LAW STATES:**

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 CONTRACTS OR AGREEMENTS FOR THE PURCHASE OF AN UNIMPROVED LOT (WITHOUT A BUILDING)\* MAY BE RESCINDED BY YOU WITHOUT CAUSE BY SENDING OR DELIVERING WRITTEN NOTICE OF RESCISSION BY MIDNIGHT OF THE SEVENTH CALENDAR DAY FOLLOWING THE SIGNING.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

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

## GENERAL

**THIS REPORT INCLUDES: PARCEL 1**—Block 636, Lot 8; Block 637, Lots 1, 5, 7, 17, 18; Block 638, Lot 13; Block 641, Lots 11, 12, 13, 14, 15, 20; Block 642, Lots 11, 12; Block 643, Lot 13; Block 646, Lots 1, 2; Block 649, Lot 9; Block 650, Lot 15.

**PARCEL 2**—Block 635, Lots 8, 9, 10, 14, 15, 16, 19; Block 636, Lot 12; Block 637, Lot 2; Block 638, Lots 12; Block 639, Lots 5, 6, 7; Block 640, Lots 1, 2, 3, 6, 7; Block 646, Lot 15; Block 648, Lot 11.

**The map of this subdivision** is recorded in Book 4 of Maps, Page 83 records of Cochise County, Arizona.

The subdivision is approximately 308 acres in size. It has been subdivided into 312 lots in the entire subdivision. Lot boundaries will be marked at front corners for identification.

**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.**

DEVELOPER ADVISES THAT THIS SUBDIVISION IS LOCATED IN AN OPEN RANGE OR AREA IN WHICH LIVESTOCK MAY ROAM AT LARGE UNDER THE LAWS OF THIS STATE AND THAT NO PROVISIONS HAVE BEEN MADE FOR THE FENCING OF THE SUBDIVISION TO PRECLUDE LIVESTOCK FROM ROAMING WITHIN THE SUBDIVIDED LANDS.

THE DEVELOPER STATES THAT MINERAL RIGHTS ARE RESERVED AND THIS COULD AFFECT THE USE, ENJOYMENT AND VALUE OF THE PROPERTY.

THE ARIZONA DEPARTMENT OF HEALTH CERTIFICATE OF APPROVAL FOR WELLS AND SEPTIC TANKS ON EACH LOT IS DATED May 7, 1962. THE CERTIFICATE DOES NOT EXPIRE. YOU SHOULD SATISFY YOURSELF AS TO THE PRESENT DAY FEASIBILITY OF INSTALLING A WELL AND SEPTIC SYSTEM ON THE LOT OF YOUR CHOICE PRIOR TO ANY COMMITMENT TO PURCHASE.

## SUBDIVISION LOCATION

**Location:** Approximately 7 miles to the community of Pearce, Arizona.

## SUBDIVISION CHARACTERISTICS

**Topography:** Level to rolling.

**Flooding and Drainage:** Portions of the subject property are within a flood plain. E.H. "Buck" Lewis, P.E., in a letter of March 13, 1998 states, in part:

“There are one mapped FEMA flood areas located in the southeast corner of this subdivision. It affects parts of Blocks 642, 643, 649 and 650. This is an undefined 100-year A Zone on the FEMA map. It is the flow from the Black Diamond Wash originating in the Dragoon Mountains to the west. Local sheet flow may also occur during these periods of rain.

All lot owners are advised to consult the Cochise County Flood Control Department prior to building for any potential hazards which may exist on any particular lot”

**Soils:** Sandy loam. The developer is unaware of any expansive or subsidence soil within the subdivision, however, due to the size of the lots, it is recommended the buyer contact a soils engineer and have the area on which the residence is to be built tested.

**Adjacent Lands and Vicinity:** Much of the adjacent land is used for cattle grazing and farming. Future use of this land is unknown.

### AIRPORTS

**Military Airport:** The subdivision is not located within the vicinity of a military airport.

**Public Airport:** The subdivision is located approximately 55 miles northeast of the City of Douglas Airport and approximately 70 miles to the Tucson International Airport.

### UTILITIES

**Electricity:** Supplier is Sulphur Springs Valley Electric Cooperative, Inc. (SSVEC), (520) 515-3460, [www.ssvec.org](http://www.ssvec.org). Facilities are scattered throughout the subdivision with the farthest lot approximately ¼ mile distant. The SSVEC in a letter dated November 30, 2007, states:

“Sulphur Springs Valley Electric Cooperative (SSVEC) is the electric utility serving the above-referenced development. SSVEC will provide electric service to this location upon request, subject to line extension and other policy requirements as filed with the Arizona Corporation Commission.

The present cost of extending single-phase overhead lines to a residence is approximately \$5.00 per linear foot. The cost of underground construction is approximately \$10.00 per linear foot, not including trenching. The customer or developer is responsible for the entire cost to bring power to the lot line and also to the house site, however, a construction credit up to \$1,750.00 is allowed for each permanent residence. Contact your SSVEC service representative for details.”

**Street Lights:** Subdivider does not intend to install such facilities.

**Telephone:** Supplier is Copper Valley Telephone Cooperative, Inc.1 (800) 421-5711, [www.vtc.net](http://www.vtc.net). Facilities are scattered throughout the subdivision. There is no charge to the buyer to extend facilities to each residence in the subdivision. Buyer is responsible for a membership fee of \$10.00, a service charge of \$18.00 and a refundable deposit of \$100.00.

**Cable:** Supplier is Copper Valley Telephone Cooperative, Inc, 1-(800) 421-5711, [www.vtc.net](http://www.vtc.net). Facilities are scattered throughout the subdivision. Buyer's costs for bundled services, including phone, video and internet, range from \$59.95 to \$99.50 per month depending on service desired.

**Natural Gas:** Natural gas is not available to the subdivision. Bottle gas is available from M.P Propane Inc. of Wilcox, AZ., 1-(888) 678-2140. The cost to purchase a 250 gallon tank with 100 gallons of gas installed, excluding trenching and exterior tubing is approximately \$450.00. Rental of such facilities is also available.

**Water:** Water is available from individual wells. Ammon Enterprises, (520) 826-3522, [www.ammon@vtc.net](mailto:www.ammon@vtc.net), in a letter dated November 16, 2007 states in part:

"A standard well for domestic use would typically use "6inch" steel or PVC casing to line the drilled well. The cost of the drilling and casing, will be between \$25-\$30 per foot.

The depth to first water and a recommended additional 100 ft, after hitting water, will determine the total cost of a well. Water depths in the above mentioned areas, range from approximately 300 ft to 500 ft.

Permits for "Intent to Drill" are State issued and cost \$100. A county health inspection of the location of the well is required for any lots less than 5 acres. The county inspection is currently \$50."

The Arizona Department of Water Resources, in a letter of January 12, 1993, states in part:

"Arizona Sunsites Unit 8 is being sold with the domestic water supply to be provided by wells to be drilled by the individual lot owners. Groundwater is available from alluvial deposits. The depth to water ranges from about 200 to 300 feet below land surface. Water levels has been declining at a rate of two to eight feet per year. The quality of the water should be acceptable for domestic use. Because it has not been demonstrated that a 100-year supply is available to each lot in the subdivision, the Department of Water Resources must find the water supply to be inadequate."

**Sewage Disposal:** Available from individual septic system. Ammon Enterprises, (520) 826-3522, [www.ammon@vtc.net](mailto:www.ammon@vtc.net), in a letter dated November 16, 2007, states in part:

"I site investigation is required by the State of Arizona, to determine if a standard septic system could be installed, given the type classification of the soils, where the system would be installed, and the proposed water usages/number of bedrooms.

The determination of the cost of the system is dependent of the type soil, at that site, and the gallons per day of water usage, therefore, the following range of costs are listed. Site inspection \$600, 2 bedroom \$4,200-5,000, 3 bedroom \$4,500-5,500, 4 bedroom \$5,500-7,000, 5 bedroom \$6,500-8,500. All costs are plus tax.

**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.**

PURCHASERS ARE TO MAKE ALL ARRANGEMENTS AND PAY ALL COSTS FOR ESTABLISHING SERVICE.

### **STREETS, ROADS AND DRAINAGE**

**Access to the Subdivision:** Exterior streets are completed and are surfaced with dirt, except for U.S. Highway 191, which is paved with asphalt. Highway 191 is publicly maintained, but the remainder of the streets are maintained by property owners

**Access within the Subdivision:** Interior streets are completed and are surfaced with dirt. Those streets adjacent to the lots listed in Parcel 1 herein are maintained by an annual assessment of property owners. Those streets adjacent to the lots listed in Parcel 2 are to be maintained by the property owners. Ammon Enterprises, (520) 826-3522, estimates that the cost to grade a typical one mile of established road access would be approximately \$600.00 per mile. Any severe washouts, rutting, or major base erosion of the surface, could require additional time, material and costs. All weather access is NOT available to this subdivision.

LOT PURCHASERS IN PARCEL 2; THE FUTURE COSTS OF MAINTENANCE WILL HAVE TO BE PAID BY THE ADJACENT PROPERTY OWNERS. IF THE ADJACENT LOT OWNERS FAIL TO COOPERATE, THEN YOU MAY HAVE TO INDIVIDUALLY BEAR THE ENTIRE COST OF MAINTAINING THE ROAD TO YOUR LOT.

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

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

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

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

**Flood and Drainage:** Culverts, ditches, etc., have been constructed concurrently with the streets.

### **COMMON, COMMUNITY AND RECREATIONAL FACILITIES**

**Within the Subdivision:** Developer advises there are no common, community or recreational facilities included in the subdivision offering.

**Within the Master Planned Community:** The subdivision is not located within any master planned community. However, developer advises that the Shadow Mountain Golf Course, including a club house, a public facility, is located approximately 3 miles from the subdivision.

### **ASSURANCES FOR COMPLETION**

**Assurances for Completion of Subdivision Facilities:** All seller promised facilities are completed. Buyers are responsible for installation of all such wanted facilities.

**Assurances for Maintenance of Subdivision Facilities:** Buyers, utility company companies and public entities are responsible for maintenance of their respective facilities.

### **LOCAL SERVICES AND FACILITIES**

**Schools:** Pearce Elementary, approximately 7 miles, Valley Union High School, approximately 34 miles. School buses are available to students of the above schools.

**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:** Available approximately 7 miles in SunSites, full facilities in Willcox, AZ, approximately 27 miles.

**Public Transportation:** None available.

**Medical Facilities:** Full medical facilities available in Willcox, AZ, approximately 27 miles

**Fire Protection:** Available from Pearce/Sun Sites Volunteer Fire Department.

**Ambulance Service:** Available by calling 911.

**Police Services:** Available from Cochise County Sheriff's Department.

**Garbage Services:** Available from WW Services (520) 826-7748 or Waste Management 1 (800) 668-0902 at a cost of \$16.00 or \$19.00 per month respectively.

**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.

**.Zoning:** All blocks are zoned SR 22 for single family residential use.

**Conditions, Reservations and Restrictions:** Buyers are advised to read the Declaration of Reservations and other such restrictive documents, which may have an effect on their use and enjoyment of their property.

**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 Cochise County Recorder (520) 432-8350. Information about zoning may be obtained at the Office of the Cochise County Planning and Zoning Department (520) 432-9240. Restrictions are recorded as cited in the following title exceptions and per the subdivision plat.

### **TITLE**

**Title to this subdivision** is vested in Camino Real Land Corporation, a Nevada corporation.

**Subdivider's interest** in this subdivision is evidenced by a recorded Warranty Deed.

**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 February 21, 2008, issued by Pioneer Title Agency. **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:** Buyer's ownership interest in the subdivision will be evidenced by the delivery of a recorded Warranty Deed with the buyer signing a Promissory Note and Deed of Trust for any unpaid balance of the purchase price. Cash sales are permitted and any deposits and earnest monies will be placed in escrow.

**Release of Liens and Encumbrances:** The subdivision is not subject to any lien or encumbrance.

**Use and Occupancy:** Buyers will be permitted to use their lot upon the close of escrow and recordation of the Warranty Deed.

**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 2007 is \$13.00 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 \$18,995.00, is approximately \$246.00.

**Special District Tax or Assessments:** Developer advises that no special assessment district has been formed or proposed for the subdivision.

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

### **PROPERTY OWNERS ASSOCIATIONS**

**Name and Assessments:** Owners of lots in Parcel 1 listed herein are subject to the Hawaiian Arizona Corporation Sun Sites Property Owner Association with an annual assessment of \$30.00.

**Control of Association:** Control of the Association will be turned over to the lot owners on the earlier of (i) sale of all lots, (ii) December 31, 2011 or (iii) developer relinquishes its voting rights.

**Title to Common Areas:** There are no common areas in the subdivision.

**Membership:** All lot owners in Parcel 1 will be member of the 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, 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"**

1. Water Rights, claims or title to water, and agreements, covenants, conditions or rights incident thereto, whether or not shown by the public records. This exception is not limited by reason of the disclosure of any matter relating to Water Rights as may be set forth elsewhere in Schedule B.

2. Liabilities and Obligations imposed upon said land by reason of its inclusion within the following named districts:

Northern Cochise County Hospital District -----Sunsites-Pearce Fire District

3. Taxes and assessments collectible by the County Treasurer not yet due and payable for the following year:-----Year 2008

4. Restrictions, Conditions, Covenants, Reservations, including but not limited to any recitals creating easements, liabilities, obligations or party walls, omitting, if any, from the above, any restrictions based on race, color, religion, sex, handicap, familial status or national origin contained in instrument:

Docket 301, Page 134 and Docket 344, Page 476

5. Easements as shown on the recorded plat of said subdivision.

6. Matters concerning water as set forth in instrument recorded in:

Document No.9301-01319- By the use of this exception, the company does not limit the generalities contained in Part 1 of Schedule B.



**REQUIRED RECEIPT FOR PUBLIC REPORT**

The law and regulations of the Real Estate Commissioner require that the owner, agent or subdivider of this subdivision (or unsubdivided land) furnish you, as a prospective customer, with a copy of the public report. It is recommended that you read the report before you make any written offer to purchase or lease an interest in subdivided or unsubdivided land, and before you pay any money or other consideration toward the purchase or lease of an interest in subdivided or unsubdivided land.

FOR YOUR PROTECTION, PLEASE DO NOT SIGN THIS RECEIPT UNTIL YOU HAVE RECEIVED A COPY OF THE REPORT AND HAVE HAD THE OPPORTUNITY TO READ IT.

DM98-014864

(File No.)

ARIZONA SUN SITES UNIT NO. 5

(Tract No. or Name)

I understand that the report is not a recommendation or endorsement of the subdivision, but is for information only.

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Address)

\_\_\_\_\_  
(Date)