



Arizona Department of Real Estate (ADRE)
Development Services Division

www.azre.gov
PHOENIX OFFICE
2910 N. 44th STREET STE-100
PHOENIX, AZ 85018

DOUGLAS A. DUCEY
GOVERNOR

JUDY LOWE
COMMISSIONER

SUBDIVISION DISCLOSURE REPORT
(PUBLIC REPORT)

FOR
EAGLE MOUNTAIN ESTATES – PHASE 1
aka **THE PINES AT EAGLE MOUNTAIN ESTATES**

Registration No. DM16-058268

SUBDIVIDER

RFR PARTNERS, LLC
An Arizona limited liability company
2812 N. Norwalk #105
Mesa, Arizona 85215

Effective Date : FEBRUARY 3, 2017

PROPERTY REPORT DISCLAIMER

This report is NOT A RECOMMENDATION NOR AN ENDORSEMENT by the State of Arizona of this land. The application and public report have not been subjected to a detailed examination by the Department. The report was prepared by the subdivider and none of the information in this report has been verified by the Department; all information has been accepted by the Department as true and accurate based on attestation of the subdivider/or the subdivider's agents. The purchaser should verify all facts before signing any documents. The Department assumes no responsibility for the quality or quantity of any improvement in this development.

Contents

GENERAL..... 4
SUBDIVISION LOCATION..... 4
UTILITIES..... 4
STREETS, ROADS AND DRAINAGE..... 5
LOCAL SERVICES AND FACILITIES..... 6
COMMON, COMMUNITY AND RECREATIONAL FACILITIES..... 7
ASSURANCES FOR COMPLETION OF IMPROVMENTS 7
HOMEOWNERS ASSOCIATIONS 7
SUBDIVISION CHARACTERISTICS..... 8
SUBDIVISION USE AND RESTRICTIONS..... 9
AIRPORTS 10
TITLE 10
METHOD OF SALE OR LEASE..... 10
TAXES AND ASSESSMENTS 11

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 CONTRACTS OR AGREEMENTS FOR THE PURCHASE OF AN UNIMPROVED LOT (WITHOUT A BUILDING)* MAY BE RESCINDED BY YOU WITHOUT CAUSE BY SENDING OR DELIVERING WRITTEN NOTICE OF RESCISSION BY MIDNIGHT OF THE SEVENTH CALENDAR DAY FOLLOWING THE SIGNING.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.

This report includes: Lots 1 through 5, 8 through 17, 19, 20, 24, 27, 30 through 33, 35 through 37, 39 through 41, 43, and 44.

The map of this subdivision is recorded in Book/Cabinet 26 of Maps and Plats, pages/slide 27 and 28, records of Navajo County, Arizona.

The subdivision is approximately 14.19 acres in size. It has been divided into 44 lots and Tracts A and B. Lot boundaries are 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: Subdivision is located at 43rd Avenue and Clark Road (Highway 260), within the City of Show Low, Navajo County, Arizona.

UTILITIES

Electricity: Navopache Electric Cooperative, 1878 W. White Mountain Boulevard, Lakeside, Arizona 85929, (928) 368-5118. Prior subdivider completed the facilities to the lot lines. Navopache Electric owns and maintains the electrical boxes used to monitor power usage. Location of the electrical boxes is at the sole discretion of Navopache Electric and Subdivider has no control as to placement of electrical boxes. Further, the configuration and location of power lines adjacent are not within the Subdivider's control. The estimated cost to Purchasers to complete facilities from the lot line is approximately \$7.00 to \$9.00 per lineal foot (trenching and conduit charge). In order to receive service, homeowner will have to pay a \$5.00 membership fee and a \$50.00 service connection establishment fee. A \$165.00 security deposit may also be required, or may be waived. Standard service has a minimum charge of \$22.17 per month. These fees are subject to change and outside the control of the Subdivider.

Telephone: Frontier Communications, 831 E. Hall Street, Show Low, Arizona 85901, (928) 537-6610. The prior subdivider completed the facilities to the lot lines. In order to receive service, homeowner will have to pay an installation fee of approximately \$60.00. Current base monthly service charge is approximately \$23.99 with additional charges for extra features and long distance. Internet service is also available for an additional charge. If you need additional services, contact utility provider. A deposit of up to \$75.00 may be required, which is refundable after 6 months of satisfactory payment. These fees are subject to change and are outside of the Subdivider's control.

IT IS POSSIBLE THAT YOU MAY NOT HAVE TELEPHONE SERVICE AT THE TIME OF CLOSING. PURCHASER IS ADVISED TO CONTACT THEIR SERVICE PROVIDER TO DETERMINE THE STATUS OF TELEPHONE SERVICE. YOU MAY ALSO WANT TO CONSIDER TEMPORARY ALTERNATIVES, I.E., A CELLULAR PHONE.

Cable/Internet Provider: Cable One (928-537-2279; www.cableone.net) will provide cable and internet service to the development.

Natural Gas: Unisource Energy Services www.unisourceenergy.com (877) 837-4968. The prior Subdivider completed the facilities to the lot lines. Before purchaser can receive service, there is a set up fee of \$35.00. The average deposit required is \$105.00. Propane gas is not available.

Water: City of Show Low, 180 N. 9th Street, Show Low, Arizona 85901 (928) 532-4000. Prior Subdivider completed the facilities to the lot lines. The estimated cost to purchasers to complete facilities from the lot line to the dwelling is approximately \$8.00 to \$10.00 per lineal foot. Costs to purchasers to receive service include a turn on fee of \$25.00. A deposit of up to \$150.00 may be required. These fees are subject to change and are outside of the Subdivider's control.

Sewage Disposal: City of Show Low, 180 N. 9th Street, Show Low, Arizona 85901 (928) 532-4000. Prior Subdivider completed the facilities to the lot lines. The estimated cost to purchasers to complete facilities from the lot line to the dwelling is approximately \$8.00 to \$10.00 per lineal foot. The cost to purchasers to receive this service is included with the water service cost. 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.

Garbage Services: The City of Show Low will provide weekly pick-up service. The fee is included with the water and sewer charges.

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

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: The prior Subdivider completed the asphalt paved and ribbon curb public streets which are maintained by the City of Show Low. Cost to purchasers for maintenance is included in the property taxes.

Access within the Subdivision: The prior Subdivider completed the asphalt paved private streets, which are maintained by the Homeowners Association. Cost to purchasers for maintenance is included in the monthly Homeowners Association assessments.

Street Lights: Street lights are not available in the subdivision.

Flood and Drainage: The prior Subdivider completed the retention basins which are maintained by the Homeowners Association. Costs to purchasers for maintenance are included in the monthly Homeowners Association assessments.

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: All schools are located in the Show Low Unified School District and are within 3.3 miles of the Subdivision. Show Low Primary School (Grades K-3) is located at 1350 West Central, which is approximately 2.9 miles from the Subdivision. Show Low Intermediate School (Grades 4-6) is located at 760 East McNeil, which is approximately 3.3 miles from the Subdivision. Show Low Junior High School (Grades 7 & 8) is located at 761 East McNeil, which is approximately 3.3 miles from the Subdivision. Show Low High School (Grades 9-12) is located at 1200 North Cougar Lane, which is approximately 3 miles from the Subdivision.

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: Safeway is located approximately 3.2 miles east of the Subdivision in Show Low along with other shopping facilities.

Public Transportation: Four Seasons Connections (928) 537-0627. There are several different drop-off/pick-up locations throughout the entire White Mountain Communities. The closest bus stop is located at 500 North Clark Road, Show Low at the Circle K.

Medical Facilities: Summit Health Care, 2200 Show Low Lake Road, Show Low, Arizona 85901 (928) 537-4375, which is approximately eight (8) miles from the Subdivision.

Fire Protection: Provided by the City of Show Low Fire Department. No cost to purchasers, included in property taxes.

Ambulance Service: Ambulance service is available by dialing 9-1-1.

Police Services: Provided by the City of Show Low Police 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: Maintenance of roads and entry area including landscaping and gates is provided by the HOA. Purchasers' cost for maintenance is included in their HOA assessments.

ASSURANCES FOR COMPLETION OF IMPROVEMENTS

Assurances for Completion of Subdivision Facilities: The Subdivision facilities have been completed and accepted by the City of Show Low.

Assurances for Maintenance of Subdivision Facilities: CC&Rs provide for the Homeowners Association to maintain all common areas and private streets. Utility companies will maintain their respective utilities.

HOMEOWNERS ASSOCIATIONS

Name and Assessments: Eagle Mountain Estates Homeowners Association. Homeowners are required to pay assessments in the amount of \$600.00 per year.

Control of Association: The Association shall have the following class of voting membership: Class A. Class A members are all of the lot owners. Each Class A member shall be entitled to one (1) vote for each lot owned.

Title to Common Areas: Title to common areas will be transferred to the Association after last lot is sold.

Membership: All lot purchasers will be members of the Association.

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

SUBDIVISION CHARACTERISTICS

Topography: Rolling land with natural tree cover of pinion pine and ponderosa pine.

Flooding and Drainage: This Subdivision is not subject to any known flooding or drainage problems. William W. Flake, P.E. Project Engineer of Tetra Tech, Inc. stated in his letter dated November 8, 2016, the following:

“This letter serves to fulfill the requirements of the State of Arizona Department of Real Estate as it relates to drainage for the referenced development. It certifies that to the best of my knowledge the EAGLE MOUNTAIN ESTATES – UNIT 1 development, a subdivision located in Sections 10 and 11, Township 10 North, Range 21 East of the Gila & Salt River Meridian, Navajo County, Show Low, Arizona, is located in a designated Zone “X” area as per the Federal Emergency Management Agency (FEMA) Panels 4488 and 4489 of 5250, Insurance Rate Map Numbers 04017C4488F (dated August 17, 2015) and 04017C4489E (dated September 26, 2008), Show Low, Arizona.

Per FEMA, a Zone “X” designation is defined as:

“Areas determined to be outside the 0.2% annual chance floodplain.”

A drainage evaluation of the property determined that storm water runoff will primarily sheet flow across the developed lots until reaching drainage facilities which are designed to manage the runoff. Future lot owners should elevate their building finished floors sufficiently to insure storm water runoff flowing across the lots can be diverted around the proposed improvements. Construction of building finish floors should be a minimum of one foot (1') above the highest adjacent existing ground elevation will likely be sufficient in most instances to prevent runoff from a 100-year event from inundating any structures. Structures should be constructed in a manner that does not result in the impoundment of storm water adjacent to the building. No building, construction, or other alterations should be made within any drainage easement shown on the Final Plat. These easements will have storm water flows during rainfall events and should not be altered or obstructed in any way that might impede storm water runoff. Careful consideration should be made with existing channels as well as construction of driveways and drainage channels so as to not cause storm water to be diverted directly to structures. Care should also be made in construction of underground utilities so that the utility trench does not provide an avenue which could direct groundwater to the new building. The adjacent ground next to the building should slope away from the building to direct storm water directly away from the building and its footings.

Because the development is in a flood zone 'X', it is expected that flood insurance is not legally required for low owners, but may be required by public or private lending institutions or other parties."

Soils: Clays exist in the area and expansive soils exist; footers for homes should be designed by a professional engineer after soil testing. A soils analysis has been done by Western Technologies, Inc. (a copy is available upon request).

Adjacent Lands and Vicinity:

NORTH:	National Forest
SOUTH:	PUD
EAST:	National Forest
WEST:	PUD

NOTE: Owners of the adjacent land described above may seek to rezone their property, may seek zoning variances for their property, or may modify their site plan within existing zoning. Consequently, no assurance can be given that the zoning or uses for the adjacent lands will not change from that described above. Purchasers should contact the City of Show Low Planning and Zoning Department at (928) 532-4040 or Navajo County Planning & Development Department at (928) 524-4100 for up-to-date information.

Views: Views and/or scenes that may be visible from particular portions of the community or any of its lots will change over time and may be wholly or partially obstructed as development activity continues and landscape matures. SUBDIVIDER MAKES NO REPRESENTATIONS OR WARRANTY REGARDING THE FUTURE PROTECTION OF VIEWS THAT MAY BE A FACTOR IN THE PURCHASER'S DECISION TO PURCHASE IN THIS COMMUNITY.

Subdivider has used its best efforts in an attempt to disclose all noteworthy activities and conditions surrounding this subdivision using the resources reasonably available to developer at the time this Public Report was prepared. This information may change from time to time. Prospective purchasers are encouraged to (i) drive the areas surrounding the subdivision (at different times of the day) to determine whether there exists any activities or conditions that may be of concern to Purchaser and (ii) determine to Purchaser's own satisfaction whether or not the items mentioned in the Public Report or discovered by Purchaser's own inspections are of concern to Purchaser.

High Voltage Lines: There are no high tension electric lines within the subdivision.

SUBDIVISION USE AND RESTRICTIONS

Use: This offering is for unimproved lots
Zoning: Single family residential

Conditions, Reservations and Restrictions: None other than recorded Declaration of Covenants, Conditions and Restrictions; Articles of Incorporation; Bylaws; and any rules and regulations and/or design guidelines adopted in the future.

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 Navajo County Recorder. Information about zoning may be obtained at the Office of the City of Show Low Planning and Zoning Department. Restrictions are recorded as cited in the following title exceptions and per the subdivision plat.

AIRPORTS

Public Airport: City of Show Low Regional Airport, 3150 Airport Loop, Show Low, Arizona 85901 (928) 532-4190, is located approximately six and one-half (6-1/2) miles from the Subdivision. This Airport is one mile east of the center of Show Low just north of State Highway 60 East.

TITLE

Title to this subdivision is vested in RFR Partners, LLC, an Arizona limited liability company.

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

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 MAYHAVE ON THE USE OF THE LAND.** Title exceptions affecting the condition of title are listed in the Second Amended Title Report dated November 10, 2016, issued by First American Title Insurance Company. **You should obtain a title report and determine the effect of the listed exceptions.**

EXCEPTIONS: SEE EXHIBIT "A" ATTACHED

METHOD OF SALE OR LEASE

Sales: All purchasers will sign a Purchase Agreement. Purchaser's vested interest/ownership in the property will be evidenced by the owner delivering a recorded deed to Purchaser.

Use and Occupancy: Lot Purchaser will be permitted to use and occupy his lot upon completion of construction, close of escrow and recordation of deed.

Leasehold Offering: No property within the subdivision will be leased.

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 2016 is \$11.73 per \$100.00 assessed valuation. The estimated property tax for an improved lot (lot with dwelling), based on the above tax rate and average sales price of \$250,000.00, is approximately \$2,763.00 for primary dwelling and \$2,933.00 for a secondary dwelling. The estimated property tax for an unimproved lot (vacant), based on the above tax rate and average sales price of \$32,000.00, is approximately \$563.00.

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, AND BYLAWS FOR THIS SUBDIVISION TO DETERMINE THE RIGHTS OF LOT OWNERS TO PARTICIPATE IN THE CONTROL OF THE HOMEOWNERS' ASSOCIATION AND TO DETERMINE THE RIGHTS, DUTIES AND LIMITATIONS OF OWNERS IN AND TO USE OF THEIR LOT. FURTHER, YOU SHOULD DETERMINE FOR YOURSELF IF SUBDIVIDER'S ARRANGEMENTS AND PLANS FOR THE PAYMENT OF ASSESSMENTS ON UNSOLD LOTS WILL BE SUFFICIENT TO FULFILL THE NEEDS, DEMANDS AND FINANCIAL OBLIGATIONS OF THE ASSOCIATION, AS SET FORTH IN THE DECLARATION AND BYLAWS.

EXHIBIT "A"**Exceptions:**

1. Taxes for the full year of 2016. (The first half is due October 1, 2016 and is delinquent November 1, 2016. The second half is due March 1, 2017 and is delinquent May 1, 2017.)
2. Any charge upon said land by reason of its inclusion in Eagle Mountain Estates Home Owners Association.
3. Easements, restrictions, reservations, conditions and set-back lines as set forth on the plat recorded as Book 26 of Plats, Pages 27 and 28, 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 42 USC 3604(c).
4. Covenants, conditions and restrictions in the document recorded as 2006-18276 and Assignment and Assumption of Declarant's Rights recorded as 2016-10230 and Amended and Restated recorded as 2016-14472, all 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 Codes.
5. The terms, conditions and provisions contained in the document entitled "Eagle Mountain Development Agreement" recorded April 05, 2007 as 2007-08834 of Official Records.
6. An easement for highway purposes and incidental purposes, recorded as Docket 370, Page 867.
7. An easement for electric transmission line and incidental purposes, recorded as Docket 370, Page 869.
8. An easement for telephone lines and incidental purposes, recorded as Docket 370, Page 870.
9. An easement for electric transmission lines and incidental purposes, recorded as Docket 412, Page 757.
10. An easement for telephone line and incidental purposes, recorded as Docket 415, Page 568.
11. An easement for roadway and incidental purposes, recorded as Docket 1064, Page 21.
12. Water rights, claims or title to water, whether or not shown by the public records. Order No. 238-5815756

DM16-058268

EAGLE MOUNTAIN

NOTE: There are no further matters of record concerning this subdivision through the date of this report.