

DISCLOSURE STATEMENT FOR RICHLAND HEIGHTS SUBDIVISION, Phase III

PLEASE READ THIS DISCLOSURE STATEMENT BEFORE YOU SIGN ANY DOCUMENT OR AGREE TO ANYTHING

This Disclosure Statement is intended to provide you with enough information to permit you to make an informed decision on the purchase or lease of property described in this statement. You should read carefully all of the information contained in this statement before you decide to buy or lease the described property.

Various public agencies may have issued opinions on both the subdivision proposal and the information contained in this Disclosure Statement about the proposal. Summaries of these opinions are contained in this Disclosure Statement. They may be favorable or unfavorable. You should read them closely.

The County Planning Commission has examined this Disclosure Statement to determine whether the subdivider can fulfill the conditions that the subdivider claims in the Disclosure Statement. However, the County Planning Commission does not vouch for the accuracy of what is said in this Disclosure Statement. In addition, the Disclosure Statement is not a recommendation or endorsement of the subdivision by either the County or the State. It is informative only.

The County Planning Commission recommends that you inspect the property before buying, leasing, or otherwise acquiring it. If you have not inspected the parcel before purchasing, leasing, or otherwise acquiring it, you have three (3) days from the time of purchase, lease, or other acquisition to personally inspect the property. After inspecting the parcel within the three day period, you have three (3) days to rescind the transaction and receive all of your money back from the subdivider when merchantable title is revested in the subdivider. To rescind the transaction you must give the subdivider written notice of your intent to rescind within three (3) days after the date of the inspection of the property.

County regulations require that any deed, real estate contract, lease or other instrument conveying an interest in a parcel in the subdivision be recorded with the County Clerk.

Building permits, wastewater permits, or other use permits must be issued by State or County officials before improvements are constructed. You should investigate the availability of such permits before you purchase, lease, or otherwise acquire an interest in the property. You should also determine whether such permits are required for construction of additional improvements before you occupy the property.

1. NAME OF SUBDIVISION

Richland Heights, Phase III

2. NAME AND ADDRESS OF SUBDIVIDER

Express Development Ltd., Co.
1524 Eubank NE, Ste. 5
Albuquerque, New Mexico 87112

3. NAME AND ADDRESS OF PERSON IN CHARGE OF SALES OR LEASING IN NEW MEXICO

Mr. Howard McCall, Executive Officer
Express Development Ltd., Co.
1524 Eubank NE, Ste. 5
Albuquerque, New Mexico 87112

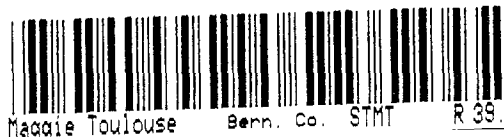
4. SIZE OF SUBDIVISION BOTH PRESENT AND ANTICIPATED

Present master plan is to divide 297.52 acres into an anticipated total of 121 lots in three phases.
Note: Presently, site consists of 88 lots. Phase I included Lots 1 to 45 and Lot 83 and Tracts A to E. Phase II included lots 46 to 82. Now Phase III will include lot 84 to 116.

5. SIZE OF LARGEST PARCEL OFFERED FOR SALE OR LEASE WITHIN THE SUBDIVISION:

5.785 Acres

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6. **SIZE OF SMALLEST PARCEL OFFERED FOR SALE OR LEASE WITHIN THE SUBDIVISION:**

2.0 Acres

7. **PROPOSED RANGE OF SELLING OR LEASING PRICES**

Price to be determined by market value or appraisal at time of sale.

8. **FINANCING TERMS**

To be determined.

9. **NAME AND ADDRESS OF HOLDER OF LEGAL TITLE FOR PHASE III.**

Lots 84 to 116
Express Development Ltd., Co.
1524 Eubank NE, Ste. 5
Albuquerque, New Mexico 87112

10. **NAME AND ADDRESS OF PERSON HAVING EQUITABLE TITLE**

Lots 84 to 116
Express Development Ltd., Co.
1524 Eubank NE, Ste. 5
Albuquerque, New Mexico 87112

11. **CONDITION OF TITLE**

Existing equitable title is subject to:

- a) To be determined.
- b) Patent reservations, easements, and other reservations of record, and standard title policy exceptions.
- c) Taxes for the current year and thereafter.
- d) Comprehensive Declaration of Covenants, Conditions, and Restrictions for Richland Heights and related Homeowners Association Articles and Bylaws.
- e) Easements as shown on the recorded Subdivision Plat.
- f) Water & Wastewater Association
- g) Other items of record that will be reflected on Schedule "B" of preliminary title commitment.

12. **STATEMENT OF ALL RESTRICTIONS OR RESERVATIONS OF RECORD THAT SUBJECT THE SUBDIVIDED LAND TO ANY CONDITIONS AFFECTING ITS USE OR OCCUPANCY**

Purchasers will be required to become members of the Entranosa Water & Wastewater Association and of the Homeowners Association, Inc. A copy of the Declaration of Covenants, Conditions, and Restrictions for Richland Heights is attached hereto and incorporated by reference.

13. **ESCROW AGENTS**

Are NONE.

14. **UTILITIES**

Telephone – Qwest Communications – Conduit “stubbed” to front boundary line of each lot by developer. Qwest charges each lot owner for cable installation, “yard” line to residence, and other installation as required.

Electric– Central New Mexico Electric - Secondary 120/240V service “stubbed” to the front boundary line of each lot by developer, or to a “pedestal” located on a side lot line serving more than one lot CNME charges each lot owner “yard” line, meters, and other installation as required.

Gas – Natural gas not currently available to the subdivision Above ground screened propane tanks will be allowed.

Water – Entranosa Water & Wastewater, Assoc. – Water line “stubbed” to the front boundary of each lot by developer. Entranosa charges each lot owner meter installation, meter, and other charges as required. Owner or



owner's agent at their expense must install yard lines. Lot owners will be required to become members of the Entranosa Water & Wastewater, Assoc. and to purchase their membership from the developer when available, at \$6,000.00 (as of October 2006) or if not available from the developer, at the then normal charge required by Entranosa.

Liquid Waste – Lot owners to install approved on-site liquid waste system, as further described in the Disclosure Statement, and to participate in the Entranosa septic management program.

15. INSTALLATION OF UTILITIES

The subdivider intends to provide electricity, telephone, and water “at the street” for each lot in the subdivision. At the time of connection to the utilities, the buyer will have to make service arrangements with the respective utility companies.

Richland Heights Phase III

Utility	Date Available
Water	July 2007
Phone	July 2007
Electricity	July 2007
Drainage	July 2007

16. UTILITY LOCATION

- a) All utilities will be provided to each parcel.
- b) All utilities will be placed underground.

17. WATER AVAILABILITY

Domestic (residential) use is anticipated. Limitations include protective covenants as well as water association, municipal, and governmental regulations. Domestic water to be supplied by the Entranosa Water & Wastewater Association. A copy of the water company's rules and regulations is available for inspection and copying at the water company's office at 1330 Old Highway 66, Tijeras, NM 87509. Rules and limitations of use are provided by the water company.

18. COMMUNITY WATER SYSTEM

Entranosa Water & Wastewater Association.

Residential use – 220 gpd/dwelling average daily use, 450 gpd/dwelling peak day use assumed in design of the water system. There is no limitation upon daily use consumption other than Entranosa Water Rules and Regulations.

Other – Fire protection as required.

The rules of the water company control water use. Entranosa has a conservation and drought management plan. The conservation plan is continually in effect. The drought management plan can be implemented by decision of the Board of Directors of the Association.

- All residences shall use water saving toilets rate at 1.6 gallons or less per flush, 1.3 gallons preferred.
- All residences shall use water saving dishwashers rated at no more than 13 gallons per load (8 gallons preferred) and have a “reduced partial load” capability.
- All residences shall use water restricting showerheads (2.5 or less gallons preferred) and bathroom faucet flows with aerators rated at 1.5 GPM.
- Refrigerated Air Conditioners should be *considered* as an alternative to evaporative swamp coolers. All evaporative coolers must be the more efficient single side opening style and be thermostatically controlled. Evaporative coolers should be equipped with a dump pump in place of bleed-off valve to keep water fresh.



- Water Softeners should be selected that regenerate automatically with a low regeneration water requirement. Water softener flush/brine must be drained to a simple French drain (not to a pretreatment tank).
- All lots shall be limited to the irrigation of a total 1,000 square feet of lawn, garden, and trees. Lawns may not exceed 400 square feet and are discouraged. Trees shall be low water use and approved by the ACC. Total watering shall not exceed 1600 gallons per month, averaged over a nine-month period (equal to 0.044 acre-feet per lot). Drip irrigation is encouraged along with a mulch-paper or mulch to conserve water. Any irrigation must occur at either early morning/late evening cycle. Roof drainage downspouts shall direct flows for landscape use. Swales and catchment berms (bowls) are encouraged to collect natural precipitation around trees. Homeowner may install gray water recycling for outdoor use (below surface irrigation) if approved by Bernalillo County Environmental Health Department.
- All residences shall properly insulate all hot water pipes to prevent energy and water waste. Dielectric couplers are required at water heaters and at dissimilar materials connections. If copper pipes are used, they must be grounded properly. Water heater anodes must be checked yearly. All current plumbing codes must be followed including water pressure bleed-off mechanism
- Entranosa Water Coop will read meters monthly and bill pursuant to their policies.
- Energy Star rated appliances should be given first consideration for water and energy conservation.

19. WATER DELIVERY

Water delivered by Entranosa Water & Wastewater Association by means of buried 6" and 8" PVC waterline.

20. WATER SYSTEM EXTENSION

Extension of Entranosa distribution lines: The developer will provide for the waterline extension, but the lot owner will be required to purchase a membership in the water association at the time service is obtained. As of October 01, 2006, the cost of a membership in Entranosa was \$6,000.00.

Water conservation within the subdivision is a high priority and will be accomplished by requiring the measures found in Paragraph 18 above.

21. LIFE EXPECTANCY OF THE WATER SUPPLY

Source – Water wells via Entranosa Water & Wastewater Association transmission lines.
 Life expectancy – The overall subdivision Master plan and 70-year water plan is on file with Bernalillo County. Entranosa believes that it has a 70-year + supply of water based on depth of wells, water column, and drain down history.

22. WELLS

Wells and water rights are owned and operated by Entranosa Water & Wastewater Association. Individual domestic wells will not be permitted within the subdivision.

23. SURFACE WATER

Not applicable.

24. STATE ENGINEER'S OPINION ON WATER

The proposed overall subdivision is a type-two subdivision containing 121 lots in a 298 acre tract, and is located in the East Mountain area, Section 27, Township 11 North, Range 6 East, N.M.P.M. Domestic water supply will be by the Entranosa Water Cooperative.

Bernalillo County subdivision regulations for the East Mountain area require a community water system as a water supply for a type-two subdivision containing twenty-five (25) or more lots, and for which the average lot size is less than five (5) acres.



A letter (copy attached) from John Jones, Chief Operations Office (Entranosa Water & Wastewater Association) stating their intent to supply water to the Richland Heights Subdivision.

25. WATER QUALITY

The Entranosa Water & Wastewater Association will provide water. Water complies with the Safe Drinking Water Act and is suitable for domestic use. The secondary quality of the water can best be described as moderately mineralized, very hard, and moderately aggressive, since total dissolved solids exceed 500mg/L, total hardness exceeds 250 mg/L, the aggressiveness index is less than 12, and pH varies between 6.8 and 7.1.

Due to the water source there is a possibility that it can cause copper pipe corrosion.

26. NEW MEXICO ENVIRONMENT DEPARTMENT'S OPINION ON WATER QUALITY

Description:

Richland Heights is located within Section 27, Township 11N, Range 6E, NMPM.

Water Quality:

The subdivider is proposing to provide for water supply by connection to and extension of the existing water supply system owned and operated by the Entranosa Water & Wastewater Association. Documentation of the availability of water service from the Association has been submitted.

As indicated by the subdivider's Disclosure Statement on water quality, water provided by the Association can best be described as moderately mineralized, very hard, and moderately aggressive. Use of the water should not result in any adverse health impacts. Water provided by the Association is of a suitable quality to conform to the requirements of the Subdivision Ordinance.

Plans and specifications for the construction of the water system have been submitted as required by Appendix B, Sections 2B.5 and 6 of the Subdivision Ordinance. On-site and off-site conceptual (layout) plans would be adequate at this point in the approval process since submission of detailed plans and specifications is required by the Environmental Improvement Board's Water Supply Regulations prior to the start of construction.

27. LIQUID WASTE DISPOSAL

Within Richland Heights liquid waste disposal is the responsibility of the lot purchaser. Each prospective lot purchaser, prior to issuance of building permit, must have performed, at the purchaser's expense, a site evaluation pit as required by Bernalillo County.

Every parcel on this plat shall have an on-site wastewater system in compliance with the most current Bernalillo County wastewater ordinances at the time of development.

Entranosa bylaws require participation in their septic management program for traditional septic systems.

Alternative and on-site wastewater systems shall be maintained by a qualified individual as required Bernalillo County with periodic reports sent to the County.

Note: no other liquid waste disposal system may be used in a subdivision other than the system approved by the Bernalillo County Environmental Health Department. Construction will continue only based upon satisfactory test results indicating that the lot purchaser will install a traditional septic tank and on-site leach field or the lot purchaser will elect to install an alternative waste system, installed by a licensed contractor, at the purchaser's expense. For all lots sold within the proposed subdivision, the lot purchaser will have the liquid waste system designed by a Registered Professional Engineer. The system shall conform to Bernalillo County Wastewater Ordinance 2000-7 or the most current ordinance at the time of installation. A licensed contractor shall install all systems. The systems will be designed and located at a site determined to be acceptable to the purchaser and the design engineer. The septic tanks will be privately owned by individual lot owners. Lot owners must comply with the management requirements of BCWO 2000. Entranosa bylaws require participation in their septic management program, which complies with Bernalillo County requirements.



28. ENVIRONMENTAL IMPROVEMENT AGENCY'S OPINION ON LIQUID WASTE DISPOSAL

Liquid Waste Disposal:

The subdivider is proposing the use of individual liquid waste systems (septic tank system or alternative system) provided by the lot purchaser. Soils, topographic, and drainage information has been submitted to show the suitability of the site for the installation and functioning of individual liquid waste systems. The systems will be subject to the requirements of Bernalillo County Wastewater Ordinance (Disposal Ordinance), and where more stringent, the requirements of the Environmental Improvement Board's Liquid Waste Disposal Regulations. Each lot will be required to submit an application for said lot prior to receiving a building permit. The Bernalillo County Environmental Health Department will determine type, size of drain fill, and capacity of tank for each individual lot. Each lot must go through this process prior to building permit.

The Laporte Rock outcrop-Escabosa complex (LRD) soils and the Rock outcrop Bond Series complex (RCE) soils present at the site are negatively characterized by shallow soil depth to bedrock (less than four feet) and steep (15 to 25 percent) to very steep (greater than 25 percent) slopes. The severe limitations of these soils to the installation and functioning of leach fields are difficult to overcome. Leach fields should not be installed in the LRD and RCE soils since complete site modification of the soils in the leach field area would be necessary. An alternative waste system will be required if installed (sited) on these outcrops.

The Silver, Witt, and La Fonda (SwB, SwC, and La) soils present at the site are negatively characterized by slow (31 to 60 minutes per inch) to very slow (61 to 120 minutes per inch) percolation rates. The moderate to severe limitations of these soils to the installation and functioning of leach fields can be overcome by providing large absorbent areas and by careful design and installation.

The subdivider's liquid waste disposal proposal conforms to the requirements of the Subdivision Ordinance. The subdivider's proposal for liquid waste disposal contained in the Disclosure Statement can be fulfilled.

Both the Subdivision Ordinance and the Wastewater Ordinance prohibit sewage disposal into the soil where the soils have severe limitations. Where shallow soil depth and moderate to steep slopes exist together, the only type of non-discharging system allowed will be an alternative waste system.

BCOEH is not aware of an Opinion on Liquid Waste Disposal for this Subdivision from NMED.

All owners of on-site wastewater systems (Conventional or Alternative) shall continually have a maintenance contract for the life of the system and a copy of the contract shall be submitted to Bernalillo County Office of Environmental Health.

29. SOLID WASTE DISPOSAL

Each lot owner will be required to subscribe to a contract service by an outside private firm(s) and to pay their customary rates.

30. NEW MEXICO ENVIRONMENT DEPARTMENT'S OPINION ON SOLID WASTE

Solid Waste Disposal:

The subdivider is proposing lot purchaser responsibility for off-site solid waste disposal by subscription to a private refuse collection service. Documentation of the availability of refuse collection service from Waste Management of New Mexico has been submitted.

The subdivider's solid waste disposal proposal conforms to the requirements of the Subdivision Ordinance. The subdivider's proposal for solid waste disposal contained in the Disclosure Statement can be fulfilled.

The preceding comments and opinions on the water quality, liquid waste disposal, and solid waste disposal proposals for the proposed Richland Heights Subdivision were made in response to a request by the County of Bernalillo as provided for in the New Mexico Subdivision Act. The comments and opinions are not a recommendation for or an endorsement of the proposed subdivision by the New Mexico Environment Department.



