

DISCLOSURE STATEMENT FOR RICHLAND VALLEY SUBDIVISION

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 reverted 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 VALLEY

2. NAME AND ADDRESS OF SUBDIVIDER

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

3. CONDITION OF TITLE

Mortgagee: First Federal Bank
4301 The 25 Way NE
Albuquerque, NM 87109

Doc# 2008010033

01/31/2008 10:25 AM Page: 1 of 12
STMT R:\$31.00 M. Toulouse, Bernalillo County



Releases will be issued upon closing of each lot to buyers.

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 VALLEY and related Homeowners Association Articles and Bylaws.
- e) Easements as shown on the recorded Subdivision Plat.

11/30/07

- f) Water & Wastewater Association
- g) Other items of record that will be reflected on Schedule "B" of preliminary title commitment.

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

Property is presently A-2 which allows for 2 acre lot minimum.

Purchasers will be required to become members of the Entranosa Water & Wastewater Association and of the RICHLAND VALLEY Homeowner's Association, Inc. A copy of the Declaration of Covenants, Conditions, and Restrictions for RICHLAND VALLEY is attached hereto and incorporated by reference.

5. **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– Public Service Company of NM - 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. PNM 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.

6. **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 VALLEY

| Utility | Date Available |
|-------------|----------------|
| Water | March 2008 |
| Phone | March 2008 |
| Electricity | March 2008 |
| Drainage | March 2008 |

7. **UTILITY LOCATION**

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

8. **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. Under the Bernalillo County Water Conservation Ordinance the building permit application must demonstrate that either a cistern roof catchment system has been incorporated into the design, or that at least one of the three alternatives as listed in the Ordinance will be installed including on-demand hot water systems, use of energy Star appliances and/or high efficiency toilets, installation of stub-outs for a gray water system.

Bernalillo County regulations (74-92 (1) require developer to provide water rights to accommodate water at the rate of 0.6 acre-feet per lot. Entramosa Water and developer have reached an agreement for developer to provide such water rights per lot. Entramosa Water has committed 49.8 acre-feet of water rights for Richland Valley use. 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 (Entramosa Water & Wastewater Association) stating their intent to supply water to the RICHLAND VALLEY Subdivision.

9. FOR SUBDIVISIONS WITH COMMUNITY WASTEWATER SYSTEMS

Not applicable.

10. FOR SUBDIVISION WITH INDIVIDUAL OR CLUSTERED WASTERWATER SYSTEMS

Not applicable.

11. FOR SUBDIVISIONS WITH COMMUNITY WATER SYSTEMS

Entramosa Water & Wastewater Association
P.O. Box 2380
Tijeras, NM 87059
(505) 281-8700

Source of water and means of delivery will be from wells in Estancia Basin through a pipeline system. Richland Valley lots may not use individual wells for domestic use.

No public utility, water line or landscape easements may be fenced by the land owner.

State of New Mexico Permit number is NM 35 246 26 copy attached.

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 Entramosa Water Rules and Regulations.

Other – Fire protection as required.

The rules of the Water Company and Bernalillo County Water Conservation Ordinance Section 30-249 and Bernalillo Subdivision Code 74-91 items 1-15; all three are written concerning conservation of water with the more restrictive of the rules or Ordinance being applicable in the control water use. Entramosa 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.

The Office of the State Engineer has issued a negative opinion regarding water availability. See attached letter from the Office of the State Engineer. As part of the platting process, the Board of County Commissioners considered the OSE opinion and has determined the developer can fulfill the proposals in this disclosure statement.

12. FOR SUBDIVISIONS WITH INDIVIDUAL DOMESTIC WELLS OR MULTIPLE HOUSEHOLD WELLS

Not applicable.

13. LIFE EXPECTANCY OF THE WATER SUPPLY

Source – Water wells via Entranosa Water & Wastewater Association transmission lines.

Life expectancy – A geohydrologic study has been conducted on the Entranosa well field and the report is on file with Bernalillo County has accepted, that indicates a 70-year plus supply of water based on existing depth of wells, water column, hydrologic testing, and water level history.

14. 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 is can cause copper pipe corrosion.

15. SEWER SYSTEMS

Within RICHLAND VALLEY 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 Office of Environmental Health. 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. The system shall conform to Bernalillo County Wastewater Ordinance which is the current ordinance at the time of installation. 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 2006-1. Entramosa bylaws require participation in their septic management program, which complies with Bernalillo County requirements.

16. 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.

17. TERRAIN MANAGEMENT

Minimal earthmoving will be done for the construction of the subdivision. Construction will be limited to the road and drainage improvements within the public right-of-way. There will be no mass grading or construction of any kind other than the stubbing of utilities as described in this Disclosure on the individual lots by the developer. Temporary "stockpiling" may occur during construction periods. Drainage improvements will consist of culverts for road crossings, downstream ditches, and roadside ditches. Lot owners will be responsible for their driveway culverts in accordance with Bernalillo County and any other government requirements. Some lots will have drainage easements, which are shown on the recorded plat. All drainage improvements are designed for the 100-year storm. Drainage of individual lots is the responsibility of homeowner, but downstream facilities are designed so that no detention or retention facilities are required. Additional information is contained in the drainage report. All areas disturbed by roadway construction will be re-vegetated to prevent erosion, if required. No dwellings, out-buildings or commercial buildings may be located within the boundaries of the 100-year flood plain. All 100-year flood areas are designated as such on the recorded plat and shall be maintained as drainage easements. There are certain limitations as the result of potential soil conditions that should be taken into consideration by Purchasers of lots.

18. SUBDIVISION ACCESS

| | |
|----------------------------|--|
| Town nearest subdivision: | Albuquerque, NM |
| Distance from town: | 14 Miles |
| Name of highway or street: | Interstate 40 |
| Site accessibility: | Possible by conventional vehicles |
| Seasonal accessibility: | All seasons and under all weather conditions |
| Surface of road width: | 24' wide asphaltic concrete surface |
| Road completion expected: | March 2008 |
| Road maintenance: | By Bernalillo County |
| Road surface date: | March 2008 |

19. MAINTENANCE

Maintenance of drainage facilities shall be done by Homeowners Association and maintenance of roads shall be done by Bernalillo County Public Works Department.

20. CONSTRUCTION GUARANTEES

The subdivider is to provide no homes, recreation structures, or other community improvements in the subdivision not previously mentioned in this disclosure statement. Developer will be signing a Subdivision Improvement Agreement and providing bank letter of credit to Bernalillo County for the development of infrastructure.

21. ADVERSE OR UNUSUAL CONDITIONS

None.

22. FIRE PROTECTION

Fire District 6, located on Frost Road. Fire protection is provided by a hydrant system within the subdivision.

Buyers are reminded that this is a sloped, mountainous, forested area in which wintertime access may be limited in severe weather. Fire apparatuses and emergency vehicles may not have access to certain lots during inclement weather.

23. **POLICE PROTECTION**

Bernalillo County Sheriff's Department.

24. **PUBLIC SCHOOLS** (Nearest to Subdivision)

Richland Valley is part of the Moriarty School District, with Edgewood Elementary being the nearest elementary school, Edgewood Middle School being the nearest middle school, and Moriarty High School, being the nearest high school. High school students are also eligible to apply at East Mountain Charter High School located in Sandia Park.

Howard E. McCall

Howard McCall, Express Development Ltd Co.
Executive Officer, a New Mexico Limited Liability Co.

11-30-07

Date

State of New Mexico)
County of Bernalillo)

This instrument was acknowledged before me on 30th November, 2007

Gloria J. Gagnon

Notary Public

2/25/11

My Commission Expires



OFFICIAL SEAL
GLORIA J. GAGNON
NOTARY PUBLIC - STATE OF NEW MEXICO
Notary Board Filed With Secretary of State

My Commission Expires 2/25/11

