

**RANCHO LOS CABALLOS**  
**DISCLOSURE STATEMENT**

THE MATERIAL OUTLINED IN THIS SECTION MUST BE PROVIDED TO THE PROSPECTIVE PURCHASER OR LESSEE AT LEAST SEVENTY-TWO (72) HOURS PRIOR TO THE SALE OR LEASE.

**PURCHASER INFORMATION STATEMENT**

PLEASE READ THIS DISCLOSURE STATEMENT BEFORE YOU SIGN ANY DOCUMENTS.

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. You should be aware of the fact that various state agencies may have issued opinions on both the Property proposal and what is said in this Disclosure Statement about the proposal. These opinions, when required to be issued, whether favorable or unfavorable, are contained in this Disclosure Statement and should also be read carefully.

The Torrance County Planning and Zoning Commission has examined this Disclosure Statement to determine whether the Grantor or Grantor can satisfy what it has said in this Disclosure Statement. However, neither the Board of County Commissioners nor the Planning and Zoning Commission vouch for the accuracy of what is said in this Disclosure Statement. Further, this Disclosure Statement is not a recommendation or endorsement of the property or the Property by either the County or State. It is only for informational purposes.

Finally, the Board of County Commissioners recommends that you see the property before buying or leasing it.

**B. General Information**

**1. NAME OF PROPERTY** (See Plat by Licensed Surveyor)

Name of Property: Rancho Los Caballos (herein, "the Property")

Legal Description: Lands located in Torrance County, New Mexico:

All of §18 in T1N, R8E; All of §§ 1, 2, 11 (except not Tract A), 12, 13, 14, 15, 22 in T1N, R7E; SE1/4 of §9, T1N, R7E; S1/2 of



State of New Mexico County of Torrance  
I, hereby certify that this instrument was filed for record on 09/01/2006 A.D. at 2: 39 PM and duly recorded as instrument # 2053943 in book 310 at page 01091 in the records of Torrance County. 1+ 7 pages. Witness my hand and Seal of Office. Linda Keyser, County Clerk, Torrance County, NM.  
Deputy Clerk *SKN*

§10, T1N, R7E; S1/2 and NE1/4 of §16, T1N, R7E; E1/2 of SE1/4 of §17, T1N, R7E; NW1/4 of §23, T1N, R7E; and E1/2 of §35, T2N, R7E. Tract A within §11 and §2, T1N, R7E is NOT included within the statements of this Disclosure Statement or the Covenants and Restrictions.

## **2. NAME AND ADDRESS OF GRANTOR**

Name of Grantor: RLF Rancho Caballo, LLC

Address of Grantor: 523 S. Cascade Ave., Suite E, Colorado Springs, CO 80903

## **3. CONDITION OF TITLE**

Number of mortgages: Ø

Name and address if each mortgagee: N/A

Balance owing on each mortgage: N/A

Summary of release provisions of each mortgage: N/A

Number of real estate contracts on the subdivided land for which the Grantor is making payments as a purchaser: Ø

Name and address of each person holding a real estate contract as owner of the land for which the Grantor is making payments as a purchaser: Ø

Balance owing on each real estate contract: N/A

Summary of default provisions of each real estate contract: N/A

Summary release provisions of each real estate contract: N/A

Statement of any other encumbrances on the land: N/A

Ingress, Egress, Utility Easements: As noted in the Declaration of Covenants and Restrictions and the Plat filed in the Office of the Tarrant County Clerk.

Statement of any other conditions relevant to the state of title: N/A

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

State here all deed and plat restrictions affecting the Property: Land cannot be further subdivided smaller than one hundred forty (140) acres in size. The use of water is limited in accordance with law. See the Declaration of Covenants and Restrictions attached hereto for all covenants and restrictions affecting the Property.

**5. UTILITIES:**

	<u>Name of Utility</u>	<u>Estimated Cost</u>
Electricity	Central NM Electric Co-op	\$0- 3,000
Gas Service	Propane delivered by several different local suppliers	
Water	Well	
Telephone	Worldsys Satellite and Vonage telephone	
Liquid Waste Disposal	Septic	
Solid Waste Disposal	Estancia Valley Solid Waste Authority-transfer station located 17 miles from Property	County billing quarterly presently \$34.00

**6. INSTALLATION OF UTILITIES: SHOW THE DATE EACH UTILITY WILL BE AVAILABLE.**

	<u>Name of Utility</u>	<u>Date Available</u>
Electricity	Central NM Electric Co-op	For Phase 1: October, 2006 or when installed by the utility company, whichever is later.
Gas Service	when moved in and ordered	
Water	As requested by buyer	

Telephone	when moved in and ordered
Liquid Waste Disposal	when moved in and ordered
Solid Waste Disposal	when moved in and ordered

**7. UTILITY LOCATION: PROVIDE A BRIEF STATEMENT OF WHICH UTILITIES ARE TO BE PROVIDED TO EACH PARCEL AND WHICH UTILITIES WILL BE ABOVE GROUND OR UNDERGROUND.**

Overhead electric will be provided to each lot along road.

**8. WATER AVAILABILITY**

The following are the maximum annual water requirements of the Property including water for indoor and outdoor domestic use:

Limits as allowed by the Torrance County Property regulations and State of New Mexico domestic well regulations. Currently .55 acre feet per year as per the Torrance County Property Regulations.

Describe the availability and sources of water to meet the Property's maximum annual water requirements: Domestic well

Describe the means of water delivery within the Property: Well- Individual wells on each lot to be constructed by the Grantor; or alternatively shared wells between properties with full legal and physical access to the water source.

Describe any limitations and restrictions on water use in the Property: Limits as allowed by the Torrance County Property regulations and State of New Mexico domestic well regulations, whichever is more stringent. Owners will only be allowed one permit for a domestic well per lot.

Summarize the provisions of any covenants or other restrictions requiring the use of water saving fixtures and other water conservation measures: The requirements of current building codes as outlined by State C.I.D. Building regulations. Xeriscaping will be encouraged. Declaration of covenants and restrictions contains enforceable limitations on water use.

Describe what measures, if any, will be employed to monitor or restrict water use in the Property: Water meters as required by Torrance County and the State of New Mexico.

**9. FOR PROPERTIES WITH COMMUNITY WATER SYSTEMS (if applicable)**

(No community water system is contemplated)

**10. FOR PROPERTIES WITH INDIVIDUAL DOMESTIC WELLS OR SHARED WELLS**

State whether wells will be provided by the Grantor or by the prospective purchaser/lessee/conveyee: Combination of Grantor and Purchaser.

If wells are provided by the Grantor, state the cost, if any to purchaser/lessee/conveyee: Purchaser responsible for pump and connecting well to home site, \$1,000.00 - 5,000.00 if well provided by Grantor. If well provided by Purchaser cost estimate in addition is \$15,000 to \$20,000.

Summary of legal restrictions on either indoor or outdoor usage: See Covenants and Restrictions attached.

**11. LIQUID WASTE DISPOSAL**

Describe the precise type of liquid waste disposal system that is proposed and that has been approved by the Board of County Commissioners for use within the Property: Septic system as per New Mexico Environmental Department and Torrance County regulations

NOTE: NO LIQUID WASTE DISPOSAL SYSTEM MAY BE USED IN THIS PROPERTY OTHER THAN A SYSTEM HAVING A VALID PERMIT ISSUED BY THE NEW MEXICO ENVIRONMENT DEPARTMENT.

**12. SOLID WASTE DISPOSAL**

Describe the means of solid waste disposal that is proposed for use within the Property: Estancia Valley Solid Waste Authority transfer station

**13. TERRAIN MANAGEMENT**

Property owner is responsible for any and all terrain management with respect to owner's deeded property; the homeowners' association is responsible for any and all terrain management with respect to common lands or lands owned by the homeowners' association.

**14. PROPERTY ACCESS**

Name of town nearest to Property: Mountainair

Distance from nearest town to Property and the route over which that distance is computed: 15 miles along Highway 55 North

Describe access roads to Property; state whether or not Property is accessible by conventional vehicle: Gravel Roads, 24' wide. Property is accessible by conventional vehicles.

State whether or not Property is ordinarily accessible at all times of the year and under all weather conditions: Heavy flooding may limit access.

Describe the width and surfacing of all roads within the Property: Gravel- 24' wide

State whether the roads within the Property have been accepted for maintenance by the County: No

If the roads within the Property have not been accepted for maintenance by the County, state how roads will be maintained and describe lot owners' responsibilities and obligations with respect to road maintenance: Home Owners' Association Maintained

## **15. MAINTENANCE**

State whether the roads and other improvements within the Property will be maintained by the County, the Grantor or an association of lot owners, and what measures have been taken to make sure that maintenance takes place: Home Owners' Association will be organized as a non profit corporation under the laws of New Mexico.

## **16. CONSTRUCTION GUARANTEES (if applicable)**

Describe any proposed roads, drainage structures, water treatment facilities or other improvements that will not be completed before parcels in the Property are offered for sale: Roads and electricity lines will be under construction while lots are offered for sale.

Describe all performance bonds, letters of credit or other collateral securing the completion of each proposed improvement: The Property is subject to a Letter of Credit drawn on First Southern National Bank dated August 18, 2006 in favor of the Torrance County Board of County Commissioners to secure the construction of roadways within the Property.

## **17. ADVERSE OR UNUSUAL CONDITIONS**

State any activities or conditions adjacent to or nearby the Property, such as feed lots, dairies, cement plants or airports, that would subject the subdivided land to any unusual

conditions affecting its use or occupancy: There is a potential gravel quarry site on the west side of the Property.

The Property may be subject to periodic "fly-overs" by military aircraft and missiles as part of maneuvers on or around the White Sands Missile Range ("WSMR"). In some instances, as a precautionary measure, WSMR will provide advance notice of a missile firing and request that properties be evacuated for the duration of a test. In the event of an evacuation notice, the military provides compensation to landowners in accordance with law.

**18. FIRE PROTECTION**

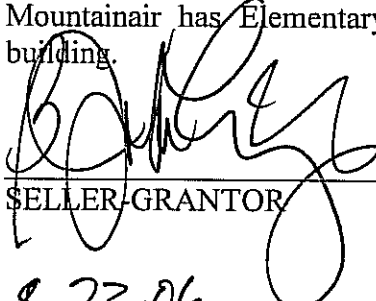
Distance to nearest fire station from Property: Mountainair Volunteer Fire Department is 16 miles north on Hwy 55

**19. POLICE PROTECTION:**

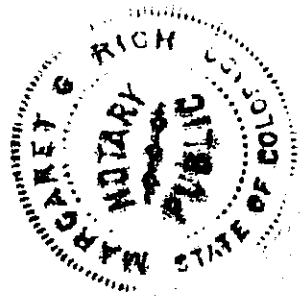
List the various police units that patrol the Property: Torrance County Sheriff's Department; New Mexico State Police.

**20. PUBLIC SCHOOLS**

Name of and distance to nearest public elementary school serving the Property: Mountainair has Elementary School, Middle and High which are combined in one building.

	Authorized Representative	_____
SELLER-GRANTOR		SELLER-GRANTOR
<u>8-23-06</u>		_____
DATE		DATE

STATE OF Colorado )  
 ) ss.  
COUNTY OF EL Paso )



The foregoing instrument was acknowledged before me this 23rd day of August, 2006 by B. Joseph Leininger.

My commission expires:

4/10/2010

Margaret G. Rich  
NOTARY PUBLIC