

STATE OF ARIZONA
DEPARTMENT OF REAL ESTATE

SUBDIVISION PUBLIC REPORT

FOR

THE BORGATA ON MOUNTAIN VIEW TRACT NO. 4205

aka THE BORGATA

Registration No. DM07-053193

SUBDIVIDER

BORGATA ON MOUNTAIN VIEW, LLC

2635 Desert Foothills Blvd.

Bullhead City, Arizona 86429

February 26, 2007

Effective Date

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.

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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 CONTRACTS OR AGREEMENTS FOR THE PURCHASE OF AN UNIMPROVED LOT (WITHOUT A BUILDING)* MAY BE RESCINDED BY YOU WITHOUT CAUSE BY SENDING OR DELIVERING WRITTEN NOTICE OF RESCISSION BY MIDNIGHT OF THE SEVENTH CALENDAR DAY FOLLOWING THE SIGNING.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: Lots 1-107 inclusive.

The map of this subdivision is recorded in Reception No. 2006-119933, records of Mohave County, Arizona.

The subdivision is approximately 39.463 acres in size. It has been divided into 107 lots and 5 parcels. Lot boundaries will be staked with rebar with plastic cap upon completion of grading and installation of infrastructure.

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: The subdivision is located on Mountain View Road between Valencia Road and Gardner Road, one quarter mile south of the Bullhead City limits, Mohave County, Arizona.

SUBDIVISION CHARACTERISTICS

Topography: Currently, the subdivision is native desert with undulating topography due to many washes and gullies, a narrow ridge on the south portion of the site and small hills with limited vegetation in the southwest corner of the site; sandy soils, sandy clay and clayey silts. Upon completion of grading and site work, the subdivision topography will be flat to gently sloping terrain.

Flooding and Drainage: A retention basin is located on the east side of Mountain View Road. The Army Corp of Engineers has calculated the overflow from the retention basin is 585 C.F.S. A drainage channel will be located in the subdivision to direct the flow through the subdivision to avoid impact of flow on any lots.

A letter dated March 22, 2006 from Gregory V. Woterstorff, P.E., V3 Landmark Engineering Inc. states the following:

“The Borgata at Mountain View is located within Section 14, Township 19 North, Range 22 West of the Gila and Salt River Base and Meridian, within Mohave County, Arizona.

The Mohave County, Arizona (Unincorporated Areas) Flood Insurance Rate Map (*F.I.R.M.*) panel number 040058 2435 D, dated September 16, 1988 indicates that the majority of the project falls within Zone C. Zone C is defined by the Federal Emergency Management Agency (FEMA) as:

Areas of minimal flooding (no shading)

The southeast corner of the site is located in Zone AO. FEMA defines Zone AO as:

Areas of 100-year shallow flooding where depths are between one (1) and three (3) feet; base flood elevations are shown, but no flood hazard factors are determined.

The F.I.R.M. panel identifies that the depth of flooding in this area is 2-feet for the 100-year event for Zone AO.

Additionally, the northwest corner of the site is located in Zone A. Zone A is defined by FEMA as:

Areas of 100-year flood; base flood elevations and flood hazard factors not determined.

The majority of the site is located within the Zone C flood zone, and does not require flood insurance. The southeast corner and northwest corner are located in 100-year flood hazard areas (Zone AO and Zone A respectively), and will require flood insurance.”

SUBDIVIDER ADVISES THAT A LOT PURCHASER OF A LOT IN THE SUBDIVISION SHOULD INVESTIGATE PREMIUM CHARGES AND APPLICABLE RATES FOR FLOOD INSURANCE, IF DESIRED OR REQUIRED BY PUBLIC OR PRIVATE LENDING INSTITUTIONS OR OTHER PARTIES, PRIOR TO PURCHASING A LOT.

Soils: Max Kemnitz, P.E. for Western Technologies Inc. (WT) states in part: Our report was prepared for Bullhead-Laughlin Land and Development Company, and was dated September 21, 2005.

An exploration and evaluation of the subsurface conditions was made at the site. The exploration consisted of twenty-one borings drilled to depths ranging from 10 to 18 feet below existing grade, and three test pits excavated to depths of 10 to 11 feet below the existing site grade. Laboratory analyses were performed on representative soil samples to aid in material classification and to estimate pertinent engineering properties of the on-site soils for preparation of our report.

At the time of our exploration, the site was native desert with undulating topography due to many washes and gullies, generally oriented in a northeast to southwest direction. A narrow ridgeline was located in the south-central portion of the site. The southwest quarter of the site included small hills up to approximately 20 feet in height, with minimal vegetation. Other site areas contained a sparse growth of sage, creosote, and other desert plants. Numerous small dirt roads were located on-site.

As presented on the boring and test pit logs in our report, surface soils to the full depth of exploration were found to be predominantly loose to very dense silty to clean sands and gravels with variable amounts of cobbles. Hard sandy clays and clayey silts were encountered at variable depths in a few of the explorations. Refusal to auger drilling was encountered in two borings at depths of 10 to 15 feet. Groundwater was not encountered in any boring at the time of exploration.

Laboratory test results indicate that native subsoils near shallow foundation level exhibit low to moderately high compressibility at existing water contents. A low to moderately high level of additional compression occurs when the water content is increased. Near-surface soils are predominantly of nil to low plasticity. These soils should exhibit a low expansion potential when recompacted, confined by loads approximating floor loads and saturated. Slabs-on-grade supported on recompacted low-expansive native soils will have a low potential for heaving if the water content of the soil increases. Medium plasticity clay soils were encountered at isolated locations, within the depth range of 5 to 15 feet below the existing site grade. These soils will have a potential for heaving if the water content of the soil increases, and should not be used as fill beneath interior or exterior concrete slabs-on-grade.

The proposed residential structures for this site can be supported by conventional shallow spread footing type foundations bearing on a minimum of 2 feet of properly compacted, low-expansive

engineered fill. Floor slabs can be supported on properly placed and compacted low-expansive fill, or approved low expansive natural soils. Pertinent soil parameters for use in foundation design have been included in the report.

The on-site sand and gravel soils are considered as good quality materials for support of pavements. Loose sands will require removal and/or recompaction within pavement areas. On-site clay soils are considered as poor quality materials for support of pavements.

The major cause of soil problems in this vicinity is moisture increase in soils below structures. Therefore, it is extremely important that positive drainage be provided during construction and maintained throughout the life of the proposed development and residential structures.

In areas where natural washes are in existence, loose native soils may be encountered that will require overexcavation and recompaction to depths greater than as presented in the EARTHWORK section of our report if they are within structure areas. During site grading, a representative of the geotechnical engineer should observe the grading operations and verify removal of any loose native soil.

This summary should not be used for design. Detailed analysis of subsurface conditions and pertinent design and earthwork recommendations are contained in our report.

NOTE: The above information was provided pursuant to the requirements of the Arizona Department of Real Estate as set forth in A.A.C. R4-28-1203 and is not intended to provide comprehensive geotechnical recommendations with respect to design and construction on individual lots. Expansion and contraction may cause movement and cracking in slabs, patios and other flatwork improvements. Such movement should be taken into account in the design and construction of improvements, hardscaping and landscaping. Lot owners should advise their contractors, engineers and architects regarding the presence of expansive soils to mitigate their effect through appropriate design and construction. It is also advised that lot owners consult with a soils expert regarding their specific lot. Lot owners are further cautioned regarding excessive watering of landscaping. Subdivider will not be responsible for any damage caused by alteration of grade, drainage and/or soils conditions by lot owners and their representatives.

Adjacent Lands and Vicinity: East of the subdivision is zoned R-O/6M, minimum 6000 square foot single family residential lots; north, west and south of the subdivision is zoned A-R, agricultural residential.

NOTE; THE STATED ZONING FOR ADJACENT LAND IS CURRENT AS OF THE DATE OF THIS REPORT AND IS SUBJECT TO CHANGE. PURCHASERS ARE ADVISED TO CONTACT MOHAVE COUNTY PLANNING DEPARTMENT FOR CURRENT INFORMATION.

Immediately to the east of the subdivision is an existing subdivision of single family lots and homes. Immediately to the north, west and south is vacant land; plans for future use of these properties is unknown at this time. Plans for use of land is subject to change and neither the responsibility or within the control of Subdivider.

Approximately 5 miles east of the subdivision is a landfill. The landfill operation could result in noxious odors and dust.

A sewer treatment plant is located on the Fort Mohave Indian reservation within 3 miles south of the subdivision.

An aircraft landing strip with no facilities is located approximately 5 miles south of the subdivision.

Highway 95 is located approximately ½ mile west of the subdivision

It is anticipated that property surrounding the subdivision will be developed over the next several years. During development, construction related activities may generate additional dust, noise, traffic, dirt and debris. These areas may create a safety hazard to unsupervised children and pets and to adults. Subdivider cannot assume responsibility for any injuries, discomfort or inconvenience caused to purchasers within the subdivision by such offsite activity.

Areas near the subdivision are in a relatively undeveloped desert state that may attract wildlife to the subdivision that may present a danger or nuisance.

Natural washes are located north and south of the subdivision running in a general westerly direction. There is a retention pond located on the east side of Mountain View road, opposite the subdivision.

SUBDIVIDER ADVISES THAT THE ABOVE LAND USES ARE SUBJECT TO CHANGE AND ARE NOT WITHIN SUBDIVIDER'S CONTROL. PURCHASERS ARE ADVISED TO PERFORM THEIR OWN INDEPENDENT REVIEW OF THE SURROUNDING AREA, INCLUDING WITHOUT LIMITATION, CONTACTING THE MOHAVE COUNTY PLANNING AND ZONING DEPARTMENT at 928-757-0903.

Within 3 miles south and west of the subdivision is the Fort Mohave Indian reservation with agricultural operations. These operations may include, but are not limited to, cultivation, agricultural burning and pesticides including crop dusting operations. Such agricultural operations result in noise, noxious odors, chemical spraying, dust, irrigation and other potentially detrimental effects to residential use of adjacent properties.

Within 3 ½ miles south and west of the subdivision is Avi casino which maintains a beach on the Colorado river and from time to time sponsors outdoor events, including without limitation, fireworks displays.

To obtain information regarding tribal boundaries, land use, air quality and prohibitions of using tribal lands i.e. trespassing, dumping, archaeological laws, pot hunting and cultural resource laws, contact:

Fort Mojave Indian Tribe
c/o Alan or Dorothy
Hallock/Gross, Inc.
480-967-4356

THIS SUBDIVISION IS LOCATED WITHIN FIVE MILES OF AN AMERICAN INDIAN RESERVATION. ACTIVITIES ON THE RESERVATION INCLUDE OR MAY INCLUDE OPEN RANGE, AGRICULTURAL OPERATIONS, AIRCRAFT OPERATIONS, INDUSTRIAL OPERATIONS AND DAIRY FARMS. A RESERVATION HAS ITS OWN LAWS GOVERNING THE LAND WITHIN ITS BOUNDARIES. THESE MAY INCLUDE TRESPASSING, DUMPING, ARCHAEOLOGY, HUNTING, FISHING, ETC. IN ADDITION, CERTAIN AREAS OF THE RESERVATION MAY BE NONPUBLIC-CLOSED AREAS WHICH REQUIRE

SPECIAL PERMISSIOIN TO ENTER. THOROUGHFARES AND ROADS ON THE RESERVATION MAY NOT BE AVAILABLE FOR PUBLIC USE.

NOTE: INFORMATION ON AMERICAN INDIAN RESERVATION LANDS MAY BE OBTAINED USING THE INTER TRIBAL COUNCIL OF ARIZONA (ITCA) WEBSITE, <http://www.itcaonline.com/tribes.html>.

AIRPORTS

Military Airport: The Borgata on Mountain View is not located in territory in the vicinity of a Military airport as defined in A.R.S. §28-8461.

Public Airport: The Borgata on Mountain View is not located in territory in the vicinity of a public airport as defined in A.R.S. §28-8486.

Airport: Sun Valley Airport, a private airport is located 2 miles southeast of the subdivision. Laughlin-Bullhead International Airport, a public airport is located 7 miles north of the subdivision.

THIS INFORMATION IS BASED UPON PRESENT AIRPORT OPERATIONS INFORMATION WHICH IS SUBJECT TO CHANGE AND IS NOT WITHIN SUBDIVIDER'S CONTROL.

UTILITIES

Electricity: Mohave Electric Cooperative ("MEC"), telephone number: (928) 763-1100, website: mohaveelectric.com, will supply electrical service to the subdivision. Subdivider, in conjunction with MEC will be responsible for installation of electrical service distribution facilities to the individual lot boundaries in the subdivision. Installation of conduit is estimated to be complete by June 30, 2008. Wire will be pulled through the conduit and transformers installed by MEC when demand occurs, at subdivider's expense. Cost to extend facilities to the lot line will be included in the purchase price of the lot. Estimated costs the lot purchaser will have to pay for completion of facilities from the lot line to the dwelling for unimproved lots is \$5.50 per lineal foot from the lot line to the dwelling; such costs are included in the purchase price of the home for purchasers of improved lots. Currently, all lot purchasers are responsible for a \$5.00 membership fee, a \$30.00 service connection fee, monthly service charges based upon usage and a \$300.00 security deposit which security deposit may be waived with a good credit letter from a previous utility. Note that the fees, deposits and other charges are controlled by the service provider and are subject to change.

Street Lights: Street lights are proposed, however, there are no financial assurances for the construction, no completion date is estimated and Subdivider reserves the right to not install street lights. If street lights are installed, maintenance will be the responsibility of The Borgata on Mountain View Owners Association and the cost thereof will be included in Owners Association dues. Subdivider makes no covenant, representation or warranty that street lights will be constructed in this subdivision.

Telephone: Frontier Communications, telephone: (800) 921-8101, website: frontieronline.com, will supply telephone service to the subdivision. Subdivider is responsible for installation of telephone service lines to the lot lines in the subdivision, at no cost to the lot purchaser, which is estimated to be completed by June 30, 2008. The cost to extend facilities to the dwelling for lot purchasers of improved lots will be included in the purchase price of the home. Purchasers of unimproved lots will have to pay for completion of facilities from the lot line to the dwelling at an estimated cost of \$2,500.00-\$3,500.00. Every lot purchaser will be responsible for the following costs: basic installation fee is \$75.00, monthly service for a single residential line is \$15.00, security deposit is \$25.00 to \$200.00. Note that the fees, deposits and other charges are controlled by the service provider and are subject to change.

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

Cable: Aztech Cable Company ("Aztech"), telephone: (928) 577-0100, website: expandondemand.net will provide cable television services. Subdivider, in conjunction with Aztech, will provide facilities to the lot lines. Conduit will be completed to the lot lines on or before June 30, 2008; fiber will be blown by Aztech as demand occurs. The cost for conduit from the lot line to the dwelling is included in the price of an improved lot. Conduit from the lot line to a dwelling on an unimproved lot will be placed in dry utilities trench at no additional charge to lot purchaser. Currently there is no charge for the initial service setup or connection. The basic installation fee is \$29.45. Basic cable service is \$29.95; each additional outlet is \$10.00. Note that the fees, deposits and other charges are controlled by the service provider and are subject to change.

Natural Gas: Southwest Gas Corporation, telephone: (928) 763-7766, swgas.com will supply natural gas service to the subdivision. Subdivider, in conjunction with Southwest Gas, is responsible for installation of natural gas service lines to the lot line in the subdivision, which is estimated to be complete on or before June 30, 2008. Cost to complete facilities from the lot line to the dwelling is included in the purchase price of improved lots. The cost to the unimproved lot purchaser to install facilities from the lot line to the dwelling is approximately \$200.00. Currently, every lot purchaser is responsible for a \$30.00 service establishment fee, a minimum monthly fee of \$9.00, which increases with usage and an \$80.00 security deposit. Note that the fees, deposits and other charges are controlled by the service provider and are subject to change.

Water: Bermuda Water Co., Inc. ("Bermuda"), a private water company, telephone: (920) 763-6676, website: utilitiesinc-usa.com, will be the water provider for the subdivision. Subdivider will be responsible for installation of water facilities to the lot lines in the subdivision, which is estimated to be complete on or before June 30, 2008. Completion of facilities from the lot line to the dwelling, including deposit, service fee, meter fee, trenching and line, is included in the purchase price of improved lots. Purchasers of unimproved lots will be responsible for extension of facilities from the lot line to the dwelling, which is estimated to be \$2,500.00-\$3,500.00 plus \$55.00 deposit, a \$35.00 service fee and a \$60.00 meter advance fee. Every lot owner is responsible for a minimum monthly service charge of \$11.86, which increases with usage. Note that the fees, deposits and other charges are controlled by the service provider and are subject to change.

Sewage Disposal: Fort Mojave Tribal Utilities Authority, a part of an American Indian tribe and not subject to Arizona Corporation Commission jurisdiction, is the sewage collection and disposal provider for the subdivision, telephone: (928) 346-1909, website: none. Subdivider will complete sewage collection, treatment and disposal facilities to the lot lines in the subdivision on or before June 30, 2008. Extension of service from the lot line to the dwelling will be included in the purchase price of improved lots. Purchasers of unimproved lots will be responsible for completion of facilities from the lot line to the dwelling, as follows: \$2,250.00 capacity fee, \$25.00 construction inspection fee and approximately \$2,500.00-\$3,500.00 for trench and line from the lot line to the dwelling. Every lot purchaser will be responsible for a \$27.50 monthly service charge. Note that the amount of fees, deposits and other charges are controlled by the service provider and are subject to change.

ALL OF THE ABOVE UTILITIES COSTS ARE SUBJECT TO CHANGE BY SERVICE PROVIDERS. YOU SHOULD CONTACT THE ABOVE PROVIDERS REGARDING EXTENSION RULES AND REGULATIONS, SERVICE CONNECTIONS AND COSTS INVOLVED.

STREETS, ROADS AND DRAINAGE

Access to the Subdivision: Exterior streets are public. Subdivider will be completing the balance of Mountain View Road (eastern perimeter of the subdivision) and a half street on Valencia Road (southern perimeter of the subdivision) and Gardner Road (northern perimeter of subdivision); which are estimated to be completed on or before June 30, 2008. Streets will be surfaced with asphalt. Upon completion of the exterior streets by subdivider and inspection and acceptance of the streets by Mohave County, the County will maintain the exterior streets. Costs of maintenance will be included in ad valorem real estate taxes.

THE COUNTY WILL NOT MAINTAIN THE STREETS UNTIL THEY HAVE BEEN CONSTRUCTED TO MINIMUM STANDARDS AND THE COUNTY APPROVES AND ACCEPTS THEM FOR MAINTENANCE. IF THE STREETS ARE NOT ACCEPTED FOR MAINTENANCE, THE FUTURE COST OF MAINTENANCE WILL HAVE TO BE PAID BY THE ADJACENT PROPERTY OWNERS. IF THE ADJACENT PROPERTY OWNERS FAIL TO COOPERATE, THEN YOU MAY HAVE TO INDIVIDUALLY BEAR THE ENTIRE COST OF MAINTAINING THE EXTERIOR ACCESS TO YOUR LOT.

Access within the Subdivision: Interior streets are private and will be completed by subdivider; estimated completion is on or before June 30, 2008. Streets will be surfaced with asphalt and will be maintained by The Borgata on Mountain View Owners Association. Lot purchaser's cost to maintain interior streets will be included in Owners Association dues.

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, or call (602) 542-4631.

Flood and Drainage: Subdivider will construct drainage improvements (not related to the design requirements of particular residential dwellings and related improvements), where necessary within private street parcels and specified drainage and retention parcels (drainage channel and retention parcels), as shown on the plat of the subdivision. Lot purchaser may be required to construct additional structures or improvements, if required, due to the design requirements of the particular residential dwelling and related improvements intended for the lot. Drainage improvements intended to be constructed by subdivider on streets, drainage and retention parcels are estimated to be complete on or before June 30, 2008. The Borgata on Mountain View Owners Association will be responsible for maintaining drainage improvements on private streets, drainage and retention parcels. A portion of the assessments paid by each lot purchaser to The Borgata on Mountain View Owners Association will be used to maintain such drainage improvements.

Note: any structures or improvements required to be constructed by lot purchaser due to the design requirements of the particular residential dwelling and related improvements intended for the lot shall be maintained by the lot purchaser.

COMMON, COMMUNITY AND RECREATIONAL FACILITIES

Within the Subdivision: No community or recreational facilities will be provided. Common areas consist of open space, retention areas, drainage areas and private roadway. The common area improvements will be completed by subdivider; estimated completion date is on or before June 30, 2008. The common areas will be maintained by The Borgata on Mountain View Owners Association. A portion of the assessments paid by each lot purchaser to The Borgata on Mountain View Owners Association will be used to maintain common areas.

Within the Master Planned Community: This subdivision is not within a Master Planned Community.

ASSURANCES FOR COMPLETION

Assurances for Completion of Subdivision Facilities: A bond has been obtained to assure completion of subdivision improvements.

Assurances for Maintenance of Subdivision Facilities: Utility companies will maintain their respective facilities in accordance with applicable service agreements and the requirements of applicable law, Mohave County will maintain the public streets upon acceptance by the County for maintenance and the Owners Associations will maintain common area facilities as provided for in the recorded CC&Rs, a Landscape Easement agreement, a drainage Maintenance

Agreement and a wall Maintenance Agreement. If street lights are installed, they will be maintained and operated at the cost of the Owners Association.

LOCAL SERVICES AND FACILITIES

Schools: Camp Mohave Elementary School is located $\frac{1}{4}$ mile from the subdivision, Mohave Valley Junior High School is located $4 \frac{3}{4}$ miles from the subdivision and River Valley High School is located $9 \frac{1}{2}$ miles from the subdivision.

School bus transportation is currently available to all school levels. Lot purchasers should contact the individual schools for additional information.

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: The nearest community shopping area is located at 4823 S. Highway 95, Fort Mohave, $1 \frac{1}{4}$ miles from the subdivision.

Public Transportation: No public transportation is currently available to the subdivision.

Medical Facilities: Valley View Medical Center, located at 5330 S. Highway 95, Fort Mohave is approximately $2 \frac{1}{2}$ miles from the subdivision. Outpatient therapy, radiology, laboratory and doctor's offices are located at Colorado River Medical Complex, 5300 S. Highway 95, Fort Mohave, approximately $2 \frac{1}{2}$ miles from the subdivision.

Fire Protection: Fort Mojave Mesa Fire Department will provide fire protection to the subdivision. The cost of service is included in ad valorem real property taxes paid by lot purchasers.

Ambulance Service: Fort Mojave Mesa Fire Department-Station 92, Camp Mohave Rd & La Riqueza provides amubulance service; dial 911.

Police Services: Mohave County Sheriff's Department provides police services. For emergencies, dial 911.

Garbage Services: Refuse collection is provided by Allied Waste Services of Bullhead. As of the date of this Report, the cost to the lot purchaser is \$11.65 without cart and \$12.65 with cart, monthly.

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 both vacant lots and lots with dwellings. Zoning is single family residential.

Conditions, Reservations and Restrictions: Certain zoning, recorded easements, maintenance agreements, Covenants, Conditions and Restrictions, Articles of Incorporation and Bylaws of The Borgata on Mountain View Owners Association, Rules and Regulations established by the Owners Association, Architectural Rules and Regulations established by the Architectural Committee of the Owners Association should be reviewed by the lot purchaser.

No portion of the subdivision is located in any open range or area in which livestock may roam at large under the laws of this State. Mineral rights are reserved by the State of Arizona as reserved in United States of America Patent. The exercise of the Patent rights could affect the use, value and enjoyment of an owner's lot. Prior to purchasing a lot, lot purchasers should investigate the availability of title insurance endorsements that would insure them against any loss incurred in connection with the exercise of such reservation of mineral rights.

Construction at The Borgata on Mountain View will be required to conform to drainage patterns of the site including that storm water runoff must enter and depart from the lot in substantially the same manner as under pre-construction conditions.

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

TITLE

Title to this subdivision is vested in Borgata on Mountain View, LLC, a Nevada limited liability company

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

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 Report of Title dated February 14, 2007 issued by Transnation 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: Your vested interest/ownership interest in the property will be evidenced by the subdivider delivering a recorded deed to you and by your signing a promissory note and mortgage or deed of trust for the unpaid balance, if any. **You should read these documents before signing them.**

Cash sales will be allowed. In which event, the lot purchaser will take fee title upon payment of the purchase price and execution of documents at close of escrow.

IF YOU ARE PURCHASING AN IMPROVED LOT, YOU ARE ADVISED THAT EARNEST MONEY DEPOSITS, DOWN PAYMENTS AND OTHER ADVANCED MONEY MAY NOT BE PLACED IN A NEUTRAL ESCROW. SUCH MONEY MAY BE PAID DIRECTLY TO THE SELLER AND MAY BE USED BY THE SELLER. THIS MEANS THE PURCHASER ASSUMES A RISK OF LOSING SUCH MONEY IF THE SELLER IS UNABLE OR UNWILLING TO PERFORM UNDER THE TERMS OF THE PURCHASE CONTRACT.

Release of Liens and Encumbrances: Other than as set forth in Schedule B items of the Report of Title (See Exhibit "A" attached) there are no recorded or unrecorded liens or encumbrances against the property.

Use and Occupancy: A lot purchaser is permitted to use and occupy his lot upon close of escrow.

Leasehold Offering: None of the 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 2006 is \$11.1633 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 \$320,000, is \$3,723. The estimated property tax for an unimproved lot (vacant), based on the above tax rate and average sales price of \$95,000, is \$1,768.

Special District Tax or Assessments: As of the date of this Report, there are no special district taxes or assessments.

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

PROPERTY OWNERS ASSOCIATIONS

Name and Assessments: All lot owners will be members of The Borgata on Mountain View Owners Association. As of the date of this Report, lot purchasers will be required to pay annual assessments in the amount of \$483. Note: annual assessments are subject to change annually. Late fees, other maintenance charges and special assessments may also be charged. In addition,

upon purchase of a lot, each lot purchaser will be charged a non-refundable reserve fee equal to 1/6 of the annual assessment.

Control of Association: Borgata on Mountain View, LLC, the Declarant (or its successor or assign) shall initially control the Association through election of the Board of Directors and appointment of Architectural Committee members. Control of the Association will be turned over to lot purchasers: (a) when the total votes outstanding held by lot owners equal the total votes outstanding held by Declarant or (b) the first day of January, 2026 or (c) when the Declarant notifies the Association in writing that it relinquishes its Class B Membership

Title to Common Areas: Title to the common areas has been transferred to the Association.

Membership: All lot owners will be members of The Borgata on Mountain View Owners Association.

PAYMENTS TO THE PROPERTY OWNERS ASSOCIATION 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 AND BYLAWS FOR THIS SUBDIVISION TO DETERMINE THE RIGHTS OF LOT 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. 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.

YOU ARE ADVISED THAT THE DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR THIS SUBDIVISION PROVIDES FOR AN ARCHITECTURAL CONTROL COMMITTEE.

EXHIBIT A

1. OBLIGATIONS imposed upon said land by its inclusion within any district formed pursuant to Title 48, Arizona Revised Statutes, excluding however Municipal or County Improvement Districts.
2. TAXES AND ASSESSMENTS collectible by the County Treasurer, a lien not yet due and payable for the following year:

2007

3. RIGHT OF ENTRY to prospect for, mine and remove the minerals in said land as reserved in Patent to said land.
4. EASEMENTS, restrictions, reservations and conditions as set forth on the plat recorded in Fee No. 2006-119933

5. AGREEMENT according to the terms and conditions contained therein:

Purpose	Maintenance
Recorded	December 13, 2006
Official Records	6581
Page	520 (Affects Tract(s) D and E)

6. AGREEMENT according to the terms and conditions contained therein:

Purpose	Maintenance
Recorded	January 03, 2007
Official Records	6609
Page	523 (Affects Lot(s) 1, 25 through 38, 51 through 61, 84 and 85)

7. RESTRICTIONS, CONDITIONS, COVENANTS, RESERVATIONS, LIABILITIES AND OBLIGATIONS, including but not limited to any recitals creating easements 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:

Recorded in Official Records	6618
Page	581 and Assignment of Declarant's Rights
Recorded in Official Records	6652
Page	432 and
Re-recorded in Official Records	6667
Page	9
and as shown on the recorded plat of said subdivision.	

8. EASEMENT and rights incident thereto, as set forth in instrument:

Recorded in Official Records	6652
Page	455
Purpose	landscaping (Affects Lot(s) 38 and 55 through 59, inclusive)