

STATE OF ARIZONA
DEPARTMENT OF REAL ESTATE

“AN EQUAL EMPLOYMENT OPPORTUNITY AGENCY”

100 North 15th Avenue, Suite 201
Phoenix, Arizona 85007
www.azre.gov

**APPLICATION
FOR
SUBDIVISION DISCLOSURE REPORT
(Public Report)**

This application must be filed and a Disclosure report issued pursuant to A.R.S. §32-2181 et. seq. prior to the sale or lease of subdivided lands as defined in A.R.S. §32-2101(56), unless an exemption has been issued pursuant to A.R.S. §32-2181.01 or you are exempt pursuant to A.R.S. §32-2181.02 or 32-2181.03. The Development Services Division Real Estate Representative located in Phoenix may be contacted for assistance.

Persons with disabilities may request reasonable accommodations such as interpreters, alternative formats, or assistance with physical accessibility. Requests for accommodations must be made with 72 hours prior notice. If you require special accommodations, contact the office listed above.

SECTION I

INSTRUCTIONS AND GENERAL INFORMATION

1. Read and understand this section thoroughly prior to compiling the required documents in Section II and answering the questions in Section III of this application.
2. Secure all the required documents listed in Section II of this application.
3. Answer all questions in Section III of this application. **If the applicant is unclear as to whether or not they need to disclose certain information, they should disclose it.**
4. File this complete application, together with the required documents, at the office of the Department of Real Estate. An initial fee of \$450.00 must accompany this application.

Applications for Disclosure report must meet or exceed the guidelines set forth in Exhibit “D” attached hereto. Failure to submit the application in the requested manner may result in the filing being returned or delayed.

5. Payment of all fees related to this application must be by check made payable to the Arizona Department of Real Estate.
6. One or more site inspections of the subdivision may be performed by the Department to verify, among other things, timely completion of improvements. Inspection costs, including travel and subsistence expenses, shall be paid by the applicant pursuant to A.R.S. §32-2182. See Exhibit E for the Inspection Fee Schedule.
7. For purposes of this application only, the term “subdivision” is used generically throughout to refer to the property for which you are filing this Application for Disclosure report.
8. The applicant (subdivider) who plans to offer subdivided land (lots) for sale or lease must complete and file this application and obtain a Disclosure report prior to offering the lots for sale or lease. Upon issuance of the Disclosure report, you will also be provided with a Disclosure report receipt form, which must be used. The subdivider must make the report available to each prospective customer and furnish each purchaser with a copy and get a receipt for it before the purchaser signs a binding real estate sales contract. Further, buyers must be given an opportunity to read the Report prior to signing a binding contract.

The applicant for a Disclosure report must have a sufficient recorded interest in the subdivision. The Department will examine the applicant’s interest in the subdivision for sufficiency. Additionally, that interest must be reflected in a policy of title insurance or title report.

9. For purposes of this application only, the following terms are defined as follows:
 - (a) Facilities - Any improvement offered by the applicant including, but not limited to, streets, electricity, telephone, cable, natural gas, water, sewers, flood protection and drainage facilities, landscaping, perimeter walls, parking facilities, swimming pools, tennis courts, ramadas, clubhouses, parks, lakes, etc.

A facility will be deemed offered if it is represented as available or as a planned or future part of the subdivision by the applicant, any person working for the applicant, any marketing or advertising material, or any other documents or materials used in representing the subdivision to prospective purchasers.

- (b) Completion Date - The date by which applicant will have completed installation of facilities to federal, state, county, town, or city standards, where applicable.
 - (c) Completion - The installation of working or usable facilities to each individual lot line or, in the case of condominiums, to each individual building site or upon the common areas, as applicable.
10. Upon review of this application, additional information and/or documentation may be required. Failure to completely answer all questions and submit all documents pertaining to the subdivision will delay processing of the application.
 11. Pursuant to A.R.S. §32-2184, a change to the subdivision or the plan under which it is offered for sale or lease, may invalidate the Disclosure report and require application for and the issuance of an **amended** Disclosure report. Continuing sales or offers for sale after any change without notifying the Department and obtaining an **amended** Disclosure report or an exemption may result in administrative action. This may include, but is not limited to suspended sales, voidable contract(s), and/or administrative penalties.
 12. Within 10 days after request by the Department, the subdivider shall submit Subdivision advertising material.
 13. The applicant for Disclosure report shall submit as part of the application a prepared Disclosure report on CD-RW or Flash Drive, in accordance with the procedures shown in Exhibit B.
 14. Pursuant to A.A.C. R4-28-B1208, if the Disclosure report contains an error, the Department shall correct the report at its own expense and notify the applicant of such error, except as stated hereafter. Additional or changed information that was known to the applicant before issuance of the report is not an error. No Disclosure report shall be corrected after it has been in effect for 10 days. After 10 days, the report shall only be changed through the amendment process, established in Rule R4-28-B1203, with payment of the amendment fee of \$250.00 pursuant to A.R.S §32-2184.
 15. The Department is required by law to process this application in accordance with established time frames. The following is a description of the time frames and procedures which the Department and applicant must comply with:
 - A. **Overall time frame.** The Department shall issue or deny a Disclosure report within the overall time frame after receipt of the complete application. The overall time frame is the total of the number of days provided in the administrative completeness review and the substantive review.

| <u>Department</u> | <u>Applicant</u> Administrative Completeness Review | <u>Department</u> Deficiency Completion Period | <u>Applicant</u> Substantive Completeness Review | <u>Department</u> Additional Information Period | Overall Time-frame |
|-------------------------|---|---|--|--|-------------------------------|
| Original Application | 40 | 40 | 60 | 40 | 100 |
| Amendment | 30 | 30 | 30 | 30 | 60 |

B. Administrative completeness review.

1. The administrative completeness review time frame begins the date the Department receives the application. The Department shall notify the applicant in writing of deficiencies within the administrative completeness review time frame. The notice shall specify what information is missing. If the Department does not provide notice to the applicant, the application shall be deemed administratively complete.
2. An applicant with an incomplete application shall supply the missing information within the completion period shown in the above table. The administrative completeness review time frame is suspended from the date of the Department’s deficiency notice until the Department receives the information.
3. An applicant shall not supply missing information “piece-meal”. The receipt of any missing information will be interpreted as the applicant’s response to the Department’s deficiency notice and the Department will resume processing the application.
4. If the applicant fails to submit all of the missing information before the completion deadline, the Department may close the file. An applicant whose file has been closed and who later wishes to obtain a Disclosure report shall submit a new application.

C. Substantive review. The substantive review time frames shown in the above table begin the day after the application is deemed administratively complete.

1. The Department may schedule an inspection.
2. If the Department makes a comprehensive written request for additional information, the applicant shall submit the additional information identified by the request within the additional time period shown in the above table. The substantive review time frame is suspended from the date of the Department’s request until the Department receives the information. If the applicant fails to

provide the information identified in the request, the Department may deem the application withdrawn and close the file.

3. An applicant shall not supply the requested additional information “piece-meal”. The receipt of any requested information will be interpreted as the applicant’s response to the Department’s request for additional information and the Department will resume processing the application.
4. Unless the file has been closed because the application was incomplete, the Department shall issue a written notice granting or denying the Disclosure report within the substantive review time frame. If the application is denied, the Department shall send the applicant written notice explaining the reason for the denial, the applicant’s right to seek a fair hearing, and the time period and manner in which the applicant may appeal the denial.

D. **Application filing.** All subdivision applications filed with the Department shall be considered filed on the date received by the Department.

E. **Computation of time.** In computing any period of time, the day of the act from which the designated period of time begins to run shall not be included. The last day of the period shall be included unless it is Saturday, Sunday or a legal holiday in which event the period runs until the end of the next day which is neither Saturday, Sunday nor a legal holiday.

SECTION II REQUIRED DOCUMENTS

THE FOLLOWING DOCUMENTS **MUST** ACCOMPANY THIS APPLICATION AND SHALL CONSTITUTE A PART THEREOF.

At a minimum, all applications must be submitted in a legal size file folder, with documents 2-hole punched at the top, placed on a two-prong ACCO fastener and delivered to the Department in an expanding file folder. Maps may be left off the fastener, folded and placed in the expanding file. Do not submit notebooks of documents.

1. A legible copy of recorded subdivision map no larger than 11” x 17” showing book, page and date of recording and approval by County and/or City.
2. Policy of Title Insurance or Title Report which is a true statement of the condition of title to the land issued after recordation of map, dated no more than 30 days prior to receipt by the Department of Real Estate. The policy or report must include the statement that “there are no further matters of record affecting the land” and must include the name and telephone number of the title examiner.

Updated title reports may be required during the process of this application. Reports listing requirements may be rejected and updates required.

3. On a CD-RW (or Flash Drive), provide either PDF or Word copies of all recorded and unrecorded documents listed in the title exceptions on the Schedule B of the Title Report or Title Policy. In addition, provide a hard copy of the recorded subdivision restrictions (CC&Rs) and any amendments.
4. If title to the property is held in trust, a complete copy of the Trust Agreement.
5. If title to the property is subject to any option, contract of purchase, lien or encumbrance and the recorded document contains no lot release provisions, provide a separate lot release provision letter from the seller or lienholder, or relevant pages from the loan agreement if a Mortgage or Deed of Trust.
6. If the land is located within an Active Management Area (AMA), a Certificate of Assured Water Supply from the Arizona Department of Water Resources (ADWR) or written commitment of water service from the city, town or private water company which has been designated by ADWR as having an assured water supply.

If the land is located outside an AMA, a Water Report from ADWR. See Exhibit “A” paragraph E.

7. If the land has enrolled as Member Land of the Central Arizona Groundwater Replenishment District (CAGRDR) pursuant to A.R.S. §48-3772 and 48-3774, or if the land will be served by a municipal water provider whose service area is currently enrolled as a Member Service Area of the CAGRDR pursuant to A.R.S. §48-3772 and §48-3780, you must file an application for a Fee Payment Notice with the CAGRDR. Contact the CAGRDR at (623) 869-2380 or visit the CAGRDR at www.cagrdr.com. **See Section III question 14 of this application.**
8. A copy of the real estate sales contract or lease to be used, describing conditions of sale or lease and type of deed, lease or other conveyance document to be used to convey property to purchaser. All real estate sales contracts shall contain substantially the following language in large or bold print above the signature portion of such document: **“THE DEVELOPER SHALL GIVE A PROSPECTIVE PURCHASER A COPY OF THE DISCLOSURE REPORT AND AN OPPORTUNITY TO READ AND REVIEW IT BEFORE THE PROSPECTIVE PURCHASER SIGNS THIS DOCUMENT.”** See Exhibit “A” to this application entitled **CONTRACT DISCLOSURES**. Your contract may need additional disclosures as set forth in Exhibit “A”.
9. A copy of the provisions, if any, limiting the use or occupancy of the lots or parcels, and any restrictive covenants affecting all or part of the subdivision. (Copies of recorded subdivision restrictions, recorded deed restrictions, contract restrictions or other restriction documents.)
10. A copy of the Articles of Incorporation and Bylaws for each property owner’s association listed in Section III Question 36 of this application. The Articles and Bylaws must show that the association(s) is legally formed.
11. If this filing is for a condominium, a copy of all documents that create the condominium and an attorney’s opinion letter asserting compliance with A.R.S. § 33-1201, et seq.
12. Document(s) demonstrating legal and permanent access.
13. A Certificate of Approval of Sanitary Facilities for Subdivisions from the Arizona Department of Environmental Quality (ADEQ), or its designee. The approval must include all lots listed in Section III Question 2, of this application.
14. A Certificate of Good Standing issued by the Arizona Corporation Commission. For each corporation (foreign or domestic) participating in this application as a principal, general partner, or joint venturer owning 10 percent or more. The date on the Certificate shall not be more than 1 year from the date of the application.
15. If applicant is a trust beneficiary, limited liability company, partnership or joint venture, a copy of the legal documents creating same (partnership/joint venture

agreement, articles of organization, trust agreements, etc.). Limited partnerships must provide evidence of registration with the Arizona Secretary of State's Office.

16. Authorization for any individual(s) signing on behalf of a corporation, limited liability company, partnership or owner (corporate resolution, partnership agreement, power-of-attorney, operating agreement, etc.), authorizing the signing of documents and correspondence related to this application.
17. A letter from a professional engineer detailing the effect of any flood zone designation or flood plain location, flood and drainage conditions, any apparent hazards, effect of a 100 year frequency storm, and if flood insurance is required. The engineer's professional seal must be affixed and legible on the letter.
18. A letter from a professional engineer providing whether the lands are subject to subsidence or expansive soils. If lands are subject to subsidence or expansive soils, the letter should provide a description and remedy in plain language and disclosure shall be made in the Disclosure report.
19. A copy of documents, agreements or statements demonstrating that adequate financial or other arrangements acceptable to the Commissioner have been made for installation, completion, and delivery of all improvements and facilities represented in this application. See Section III Question 22, of this application.
20. Obtain and comply with the Arizona Department of Real Estate's CFPB Supplement to this application, if this application is to be processed pursuant to the certification agreement between the State of Arizona and the Consumer Financial Protection Bureau and Interstate Land Sales Registration (CFPB/ILSR). Check the box in Section III, page 1. (CFPB/ILSR, formerly HUD/OILSR)
21. If the subdivision is located outside of Arizona, a copy of the domicile state or country's Disclosure report, equivalent report or other approval document. Further, for those required documents that are not specific to Arizona land, submit the domicile state or country's equivalent document pursuant to A.A.C. R4-28-A1220.
22. If applicant(s) is a person, complete information requested on Exhibit "C" and submit with this application.

A draft Disclosure report prepared using the Department's Disclosure report template. The draft shall be prepared as a word document in Microsoft Word and in accordance with Exhibit "B". The draft shall be submitted on a CD-RW (or Flash Drive) along with one hard copy of the draft Disclosure report. The CD-RW (or Flash Drive) should not be password or write protected. The Disclosure report draft on the CD-RW (or Flash Drive) must include all exhibits that are referenced in the Report such as airport maps and title exceptions. **Do not make reference to an exhibit that cannot be imported into the Disclosure report draft.**

**CFPB / ILSR
CERTIFICATION
YES NO**

**SECTION III
QUESTIONNAIRE
SUBDIVIDED LANDS**

FAILURE TO ANSWER THE FOLLOWING QUESTIONS IN COMPLETE DETAIL
WILL DELAY THE PROCESSING OF THIS APPLICATION

1. Complete name of subdivision, as shown in the Dedication of the recorded map:

(a) Name which will be used in marketing or promotional activity, if different from above (aka):

2. List the lots or units included in this application:

3. APPLICANT (Subdivider):

(a) Name(s):

(b) Address:

(c) Telephone: Fax:

**ALL SUBDIVIDERS MAKING THIS APPLICATION FOR DISCLOSURE
REPORT MUST BE LISTED AND ARE REQUIRED TO EXECUTE THIS
APPLICATION AS THE APPLICANT**

(d) If the subdivider is other than an individual, such as a corporation,
partnership or trust:

i. Name the type of legal entity:

ii. Give name and address of all officers, general partners, members,
trustees or other persons who exercise control of the entity:

iii. List the percentage interest of each person/entity owning a 10% interest or more including any person owning 10% or more of any entity listed:

iv. If the legal entity is a trust, list the beneficiaries holding 10% or more of the beneficial interest (2nd Beneficiaries only, if a 2 Beneficiary trust):

From whom does Trustee accept instructions?

SUBMIT COPY OF TRUST AGREEMENT(S) TOGETHER WITH ANY AMENDMENTS OR ASSIGNMENTS THERETO.

- (e). If the subdivider is a Subsidiary Corporation, list the name, address, and state of incorporation of the Parent Corporation:
- (f). List the names of any of the following in which the Parent Corporation or any of its subsidiaries are or have been involved within the last five years:
 - i. Subdivisions located in Arizona:
 - ii. Subdivisions, wherever located, for which registration is required pursuant to the Federal Interstate Land Sales Full Disclosure Act:
 - iii. Subdivisions, wherever located, for which registration would have been required pursuant to the Federal Interstate Land Sales Full Disclosure Act but for the exemption for subdivisions where lots are all twenty acres or more in size or other exemption:
- (g) List any other subdivisions not described in (f) above in which any of the following are or, within the last five years, have been directly or indirectly involved:
 - i. The holder of any ownership interest in the land:
 - ii. The subdivider:
 - iii. Any principal or officer in the holder or subdivider:

NOTE: All listings of corporate or partnership entities must include reference to the state in which the corporation was incorporated or state in which the partnership was formed.

(h) **Each applicant for Disclosure report must answer the following questions.** If the applicant is not an individual but is an entity (e.g., a corporation, partnership, limited liability company or trust), answers must be provided by each of the partners, officers, members, beneficiaries, managers or managerial employees of the applicant, and every other individual or entity that exercises control (as defined in A.R.S. §32-2101(17) over the applicant or holds a 10% or greater interest in the applicant. If you answer “yes” to any question, provide a signed, detailed statement describing the facts and circumstances, including the date, time, and location of the incident or event. You must also provide supporting documentation identified on Department form LI-400, Disclosure Document Checklist, as provided in A.A.C. R4-28-301, in order for your application to be considered complete. You can obtain this form either at the Licensing front counter or on our website at www.azre.gov.

- 1) Have you ever been convicted of any **felony** in Arizona or any other state?
 Yes No

- 2) Are you currently in a deferred period or a diversion program, having been convicted of a Class 6 undesignated offense, which has not yet been designated as a felony or misdemeanor as of the date of this application?
 Yes No

- 3) Are you currently incarcerated, paroled, or on probation because of any conviction?
 Yes No

- 4) In the past 10 years, have you:
 - a) been convicted of any **misdemeanor** in Arizona or any other state?
Note: You do not need to report minor traffic citations, which do not constitute a misdemeanor or felony offense. D.U.I. is not a minor traffic offense and must be reported.
 Yes No

 - b) had a professional or occupational license or registration of any kind denied, suspended, restricted, or revoked?
 Yes No

- c) had an administrative order or any other disciplinary action taken against any license issued to you by any local, state or federal regulatory agency or voluntarily surrendered any license during the course of an investigation or disciplinary proceeding?
 Yes No
- d) had any Subdivision Disclosure report or Registration to Sell real estate, timeshares, cemetery lots or campground memberships denied, suspended or revoked?
 Yes No
- e) entered into any consent decree, or had an injunction (either temporary or permanent), a suspension, an order, or a judgment issued which prohibited or restricted you from engaging in any profession or occupation?
 Yes No
- f) had any judgment or order entered against you by any court involving fraud, dishonesty, misrepresentation, unfair trade practice or moral turpitude?
 Yes No
- g) had any judgment or order entered against you by any court arising out of the conduct of any business in real estate, cemetery property, timeshare intervals or membership campgrounds?
 Yes No
- 5) Are you the subject of a current investigation or pending disciplinary action with the Arizona Department of Real Estate?
 Yes No
- 6) Has any real estate recovery fund or similar fund EVER made a payment that was charged against you or against a business for which you were the qualifying party?
 Yes No
- 7) Within the past ten years, has any person or entity in a controlling position over the applicant declared bankruptcy, or held any interest in any corporation, partnership or limited liability company that has declared bankruptcy?
 Yes No

If information on any “yes” answer above was previously provided to the Department, indicate the date and reason it was provided. You are not required to provide this information again if it is on file at the Department.

I certify, under penalty of perjury under the laws of the State of Arizona, that I am authorized to sign on behalf of the applicant and that the foregoing answers and

statements given in this application and any statement that I have attached are true and correct and applicable for all persons and entities required to provide answers.

DATED this _____ day of _____, 20 _____

(Printed name and signature of authorized party)

4. SUBDIVISION MAP:

- (a) Recorded in _____, records _____ County, State of _____.
- (b) Declaration of Condominium/Horizontal Property Regime, if applicable, recorded at instrument no. _____ records _____ County, State of _____.
- (c) Gross acreage in entire subdivision: _____.
- (d) Specify number of lots, units, parcels or tracts within entire subdivision: _____.
- (e) Are lot corners permanently staked? Yes No
Explain method of staking _____.

5. SUBDIVISION LOCATION:

- (a) City, County, and State:
- (b) Street location:
- (c) Nearest major crossroads:
- (d) If outside a city or town, miles and directions from the nearest city or town:
- (e) Driving directions to the subdivision:

6. SUBDIVISION CHARACTERISTICS AND ADJACENT LANDS:

- (a) Describe the physical characteristics of the subdivision e.g., level, hilly, rocky, loose soil, washes, arroyos, canyons, etc.
- (b) Is the subdivision subject to any known flooding or drainage problems, or downstream from any existing flood structure/dam?
 Yes No
If yes, describe:
(Use separate sheet if necessary)
- (c) Are the subdivision lots subject to subsidence, or expansive soils?
 Yes No
- (d) Describe any known geological conditions such as fissures, sink holes or other, within or lying close to the subdivision, which would or may be detrimental to a purchaser's health, safety or welfare:
- (e) Describe any known environmental conditions, which would or may be detrimental to a purchaser's health, safety or welfare:
- (f) Describe any known environmental soil remediation within or lying close to the subdivision:
- (g) Is the subdivision within a FEDERAL SUPERFUND or STATE WQARF SITE?
 Yes No
- (h) Provide the current zoning codes and their definitions for adjacent lands, including American Indian Reservation Lands:

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>.

- (i) Describe existing and proposed land uses and conditions within, adjacent to, and in the vicinity (including American Indian reservation lands), such as apartments, schools, commercial development, churches, parks or other uses, including, but not limited to, any unusual safety factors and uses that may cause a nuisance or adversely affect lot owners within or near the subdivision such as shooting ranges, active or abandoned mines, freeways, sewer plants, railroads, canals, landfills, or any unusual or unpleasant odors, noises, pollutants, cultivation and related dust, agricultural burning, application of pesticides, irrigation and drainage, underground storage tanks, crop dusting fields, bombing test grounds or other effects:

(Use separate sheet if necessary)

NOTE: When answering this question, the department recommends that you research within one (1) mile of the subdivision for unusual safety factors and for factors that may cause a nuisance or adversely affect lot owners. Your disclosures should not be limited to those examples listed in the question. The existence of foreign nations or tribal lands shall be disclosed if located within the one (1) mile radius of the subdivision boundaries.

- (j) For the benefit of the public health, safety, and welfare, are there any gas pipelines within the boundaries of the subdivision or within 500 feet of the subdivision boundary?

Yes No

If yes, describe:

NOTE: The intent of this question is to disclose hazardous liquid pipelines, propane pipelines, and interstate gas pipelines. Having natural gas service available in the subdivision discloses that there exists natural gas infrastructure necessary to provide service in the community. Information on the location of these hazardous liquid, propane, and interstate natural gas pipelines may be available from the Utilities Division of the Arizona Corporation Commission or title searches from Title Companies. Further, project engineers inspecting the subdivided and surrounding lands may identify above ground pipeline markers.

- (k) Are there any existing or proposed high voltage power lines (115kv or greater) or any existing or proposed substations (115kV or greater) within the boundary of the subdivision or within ½ mile of the subdivision boundary?

Yes No

If yes, provide a description including the voltage, geographical location in relation to the subdivision, identifying roads if any, and state the utility responsible for the operation or construction of the transmission lines and/or substation along with the utility's contact information and website, if available.

Note: If a yes answer is given, the disclosure report shall include the above information and the following paragraph in capital letters and bold print.

INFORMATION ON A PROPOSED OR EXISTING TRANSMISSION LINE AND SUBSTATION MAY BE AVAILABLE

FROM THE ARIZONA CORPORATION COMMISSION OR FROM THE UTILITY COMPANY. IN ADDITION TO THE ABOVE DISCLOSED INFORMATION, BUYER SHOULD CONTACT THE UTILITY COMPANY FOR FURTHER AVAILABLE INFORMATION WHICH MAY INCLUDE STRUCTURE HEIGHTS, SCHEMATICS OF WHAT THE STRUCTURES WILL LOOK LIKE, AND CONSTRUCTION SCHEDULES.

7. AIRPORTS:

(a) Military Airports

- (i) Is all or any portion of the subdivision located in territory in the vicinity of a military airport as defined in A.R.S. 28-8461?
 Yes No

If yes, provide the name, location and distance from the subdivision:

If yes, include the following disclosures in the Disclosure report:

On the front page of the Disclosure report –

THIS DEVELOPMENT IS LOCATED WITHIN TERRITORY IN THE VICINITY OF A MILITARY AIRPORT. THE DEPARTMENT MAINTAINS A REGISTRY OF INFORMATION PROVIDED BY THE MILITARY AIRPORT. THE REGISTRY INCLUDES MAPS OF MILITARY FLIGHT OPERATIONS AND A MAP SHOWING THE EXTERIOR BOUNDARIES OF EACH TERRITORY AND HIGH NOISE OR ACCIDENT POTENTIAL ZONE. THIS INFORMATION IS AVAILABLE TO THE PUBLIC ON REQUEST.

Under the Airport heading in the Disclosure report -

SUBDIVISION IS LOCATED WITHIN TERRITORY IN THE VICINITY OF [NAME OF MILITARY AIRPORT]. MILITARY FLIGHTS MAY PRODUCE AIRCRAFT NOISE AS A RESULT OF MILITARY FLIGHT OPERATIONS.

- (ii) Is all or any portion of the subdivision located in territory in the vicinity of an ancillary military facility as defined in A.R.S. 28-8461?
 Yes No

If yes, provide the name, location and distance from the subdivision:

If yes, include the following disclosures in the Disclosure report:

On the front page of the Disclosure report –

THIS DEVELOPMENT IS LOCATED WITHIN TERRITORY IN THE VICINITY OF AN ANCILLARY MILITARY FACILITY. THE DEPARTMENT MAINTAINS A REGISTRY OF INFORMATION PROVIDED BY THE ANCILLARY MILITARY FACILITY. THE REGISTRY INCLUDES MAPS OF MILITARY FLIGHT OPERATIONS AND A MAP SHOWING THE EXTERIOR BOUNDARIES OF EACH TERRITORY AND HIGH NOISE OR ACCIDENT POTENTIAL ZONE. THIS INFORMATION IS AVAILABLE TO THE PUBLIC ON REQUEST.

Under the Airport heading in the Disclosure report -

SUBDIVISION IS LOCATED WITHIN TERRITORY IN THE VICINITY OF [NAME OF ANCILLARY MILITARY FACILITY]. MILITARY FLIGHTS MAY PRODUCE AIRCRAFT NOISE AS A RESULT OF MILITARY FLIGHT OPERATIONS.

- (iii) Is all or any portion of the subdivision located under a military training route as defined in A.R.S. 28-8461 and delineated in the military training route map prepared pursuant to A.R.S. 37-102? Yes No

If yes, include the following disclosure on the front page of the Disclosure report:

THIS SUBDIVISION IS LOCATED UNDER A MILITARY TRAINING ROUTE. THE STATE LAND DEPARTMENT AND THE STATE REAL ESTATE DEPARTMENT MAINTAIN MILITARY TRAINING ROUTE MAPS AVAILABLE TO THE PUBLIC. THE MILITARY TRAINING ROUTE MAP IS POSTED ON THE STATE REAL ESTATE DEPARTMENT'S WEB SITE. SUBDIVIDER HAS NO CONTROL OVER THE MILITARY TRAINING ROUTES AS DELINEATED IN THE MILITARY TRAINING ROUTE MAP OR THE TIMING OR FREQUENCY OF FLIGHTS AND ASSOCIATED LEVELS OF NOISE.

- (iv) Is all or any portion of the subdivision located under restricted air space as delineated in the Restricted Airspace Map prepared pursuant to A.R.S. 37-102? Yes No

If yes, include the following disclosure on the front page of the Disclosure report:

THE PROPERTY IS LOCATED UNDER RESTRICTED AIR SPACE. THE STATE LAND DEPARTMENT AND THE STATE REAL ESTATE DEPARTMENT MAINTAIN RESTRICTED AIR SPACE MAPS AVAILABLE TO THE PUBLIC. THE RESTRICTED AIR SPACE MAP IS POSTED ON THE STATE REAL ESTATE DEPARTMENT'S WEB SITE.

- (v) Is all or any portion of the subdivision located in a high noise or accident potential zone as defined in A.R.S. 28-8461? Yes No

If yes, explain:

If yes, include the following disclosures in the Disclosure report:

On the front page of the Disclosure report –

THE PROPERTY IS LOCATED IN A HIGH NOISE OR ACCIDENT POTENTIAL ZONE. THE STATE LAND DEPARTMENT AND THE STATE REAL ESTATE DEPARTMENT MAINTAIN MILITARY AIRPORT MAPS AVAILABLE TO THE PUBLIC. MILITARY AIRPORT MAPS ARE POSTED ON THE STATE REAL ESTATE DEPARTMENT'S WEB SITE.

Under the Airport heading in the Disclosure report -

SUBDIVISION IS LOCATED IN A HIGH NOISE OR ACCIDENT POTENTIAL ZONE.

NOTE: A YES ANSWER TO ANY OF THE MILITARY QUESTIONS, REQUIRES YOU TO INCLUDE THE APPROPRIATE MAP(S) AS AN EXHIBIT IN YOUR DISCLOSURE REPORT.

- (b) Public Airports

Is all or any portion of the subdivision located in territory in the vicinity of a public airport as defined in A.R.S. 28-8486?

Yes No

If yes, provide the name, location, and distance from the subdivision:

Under the Airport heading in the Disclosure report -

SUBDIVISION IS LOCATED WITHIN TERRITORY IN THE VICINITY OF [NAME OF PUBLIC AIRPORT]. FLIGHTS MAY PRODUCE AIRCRAFT NOISE AS A RESULT OF FLIGHT OPERATIONS.

- (c) Is all or any portion of the development located in the vicinity of an airport located on an American Indian reservation? Yes No

If yes, provide the name, location, and distance from the subdivision:

- (d) If not provided above, provide the name, location, and distance from the subdivision of the nearest public or private airport.

8. ELECTRICITY:

- (a) Are electric facilities available to this subdivision? Yes No

- (b) If facilities are available, state name, telephone number, and website of company which will provide service:

- (c) Where are present facilities in relation to this subdivision? (Distance from farthest lot included in this application)

- (d) Who will be responsible for completion of the facilities to the lot lines?

- (e) Estimated completion date of facilities to the lot lines. (specify if conduit only): (Month-Day-Year)

If conduit only, explain how and when facilities will be completed and who is responsible for the costs:

- (f) Estimated costs lot purchaser will have to pay for completion of facilities to his lot line:

(g) Estimated costs lot purchaser will have to pay for completion of facilities from lot line to his dwelling:

(h) Upon completion of facilities, what other costs or requirements exist before lot purchaser can receive service? (current service charges, current hook-up fees, current turn-on fees, meter fees, wire pulling through conduit, etc.)

9. STREET LIGHTS:

(a) Are street light facilities available within this subdivision: Yes No

(b) Who will be responsible for completion of the facilities?

(c) Estimated completion date of facilities: (Month-Day-Year)

(d) Who pays for the electricity?

(e) Estimated costs lot purchasers will be required to pay toward electricity:

10. TELEPHONE:

(a) Are telephone facilities available to this subdivision? Yes No

(b) If facilities are available, state name, telephone number, and website of company which will provide service:

(c) Where are present facilities in relation to this subdivision? (Distance from farthest lot included in this application)

(d) Who will be responsible for completion of the facilities to the lot lines?

(e) Estimated completion date of facilities to the lot lines (specify if conduit only): (Month-Day-Year)

(i) If conduit only, explain how and when facilities will be completed and who is responsible for the costs:

(f) Estimated costs lot purchaser will have to pay for completion of facilities to his lot line:

- (g) Estimated costs lot purchaser will have to pay for completion of facilities from his lot line to his dwelling:
- (h) Upon completion of facilities, what other costs or requirements exist before lot purchaser can receive service? (Current service charges, current hook-up fees, current turn-on fees, meter fees, wire pulling through conduit, etc.)

11. CABLE AND/OR FIBER OPTIC:

- (a) Are cable facilities available to this subdivision? Yes No
 Are fiber optic facilities available to this subdivision? Yes No
- (b) If facilities are available, state name, telephone number, and website of company, which will provide service:
- (c) Where are present facilities in relation to this subdivision? (Distance from farthest lot included in this application):
- (d) Who will be responsible for completion of the facilities to the lot lines?
- (e) Estimated completion date of facilities to the lot lines (specify if conduit only): (Month-Day-Year)

 If conduit only, explain how and when facilities will be completed and who is responsible for the costs:
- (f) Estimated costs lot purchaser will have to pay for completion of facilities to his lot line:
- (g) Estimated costs lot purchaser will have to pay for completion of facilities from his lot line to his dwelling:
- (h) Upon completion of facilities, what other costs or requirements exist before lot purchaser can receive service? (Current service charges, current hook-up fees, current turn-on fees, meter fees, wire pulling through conduit fees, etc.):

12. NATURAL GAS:

- (a) Are natural gas facilities available to this subdivision? Yes No

- (b) If facilities are available, state name, telephone number, and website of company, which will provide service:
- (c) Where are present facilities in relation to this subdivision? (Distance from farthest lot included in this application)
- (d) Who will be responsible for completion of the facilities to the lot lines?
- (e) Estimated completion date of facilities to the lot lines: (Month-Day-Year)
- (f) Estimated costs lot purchaser will have to pay for completion of facilities to his lot line:
- (g) Estimated costs lot purchaser will have to pay for completion of facilities from lot line to his dwelling:
- (h) Upon completion of facilities, what other costs or requirements exist before lot purchasers can receive service? (Current service charges, current hook-up fees, meter fees, current turn-on fees)
- (i) May bottled propane gas be used? Yes No

If propane gas is to be used, provide letter from supplier stating they will provide service to this subdivision. Further, supplier's letter must describe all requirements to be met and costs to be paid by lot purchasers in order to receive service.

13. WATER:

- (a) Is a domestic water supply available to this subdivision? Yes No
- (b) Will the water be supplied by a public water system, as defined by A.R.S. §49-352? Yes No

If yes, proceed to subsection (c). If no, go to subsection (o).

- (c) Name, telephone number, and website of water provider:
- (d) What is the compliance status of the water provider with the Arizona Department of Environmental Quality as of the date of this application?

If in noncompliance, provide an explanation:

- (e) If the water provider is a public service corporation, does it possess a Certificate of Convenience and Necessity from the Arizona Corporation Commission allowing it to provide water to this subdivision?
 Yes No

If no provide an explanation:

- (f) Where are present water facilities in relation to this subdivision?
(Distance from farthest lot included in this application)
- (g) Who will be responsible for completion of the facilities to the lot lines?
- (h) Estimated completion date of facilities to the lot lines: (Month-Day-Year)
- (i) Will fire hydrants be installed Yes No, and if yes, when?
(Month-Day-Year)
- (j) Estimated costs lot purchaser will have to pay for completion of facilities to his lot line:
- (k) Estimated costs lot purchaser will have to pay for completion of facilities from lot line to dwelling:
- (l) Upon completion of facilities, what other costs or requirements exist before lot purchaser can receive service? (Service charges, hook-up fees, turn-on fees, meter fees, development fees, etc.)
- (m) Who is or will be responsible for maintenance of the water lines within this subdivision other than from lot line to dwelling?
- (n) Who is or will be responsible for maintenance of the water lines outside this subdivision?
- (o) If a private or shared well is to be utilized, describe all requirements and costs involved to install an operational domestic water system: (Include all governmental licensing/permitting requirements and their costs; average depth to water; drilling requirements and costs; equipment costs; all other necessary costs) (Use separate sheet if necessary)
- (p) If the source of water is a private or shared well and potable water cannot be obtained from a private or shared well, will lot purchaser be offered a

refund of the purchase price? Yes No

If yes, explain any conditions or restrictions involving the refund:

- (q) If water is to be transported/hailed to individual lots by lot purchasers for domestic use, provide name and location of the supplier; provide cost estimates to be computed on a monthly basis for a four-member family (include costs of water, cistern and other holding tanks necessary, pumps, and any other costs necessary to install an operational water system):
(Use separate sheet if necessary)

NOTE: If the property is served by a water supply other than a public water system, as defined by A.R.S. §49-352(B), make the following disclosure in your Disclosure report: **THE QUALITY OF THE WATER IS NOT REGULATED BY FEDERAL OR STATE AUTHORITIES AND MAY NOT BE SUITABLE FOR DOMESTIC USE.**

NOTE: The above answers must be in conformance with the findings and requirements of ADWR (See required document No. 6), ADEQ (See required document No. 13), and the Arizona Corporation Commission (ACC). You are advised to confirm that the water provider possesses a Certificate of Convenience and Necessity (CC&N) from the ACC, if required. Failure to comply with the requirements of ADWR, ADEQ, and ACC will cause delays in processing this application. For information contact:

| | |
|---|----------------|
| ADWR, Office of Assured and Adequate Water Supply | (602) 771-8599 |
| ADEQ, Engineering Review Department | (602) 771-4677 |
| ACC, Utilities Division | (602) 542-4251 |

14. CAGR D Fees:

If the answer to either of the following questions is “yes”, include the Notice Confirmation of CAGR D Fee Payment from the Central Arizona Groundwater Replenishment District (CAGR D) confirming payment of all fees.¹ **See required document No. 7:**

- (a) Is the property enrolled as a Member Land of the CAGR D pursuant to A.R.S. §48-3774? Yes No

(i) If Yes, include CAGR D FPN#: _____.

¹ If the land has enrolled as Member Land of the Central Arizona Groundwater Replenishment District (CAGR D) pursuant to A.R.S. §48-3772 and 48-3774, or if the land will be served by a municipal water provider whose service area is currently enrolled as a Member Service Area of the CAGR D pursuant to A.R.S. §48-3772 and §48-3780, you must file an application for Fee Payment Notice with the CAGR D. Contact the CAGR D at (623) 869-2380 or visit the CAGR D at www.cagrd.com.

- (b) Will the property be served by a municipal water provider whose service area is currently enrolled as a Member Service Area of the CAGR D pursuant to A.R.S. §48-3780? Yes No

(i) If Yes, include CAGR D FPN#: _____.

15. SEWAGE COLLECTION, TREATMENT AND DISPOSAL:

- (a) State whether sewage collection, treatment, and disposal will be provided by a municipality, improvement district, public utility, private company, individual on-site wastewater treatment system (septic tank system etc.), or other:

IF INDIVIDUAL ON-SITE WASTEWATER TREATMENT SYSTEM WILL BE USED, GO DIRECTLY TO NO. 16

- (b) Will a dry sewer system be installed for future connection to a central provider? Yes No

(i) Name of future provider:

(ii) Estimated cost to connect:

(iii) Date of connection: (Month-Day-Year)

- (iv) Will individual on-site wastewater treatment systems be temporarily required? Yes No

If yes, answer questions in No. 16.

(v) Estimated cost to remove the on-site wastewater treatment system:

- (c) Name, telephone number, and website of sewage collection, treatment, and disposal system provider:

- (d) What is the compliance status of the sewage collection, treatment, and disposal provider with the ADEQ as of the date of this application?

If in noncompliance, provide an explanation:

- (e) If the sewage collection, treatment, and disposal system provider is a public service corporation, does it possess a CC&N from the Arizona

Corporation Commission allowing it to provide service to this subdivision? Yes No

If no, provide an explanation:

- (f) Who will be responsible for completion of the sewage collection, treatment, and disposal facilities to the lot lines:
- (g) Estimated completion date of facilities to the lot lines: (Month-Day-Year)
- (h) Estimated costs lot purchaser will have to pay for completion of facilities to his lot lines:
- (i) Estimated costs lot purchaser will have to pay for completion of facilities from lot line to his dwelling:
- (j) Upon completion of facilities, what other costs or requirements exist before lot purchaser can receive service? (Service charges, hook-up fees, capacity fees, tap-in fees, development fees, etc.)
- (k) Who is responsible for maintenance of the sewage collection, treatment, and disposal facilities within this subdivision other than from lot line to dwelling?
- (l) Who is responsible for maintenance of the sewage collection, treatment, and disposal facilities outside this subdivision?
- (m) What costs, if any, will lot purchasers be responsible to pay toward maintenance of sewage collection, treatment, and disposal facilities?

16. **INDIVIDUAL ON-SITE WASTEWATER TREATMENT SYSTEMS:**

- (a) Describe the type of individual on-site wastewater treatment system lot purchasers will be required to install:
- (b) Describe all requirements and costs involved to install an operational individual on-site wastewater treatment system: (Include all governmental licensing/permitting requirements and their costs, equipment, construction, and all other necessary costs, including the estimated annual operation and maintenance costs): (Use separate sheet if necessary)
- (c) If an operational individual on-site wastewater treatment system cannot be installed, will lot purchaser be offered a refund of the purchase price?

Yes No

If yes, explain any conditions or restrictions involving the refund.

17. SEWER TREATMENT PLANTS

- (A) Is the sewer treatment plant for this subdivision adequate to handle the addition of these lots? Yes No

If yes, then go to question 18.

- (B) Who is responsible for the completion/extension/addition of the sewer treatment plant that will service this subdivision?
- (C) Estimated completion date of the sewer treatment plant:
(Month-Day-Year)
- (D) Estimated costs lot purchaser will have to pay for the completion of the sewer treatment plant:
- (E) Upon completion who is responsible for the maintenance of the sewer treatment plant?
- (F) What arrangements have been made to assure the completion and delivery of the facilities?

NOTE: The answers to Nos. 16, 17, and 18 above must be in conformance with the findings and requirements of ADEQ (See required document No. 13) and the Arizona Corporation Commission (ACC). You are advised to confirm that the sewer provider possesses a Certificate of Convenience and Necessity (CC&N) from the ACC, if required. Failure to comply with the requirements of ADEQ and ACC will cause delays in processing this application. For information contact:

ADEQ, Engineering Review Department (602) 771-4677
ACC, Utilities Division (602) 542-4251

18. ACCESS STREETS AND ROADS:

- (a) Is legal and permanent access provided to the subdivision, and lots within the subdivision, over terrain, which may be traversed by conventional 2-wheel drive automobiles and emergency vehicles? Yes No
- (b) Exterior street(s) providing access to this subdivision from a dedicated federal, state, or city roadway.

(i) Is exterior street(s) public or private? If private, describe what provisions have been made to assure purchasers of a legal right to use the private access street(s).

(ii) Is exterior street(s) complete? Yes No

NOTE: If any improvements to existing exterior streets are to be completed by subdivider or others, the streets are not considered complete.

(iii) Who is responsible for completion?

(iv) Estimated completion date? (Month-Day-Year)

(v) What type of surfacing?

(vi) Estimated costs lot purchaser will be required to pay toward street completion?

(vii) Who is responsible for street maintenance?

(viii) If the City or County is to maintain the street(s), when will it be accepted for maintenance?

(ix) Estimated costs lot purchaser will be required to pay toward street maintenance?

(c) Interior street(s) within this subdivision:

(i) Are interior streets within this subdivision public or private?

(ii) Are the interior streets complete? Yes No

(iii) Who is responsible for completion?

(iv) Estimated completion date? (Month-Day-Year)

(v) What type of surfacing?

(vi) Estimated costs lot purchaser will be required to pay toward street completion?

(vii) Who is responsible for street maintenance?

- (viii) If the City or County is to maintain the interior streets, when will they be accepted for maintenance?
- (ix) Estimated costs lot purchaser will be required to pay toward street maintenance?

NOTE: Support letters from a title insurance company and professional engineer may be required to demonstrate permanent and legal access to the subdivision. See Rule R4-28-A1207 for assistance.

19. FLOOD AND DRAINAGE:

- (a) Will there be flood protection or drainage facilities installed within this subdivision? Yes No

If yes, describe:

- (b) Who will be responsible for completion of the facilities?
- (c) Estimated Completion date? (Month-Day-Year)
- (d) Estimated costs lot purchaser will be required to pay toward completion of facilities?
- (e) Who is responsible for maintenance of the facilities?
- (f) If the City or County is responsible for maintenance, when will the facilities be accepted for maintenance?
- (g) Estimated costs lot purchaser will be required to pay toward maintenance of facilities?

20. ADDITIONAL SUBDIVISION FACILITIES:

- (a) List all other subdivision facilities within this subdivision including, but not limited to, all common, community, and/or recreational facilities.
(Use separate sheet if necessary)
- (b) Who is responsible for the completion of the above facilities?
- (c) Estimated completion date for the above facilities? (Month-Day-Year)

- (d) Estimated costs lot purchaser will be required to pay toward completion of the facilities?
- (e) Who is responsible for maintenance of the facilities?
- (f) Estimated costs lot purchaser will be required to pay toward maintenance of the facilities?

NOTE: IF THE FACILITIES LISTED IN QUESTIONS 8 THRU 20 ABOVE ARE TO BE COMPLETED FOR SPECIFIC LOTS IN PHASES, DESCRIBE YOUR PHASED SCHEDULE OF COMPLETION GIVING THE LOTS IN EACH PHASE AND THE ESTIMATED COMPLETION DATES ON A SEPARATE SHEET. INSPECTIONS WILL BE MADE TO VERIFY COMPLETION IN ACCORDANCE WITH YOUR SCHEDULE OF COMPLETION.

21. MASTER PLANNED COMMUNITY

- (a) Is this subdivision part of one or more master planned community(ies)? Yes No

If yes, give name(s), describe and answer the following questions:

- (b) List all common or recreational master planned facilities located outside of this subdivision but included in the above master planned community(ies), which are available for use by lot purchasers within this subdivision:
(Use separate sheet if necessary)
- (c) Who is responsible for the completion of the above facilities?
- (d) Estimated completion date for the above facilities? (Month-Day-Year)
- (e) Who is responsible for continued maintenance and expenses of the above facilities?
- (f) Estimated costs lot purchaser will be required to pay for the use of or for the maintenance of the above facilities?

22. ASSURANCE FOR COMPLETION AND MAINTENANCE OF SUBDIVISION AND MASTER PLANNED COMMUNITY(IES) FACILITIES:

- (a) What arrangements have been made to assure the completion and delivery of the facilities listed in Questions 8 thru 21 above: (Use separate sheet if necessary)

- (b) What arrangements have been made to assure the continued maintenance of the facilities listed in Questions 8 thru 21 above: (Use separate sheet if necessary)

NOTE: COPIES OF DOCUMENTS, AGREEMENTS OR STATEMENTS DEMONSTRATING THAT ADEQUATE FINANCIAL OR OTHER ARRANGEMENTS ACCEPTABLE TO THE COMMISSIONER HAVE BEEN MADE FOR COMPLETION OF ALL FACILITIES ARE REQUIRED. SEE RULE R4-28-A1211 FOR A LIST OF ACCEPTABLE FINANCIAL ASSURANCE OPTIONS. (SEE REQUIRED DOCUMENT NO. 18).

23. SCHOOLS:

- (a) What is the current location (including distances) of the nearest public (elementary, junior, and high) schools available for the attendance of school age pupils residing in the subdivision?
- (b) What transportation, i.e. school bus or other, is available?
- (c) If not listed above, give the type and location of any other school(s) located within a ½ mile radius of the exterior boundaries of the subdivision.

24. SHOPPING FACILITIES:

What is the current location and distance from the subdivision of the nearest community shopping area where food, drink, and medical supplies can be purchased?

25. PUBLIC TRANSPORTATION:

State type, provider, location, and distance to provider servicing the subdivision.

26. MEDICAL FACILITIES:

State type, provider, location, and distance from the subdivision:

27. FIRE PROTECTION:

- (a) Is fire protection available to the subdivision? Yes No

(b) If yes, state name of provider and cost to lot purchaser:

28. AMBULANCE SERVICE:

(a) Is ambulance service available to the subdivision? Yes No

(b) If yes, provide name, address and telephone number of ambulance service(s) available.

29. POLICE SERVICE:

(a) Is police service available to the subdivision? Yes No

(b) If yes, state name of provider:

30. Is the subdivision in a 911-service area? Yes No

31. REFUSE COLLECTION:

(a) Have provisions been made for refuse collection? Yes No

(b) If yes, state name of service provider and cost to lot purchaser:

(c) If no, what must lot purchaser do to dispose of refuse? (Include location of nearest authorized transfer station, landfill, dump, etc., and all costs involved.).

32. SUBDIVISION USE AND RESTRICTIONS:

(a) Do you plan to sell or lease

_____ Improved lots (Includes Condominiums)

_____ Unimproved lots

(b) What is the use for which subdivision lots will be offered?

(c) Is the subdivision or any lot(s) therein subject to adult occupancy or age restrictions? Yes No

(i) If yes, explain:

- (ii) If yes, are you in compliance with the Federal Fair Housing Amendments Act of 1988 and any amendments or additions thereof? Yes No
- (d) State whether all or any 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 and what provisions, if any, have been made for the fencing of the subdivision to preclude livestock from roaming within the subdivision.
- (e) Are any of the mineral rights reserved from the subdivision lots, or will they be? Yes No
 - (i) If yes, what will be the effect on lot owners if the mineral right holder exercises his rights to extract the minerals?
- (f) Give full disclosure of other conditions or provisions which may limit the use or occupancy of the property offered in this application. If none, so state:
- (g) If a condominium, is the property a conversion from multifamily rental to condominiums? Yes No
 - (i) If yes, what is the date original construction was completed?

33. SALES:

- (a) Describe how sales will be made and the manner by which title right or other interest contracted for is to be conveyed to purchaser?
 - (i) When does purchaser take title?
- (b) Where will purchaser's deposit and earnest monies be deposited and held?
 - (i) Can such monies be used prior to close of escrow? Yes No
 - (ii) When and under what conditions will such monies be released?
- (c) When will lot purchaser be permitted to use and occupy his lot?
- (d) Will purchaser receive title free and clear of all liens? Yes No

- (i) If no, explain:
- (e) What is the estimated average sales price for:
 - (i) Unimproved lots:
 - (ii) Improved lots:
- (f) Will any of the property be leased? Yes No
 - (i) If yes, describe any provision for increase of rental payments during the term of the lease.
 - (ii) If yes, are there any provisions in the lease prohibiting assignment and/or subletting?
 - (iii) Does the lease prohibit the lessee from mortgaging or otherwise encumbering the leasehold? Yes No
 - (iv) Will the lessee be permitted to remove improvements when the lease expires? Yes No

NOTE: SALES DOCUMENTS MUST CONTAIN ALL CONTRACT DISCLOSURES REQUIRED BY RULE AND STATUTE. YOUR ANSWERS ABOVE MUST BE IN CONFORMANCE WITH THE DOCUMENTS SUBMITTED UNDER REQUIRED DOCUMENT NO. 8, SECTION II.

- (g) Name, address and telephone number of Arizona broker who will be responsible for sales. If none, so state and explain why.

If subdivider is a broker or a salesperson, Commissioner's Rule R4-28-1101 (E) provides, "A real estate salesperson or broker shall not act directly or indirectly in a transaction without informing the other parties in the transaction, in writing and before the parties enter any binding agreement, of a present or prospective interest or conflict in the transaction, including that the (1) Salesperson or broker has a license and is acting as a principal; (2) Purchaser or seller is a member of the salesperson's, broker's, or designated broker's immediate family; (3) Purchaser or seller is the salesperson's or broker's employing broker, or owns or is employed by the salesperson's or broker's employing broker; or (4) Salesperson or broker, or a member of the salesperson's or broker's immediate family, has a financial interest in the transaction other than the

salesperson's or broker's receipt of compensation for the real estate services."

- (h) Location of subdivision sales records. State of Arizona address at which records will be kept, name of custodian, and telephone number.
- (i) Are you now taking or do you intend to accept lot reservations?
 Yes No
- (j) Have you obtained a conditional sales exemption? Yes No

34. TITLE AND ENCUMBRANCES:

- (a) Title to the property is vested with:
- (b) If title is not vested with the applicant, explain applicant's interest in the property:
- (c) Are there any mortgages, deeds of trust, liens or other encumbrances recorded against the property? Yes No
 - (i) If yes, list and describe arrangements for protecting the interest of the purchaser or lessee in the event of a default. Further, describe arrangements for releasing individual lots or units from any blanket lien or encumbrance: (Use separate sheet if necessary)
- (d) Are there any unrecorded liens or encumbrances against the property?
 Yes No

If yes, explain.

35. PROPERTY TAXES AND ASSESSMENTS:

- (a) For the year 20___, the estimated property tax for an improved lot with dwelling, based on an average sales price of \$ _____, is \$ _____.
- (b) For the year 20___, the estimated property tax for an unimproved lot without dwelling, based on an average sales price of \$ _____, is \$ _____.
- (c) Are current real property taxes paid? Yes No

NOTE: Delinquent property taxes that have been sold on a Certificate of Purchase must be redeemed by subdivider prior to issuance of the Disclosure report.

- (d) Has a special assessment district been formed or proposed for the purpose of financing acquisition, construction, maintaining or operating improvements for the subdivision, or for the purpose of offering any other service? Yes No
- (i) If yes, is the assessment included in the above estimated property tax? Yes No
- (ii) If no to (i) above, provide explanation including, but not limited to, name and type of district, amount of assessments and how payable, lot purchaser responsibilities, release provisions, default provisions, etc. If the district is proposed, provide as much information as possible. (Use separate sheet if necessary)
- (e) Other than as stated above or in property owner association(s) assessments, are there any other special assessments, taxes, or fees to be paid by purchaser? Yes
 No

If yes, explain.

36. PROPERTY OWNERS ASSOCIATIONS:

- (a) Name of Association, if any:
- (b) Property Owners will be required to pay assessments in the amount of \$ _____ per _____
- (c) Name of Master Property Owners Association(s) if any:
- (d) Property Owners will be required to pay master association assessments in the amount of \$ _____ per _____
- (e) Is the above association(s) legally formed and operational? Yes No
- (f) When and under what conditions, if any, will control of the association(s) be turned over to lot purchasers?
- (g) When and under what conditions, if any, will title to the common areas be transferred to the association?

- (h) Are the common areas subject to any lien or encumbrance? Yes No

If yes, explain how purchasers' use and enjoyment of common areas will be protected in the event of default:

- (i) Will all lot owners be members of the association(s)? Yes No
If no, explain:

- (j) Will non-members be liable for payments to the association(s)? Yes No

If yes, explain:

- (k) Will non-members be contractually authorized to use any association(s) amenities? Yes No

If yes, explain:

NOTE: IF PROPERTY OWNERS ASSOCIATIONS ARE TO BE PROVIDED, THEY MUST BE LEGALLY FORMED AND OPERATIONAL PRIOR TO ISSUANCE OF THE DISCLOSURE REPORT. A STATEMENT FROM AN ATTORNEY, LICENSED IN THE STATE WHERE THE PROPERTY IS LOCATED, THAT THE ARTICLES OF INCORPORATION AND BYLAWS ARE FINAL AND IN EFFECT MAY BE REQUIRED.

37. **FILINGS WITH STATE/FEDERAL/PROVINCIAL AUTHORITIES**
If a Property Registration has been filed with or accepted by another regulatory agency, list the jurisdictions:

38. The applicant authorizes the Department of Real Estate to accept and rely upon as accurate and complete all information and documentation provided by the following person(s) in conjunction with this application:

Name:

Company:

Title:

Address: (include Zip Code)

Telephone Numbers: Fax Number:

Provide your email address to facilitate contact:

AFFIDAVIT OF APPLICANT

STATE OF _____

COUNTY OF _____

RE: _____

Subdivision Name

I hereby certify under penalty that the statements contained in this application constitute notice of intention to sell or lease subdivided lands, and that the statements together with any documents submitted herewith are full, true, complete and correct.

I further affirm and swear that I will not, over any period of time or by any means, resubdivide any of the herein described lots or dispose of or offer to dispose of subdivided lands not contained in the Disclosure report, without first complying with the provisions of A.R.S. §32-2181 et seq., and that I will notify the Department of Real Estate of any change to the information in this application.

I hereby represent that as the owner of the above mentioned subdivision, I will not place or allow to be placed any mortgages or liens on the property other than those already in existence as of this date, copies of which have been furnished to the Arizona Department of Real Estate as a part of the application for the subdivision, unless the Department is notified of the placement of any new mortgage or lien.

I further certify that, if this application has not been submitted on the standard form prepared by the Arizona Department of Real Estate, applicant agrees that the Department may take any action deemed necessary to ensure compliance with the subdivision laws if, after issuing a Disclosure report, the Department discovers errors, omissions or deficiencies in the application or Disclosure report based on the application. The applicant further agrees to completely indemnify the Department, the State of Arizona, its agents and employees from any and all liability caused, in whole or in part, by use of a nonstandard form.

I am duly authorized to prepare and am the person responsible for the content of this application and accompanying Disclosure report.

Date

Printed Name

Name

Title or Office

This instrument subscribed to and sworn before me
this _____ day of _____, 20____ by
_____, in witness
whereof I set my hand and official seal.

Signature

Notary Public

My Commission Expires: _____.

APPLICATION MUST BE SIGNED AND SWORN TO BEFORE A NOTARY PUBLIC BY ALL SUBDIVIDERS PRIOR TO ISSUANCE OF THE DISCLOSURE REPORT.

EXHIBIT "A"

CONTRACT DISCLOSURES

- A. Any real estate sales contract or lease shall contain substantially the following language in large or bold print above the signature portion of such document.

THE DEVELOPER SHALL GIVE A PROSPECTIVE PURCHASER A COPY OF THE DISCLOSURE REPORT AND AN OPPORTUNITY TO READ AND REVIEW IT BEFORE THE PROSPECTIVE PURCHASER SIGNS THIS DOCUMENT.

- B. Any real estate sales contract or lease for an unimproved (vacant) lot or parcel shall contain substantially the following language in large or bold print above the signature portion of such document:

THE PURCHASER OR LESSEE HAS THE LEGAL RIGHT TO RESCIND (CANCEL) THIS AGREEMENT WITHOUT CAUSE OR REASON OF ANY KIND AND TO THE RETURN OF ANY MONEY OR OTHER CONSIDERATION BY SENDING OR DELIVERING A WRITTEN NOTICE OF RESCISSION TO THE SELLER OR LESSOR BY MIDNIGHT OF THE SEVENTH CALENDAR DAY FOLLOWING THE DAY THE PURCHASER OR LESSEE EXECUTED THE AGREEMENT. IF THE PURCHASER OR LESSEE DOES NOT INSPECT THE LOT OR PARCEL BEFORE THE EXECUTION OF THE AGREEMENT, THE PURCHASER OR LESSEE SHALL HAVE SIX MONTHS TO INSPECT THE LOT OR PARCEL AND AT THE TIME OF INSPECTION SHALL HAVE THE RIGHT TO UNILATERALLY RESCIND THE AGREEMENT.

An adequate opportunity to exercise the seven (7) day right of rescission shall be provided by disclosing conspicuously the complete current name and address of seller on the face of all agreements and contracts.

- C. Any real estate sales contract or lease shall conspicuously disclose the nature of the document at or near the top of the document.
- D. Any real estate sales contract or lease of a lot in a subdivision where down payment, earnest money deposit or other advanced money, if any, is paid directly to the seller and not placed in a neutral escrow depository shall conspicuously disclose this fact within the document, and the purchaser shall sign or initial this provision indicating approval in the space adjacent to or directly below the disclosure in the real estate sales contract. The following disclosure shall be written in large or bold print and shall be included in the Disclosure report and real estate sales contract:

“Prospective purchasers are advised that earnest money deposits, down payments, and other advanced money will not be placed in a neutral escrow. This money will be paid directly to the seller and may be used by the seller. This means the purchaser assumes a risk of losing the money if the seller is unable or unwilling to perform under the terms of the sales contract.”

- E. In areas outside of groundwater active management areas established pursuant to Title 45, Chapter 45, Article 2, if the Director of Water Resources, pursuant to §45-108, reports an inadequate onsite supply of water to meet the needs projected by the developer or if no water is available, the State Real Estate Commissioner shall require that all promotional material and real estate sales contracts for lots in subdivisions approved by the Commissioner adequately display the Director of Water Resources’ report or the developer’s brief summary of the report as approved by the Commissioner on the proposed water supply for the subdivision.
- F. See A.R.S. §32-2185.01 and 32-2185.06 for additional information relating to sales and contract disclosures.
- G. For applications seeking CFPB / ILSR Certification, see the CFPB Supplement to this application for CFPB’s rescission language and additional contract disclosures required by CFPB. (CFPB / ILSR, formerly HUD/OILSR)

EXHIBIT “B”

The applicant for Disclosure report shall submit, as part of their application package, a typed Disclosure report on a CD-RW or Flash Drive. The following requirements and stipulations apply.

1. The report must be prepared from the Disclosure report template provided by the Department. (Microsoft Word 2010 or earlier).
2. The report must be prepared as a Word document in Word 2010 or earlier along with a printout in hard copy.
3. All exhibits required for the report must be on the CD-RW (or Flash Drive).
4. All references to leases should be deleted if no leasing is proposed.
5. Statements on the report must be provided in concise, plain language and must disclose all pertinent facts.
6. The CD-RW (or Flash Drive) shall not be password or write protected.

EXHIBIT "C"

CONFIDENTIAL

1. A.R.S. § 25-502(F) STATES: "Each licensing board or agency that issues professional licenses or certificates shall record the social security number of the licensee or certificate holder in its data base in order to aid the Department of Economic Security in locating non-custodial parents or the assets of the non-custodial parents." You must provide the Department of Real Estate with your social security number; however, the number will not be disclosed to anyone other than a representative from another government agency in the course of the representative's official duties.

2. LEGAL NAME: _____

3. SOCIAL SECURITY NUMBER: _____

4. I DECLARE THAT THE INFORMATION IS TRUE AND CORRECT.

5. SIGNATURE OF LICENSEE: _____

EXHIBIT “D”

All applications for Disclosure report must be submitted to our Department, at a minimum, in the following format:

1. All filings must be submitted in a legal size file folder, with documents 2-hole punched at the top, placed on a two-prong ACCO fastener and delivered to the Department in an expanding file folder. Maps may be left off the fastener, folded and placed in the expanding file. **Do not submit notebooks of documents. You may submit your application using sectioned or multiple folders.**
2. On the **left side** of the folder, place:
 - a. Index or Checklist of Exhibits.
 - b. Hard copy draft of the Disclosure report prepared in the Department’s published format.
 - c. Draft Disclosure report (including all exhibits) on a CD-RW (or Flash Drive) that has been formatted for Microsoft Word 2010 or earlier. The CD-RW (or Flash Drive) shall not be password or write protected.
 - d. CFPB Certification documents, if applicable. (CFPB, formerly HUD)
 - e. If subdivision is located outside of Arizona, copy of situs state’s Disclosure report, their equivalent report or other approval document
3. On the **right side** of the folder, place the remaining required documents in the following order and ensure that they are tabbed with exhibit stickers to match the index or checklist:
 - a. Fee payment.
 - b. If expedited, any required forms.
 - c. Questionnaire form.
 - d. Plat.
 - e. Condominium Declaration (recorded) /Attorney’s Opinion Letter
 - f. Title Report
 - g. **Provide the Schedule B items, except the CC&Rs, on a CD-RW or Flash Drive. Submit a hard copy of the CC&Rs.**
 - h. Trust Agreement(s)
 - i. Permanent Access documentation, as needed.
 - j. ADEQ Certificate of Approval of Sanitary Facilities for Subdivisions
 - k. ADWR Certificates or Reports, as required.
 - l. Flood and Drainage Report/Letter
 - m. Engineer’s Soils Report.
 - n. Articles of Incorporation (Homeowners Association), stamped as filed with the Arizona Corporation Commission.

- o. Bylaws (Homeowners Association)
- p. Corporate or Limited Liability Company Certificate(s) of Good Standing
- q. Corporate Resolution(s)
- r. Partnership Agreement(s)
- s. Limited Liability Company Articles, stamped as filed with the Arizona Corporation Commission
- t. Limited Liability Company Operating Agreement
- u. Sales contract and Addenda, if any
- v. Specimen Deed
- w. Financial Assurances for all improvements
- x. Proof of CAGR payment, if applicable.

EXHIBIT "E"

INSPECTION FEE SCHEDULE

FOR PROPERTY LOCATED IN ARIZONA

I. ROUNDTrip MILEAGE FROM

PHOENIX

INSPECTION FEE

| | |
|----------------------|--------------|
| 1-25 miles | \$10 |
| 26-50 miles | \$20 |
| 51-75 miles | \$30 |
| 76-100 miles | \$40 |
| 101-125 miles | \$50 |
| 126-150 miles | \$60 |
| 151-175 miles | \$70 |
| 176-200 miles | \$80 |
| 201-250 miles | \$100 |
| 251-300 miles | \$120 |
| 301-350 miles | \$140 |
| 351-400 miles | \$160 |

A. *These fees in effect as of January 1, 2006*

One upfront inspection fee is to be submitted with your initial filing. If multiple inspections are necessary, additional inspection fees may be charged.

Notice to Applicant Pursuant to A.R.S. § 41-1030

An agency shall not base a licensing decision in whole or in part on a licensing requirement or condition that is not specifically authorized by statute, rule or state tribal gaming compact. A general grant of authority in statute does not constitute a basis for imposing a licensing requirement or condition unless a rule is made pursuant to that general grant of authority that specifically authorizes the requirement or condition.

This section may be enforced in a private civil action and relief may be awarded against the State. The court may award reasonable attorney fees, damages and all fees associated with the license application to a party that prevails in an action against the state for a violation of this section.

A State employee may not intentionally or knowingly violate this section. A violation of this section is cause for disciplinary action or dismissal pursuant to the Agency's adopted personnel policy.

This section does not abrogate the immunity provided by section 12-820.01 or 12-820.02